



CRE Tech Talks

Episode #16: **The 4 Commercial Real Estate Trends You Need to Know in 2018**

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1. The World is Changing and CRE is not Immune.

The largest change involves market pressures that are affecting the operational side of the Commercial Real Estate industry. Firstly, the millennial generation is the single largest generation in the workforce. In college they learned to work differently, which involved technology, the ability to work in places other than a desk, and a particular interest in community-oriented working environments. This concept, brought over into the workforce now, impacts the way occupiers use the space in an office building. Today's workforce wants to work differently and companies want the greatest workers. This has led to a second shift, which is that a Property Manager's primary goal now is to help tenants hire and retain talent. Because of these trends, Property Managers are rethinking the way that they are delivering space.

2. High-Performing CRE Building Teams Operate Differently.

Building Engines' recent [CRE operations research](#) found that "high-performing" commercial building teams do a few things differently. One quick takeaway is to make sure you serve your tenants well and to hold yourself and your teams accountable. High performers are much more likely to provide tenant service according to written standards and to document delivery against those standards. It is not about having a large quantity of team members on Property Management staff, it is about having the *right* people in roles and enabling them with the right processes and tools. You do not have to over-staff to be more effective! Additionally, Property Managers who were more optimistic about change in the industry and more proactive tended to work at higher-performing buildings.

3. Benchmark, Benchmark, Benchmark!

If you can document in a comparative way internally and/or externally versus others in your own competitive market, you are taking a step in the right direction. You want to make sure your performance is in line with the market and that you have the ability to see where you are underperforming compared to your market. Things are changing so rapidly, you cannot keep using the same methods you were using 3+ years ago; you need to be open to adapting to the market changes and have clear visibility into what is going on in the market. Benchmarking is

key to all of this, and requires first and foremost access to operational insights across your properties.

4. Technology Will Empower a Future of Better CRE Property Management

Property Managers who read the [results of this study](#) should recognize they have power here, and control over what they *can* do. What you can do today is start to emulate some of the practices that high performing buildings leverage. For example, the way you communicate with the public and your market. Consider the way these organizations are using technology - and ask yourself: "Is our technology adoption enabling the things we are doing day-to-day? Is our technology creating greater efficiencies? Are we getting the right data back to measure our performance and hold ourselves accountable?" You have the power to adjust and embrace an optimistic, proactive mindset as you face your own market evolution.

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