

The CRE transformation survival guide

6 essentials for staying relevant and driving value in a changing world

JLL SEE A BRIGHTER WAY

jll.com

Imagine you're a corporate real estate (CRE) director in 2005, stepping into a time machine and traveling to the present moment. Do you think you'd feel equipped to do the job today?

At the very least, it might take time to figure out the new lay of the land. In top-performing organizations, CRE leaders now have a strategic mandate to create an exceptional workplace experience that helps attract and retain talent, drive innovation and support business growth. That workplace must be sustainable, tech-enabled, tailored to support individual work styles, and rightsized for a hybrid environment where attendance fluctuates daily.

And you must do it all in a market where quality space is in short supply and the costs of debt, capital and construction are high.

Even if you've been working in real estate throughout this evolution (we see you, seasoned CRE leaders), keeping up with these new demands and the accelerating pace of change will keep you on your toes. The skills and strategies that got you where you are today are still important, but staying relevant and driving value for your organization requires an additional toolkit that includes the agility to pivot quickly as business needs change.

We've put together this survival guide to help CRE leaders navigate the new world order. It's full of tips and insights on the six core things you need not just to make it through, but to thrive during this time of transformation.



01 Business acumen and growth mindset

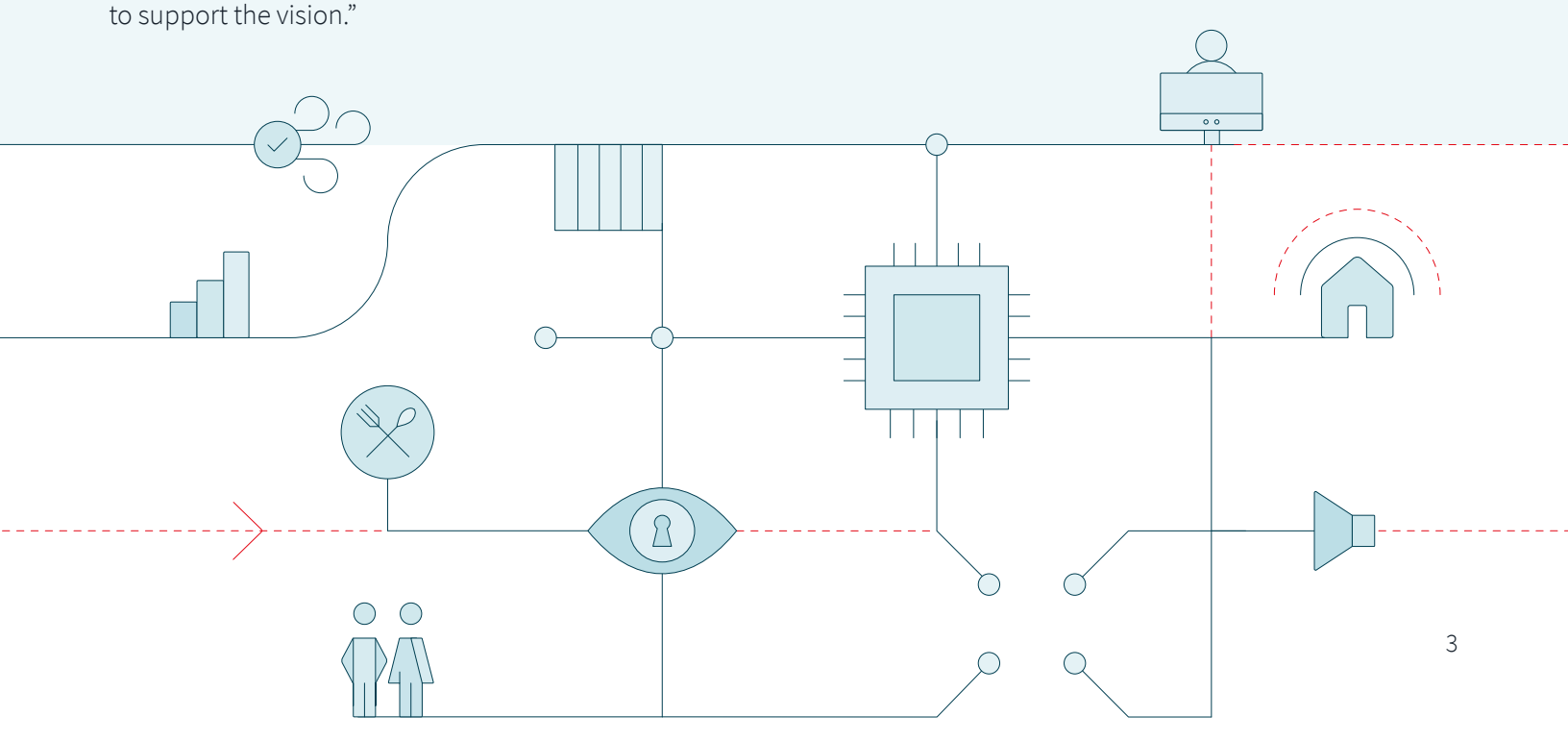
The traditional skills and competencies needed to succeed as a CRE leader are only a baseline today. Yes, you still need to be skilled in transactions, project management and many other technical areas, but a strategic, growth-oriented mindset distinguishes the good from the great CRE leaders — and can earn you a seat at the C-suite table.

Adding value requires a strong understanding of the business so you can assemble the best possible portfolio to achieve business objectives, support the human experience and meet technology imperatives. CRE leaders must become translators of the strategy, not just the executors of space.

"Creating a real estate strategy should always start with a conversation about the business vision," says Truddy Cheung, who leads APAC Workplace Strategy for JLL Consulting Services. "You have to understand where the business is heading so you can make sure your workplaces are well-located, optimized and designed to support the vision."

The required skills and expectations for CRE leaders will continue to change in the coming years. Being able to roll with the punches and evolve with the changing business environment can help you stay relevant throughout business transformation.

"Navigating transformation in an organization amid global uncertainties takes more than resilience," explains Fae Wong, who leads Transformation with JLL Consulting Services in the APAC region. "Transformation is not a one-time project; it's an ongoing process that requires consistent listening, measuring and adjusting. True transformation lives in the everyday: embedding adaptability into how teams work and the spaces that support them. Organizations that thrive are the ones that build a growth mindset into their culture, not just their timelines. It's about fostering a mentality that evolving is not the exception, but the expectation."



02 Relationships

Connecting with the softer side of business is just as crucial as understanding finances. CRE leaders must position themselves as strategic advisors and orchestrators, requiring strong relationships with these key players inside and outside your organization:

C-suite and business unit leaders
Regular conversations with key leaders allows you to create a real estate portfolio aligned with their priorities.

Suppliers
CRE leaders oversee many functions — Facilities Management (FM), leasing and sometimes even technology teams. Nurturing close ties with the vendors and external advisors you hire to support those functions will help drive stronger results.

Peers
Strong CRE leaders stay in touch with their industry peers to understand how other companies are navigating change. Attending conferences and building one-on-one relationships gives you new ideas to bring back to your organization.

Strengthening relationships requires being strategic about how you spend your time.

“Storytelling is an essential skill to master. Communicate clearly around what real estate is doing, the value it’s bringing and how it supports the business strategy,” says Alister Langdon, Global Lead for Transformation with JLL Consulting Services.



03 Data and technology

Data is power. Having the right data at your fingertips helps you understand how to optimize your portfolio, build a business case for your real estate strategies and manage your space more efficiently.

In addition to enhancing your digital fluency, you need powerful technology platforms to collect raw data, analyze it and produce meaningful insights. Rapid advances in AI are continually reshaping the tech landscape, so before you start implementing new tech tools and platforms, make sure you have a strategic vision and the right vendors to give you a competitive edge.

A global tech company wanted to improve real estate operations, but lacked the accurate, timely and consistent data to do so. As the company's CRE partner, JLL conducted a data readiness assessment, identifying more than 60 CRE systems and data sources that could be consolidated to streamline operations. The resulting roadmap simplified operations, saving time and money and improving data confidence and insights.



04 Skilled team

No one expects one person to be an expert across sustainability, technology, occupancy planning, FM, workplace design and the many other areas that fall under the CRE umbrella. CRE leaders don't have to do it alone if they have the leadership skills needed to manage and develop a high-performing team.

"A good CRE leader is like a helicopter pilot hovering above a clearing in a forest," according to Andrew Burt, EMEA CRE Operations Model and Organizational Design Lead for JLL. "From your vantage point, you can see everything happening in the organization and the outside forces impacting your business — and that's critical for you to steer the organization in the right direction."

Building a skilled team with experts in each functional area may mean hiring new talent, investing in training and development, or bringing in industry experts to co-develop strategies and fill knowledge gaps quickly.

When a private university needed to upskill its facilities team in the midst of challenging labor market conditions, it partnered with JLL to embark on a complete transformation of its FM department. The team identified 15 critical role gaps to be included in the new organization model and 47 key actions to jumpstart the transformation.

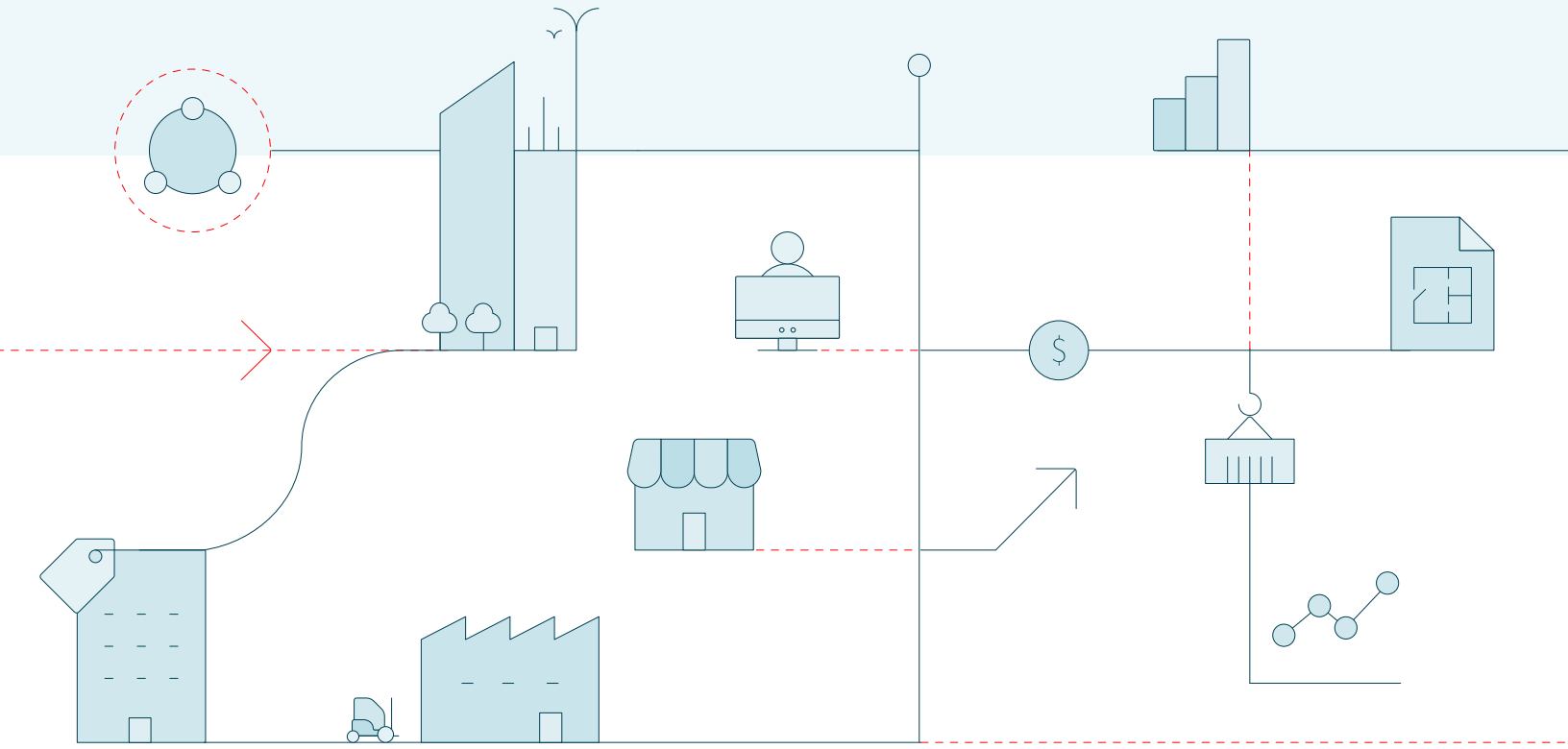


05 Agile operating model

If your real estate operations are misaligned with your company culture or how your organization works today, it's time to rethink your operating model. A well-designed structure will ensure that your people, governance model, technology and processes are aligned with enterprise objectives.

"Optimizing your operations is a strategic imperative that should happen outside of any other CRE project," says Cristina Herrera, AMER Transformation Lead with JLL Consulting Services. "That allows for team growth and helps you avoid falling into old ways of operating and problem-solving."

Transforming a CRE organization to align with enterprise strategy requires a comprehensive approach, as a Fortune 100 consumer goods company discovered when it partnered with JLL to design a future-ready organization. The transformation effort involved creating a new organizational construct, a business case for change, functional charters, new role descriptions and a change management roadmap.



06 Change management capabilities

Even the best strategies can be ruined by bad implementation. A comprehensive change management program is essential to driving lasting impact and realizing the intended ROI of many CRE projects.

Starting early is essential. Involving your change partner at least six to nine months prior to launching a transformation program can ensure the change sticks. The more you involve the people impacted by transformation, the more likely they are to embrace change.

A global life sciences leader discovered this when it transformed its global real estate portfolio, impacting talent at 180 sites in 60 countries. To help employees embrace the transition to a new workplace strategy, the CRE team partnered with JLL to develop a global change program. The thoughtful approach led to outstanding Leesman Index scores, indicating high employee satisfaction with the workplace.



Optimized business models made possible by JLL

You don’t have to be a time traveler to see that how we work has fundamentally changed. The role of real estate is different, too. Business executives now look to CRE to help win talent, achieve sustainability goals, enable digital transformation and spur innovation.

JLL has helped some of the world’s leading companies transform their CRE portfolios and operations to drive greater value for their organizations. From engaging key stakeholders in strategy discussions to developing a roadmap and rolling out changes, we guide you every step of the way.

Let’s talk about how to make your vision transform to reality. Contact JLL Consulting Services today.



About JLL

For over 200 years, JLL (NYSE: JLL), a leading global commercial real estate and investment management company, has helped clients buy, build, occupy, manage and invest in a variety of commercial, industrial, hotel, residential and retail properties. A Fortune 500® company with annual revenue of $23.4 billion and operations in over 80 countries around the world, our more than 112,000 employees bring the power of a global platform combined with local expertise. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAY℠. JLL is the brand name, and a registered trademark, of Jones Lang LaSalle Incorporated. For further information, visit jll.com.

JLL SEE A BRIGHTER WAY