



Five Reasons Why Real Estate Tech Matters Now More than Ever

For the last two decades, as companies thought through where technology fit within real estate and facilities business functions, it was often in a very targeted way. Whether there was an initiative to weave facilities management capabilities into an enterprise employee self-service portal or to improve space reservation through investments in kiosks and applications, real estate teams thought of technology as a tactical enabler of activities in the portfolio and function. In 2019, real estate teams were driven to take their paper contracts out of fire safes and key them into lease systems, prompted by their lease accounting brethren racing to meet new FASB reporting requirements. And while this represented a new horizon for companies to rethink real estate technology, there was still an opportunity to think about real estate technologies more strategically and how they could work together in support of the workplace. As we look ahead to operating in the Next Normal, have the stars aligned—finally—for companies to realize that a comprehensive real estate technology strategy is no longer aspirational? It will soon be table stakes.

Workplace technology includes the platforms, applications and hardware leveraged by workplace consumers and managed by workplace suppliers. Three layers of capabilities work together to provide a comprehensive workplace technology ecosystem.

Foundational

Baseline systems that are at the core of workplace operations such as integrated workplace management systems, building management systems and other key enterprise applications:

Enabling

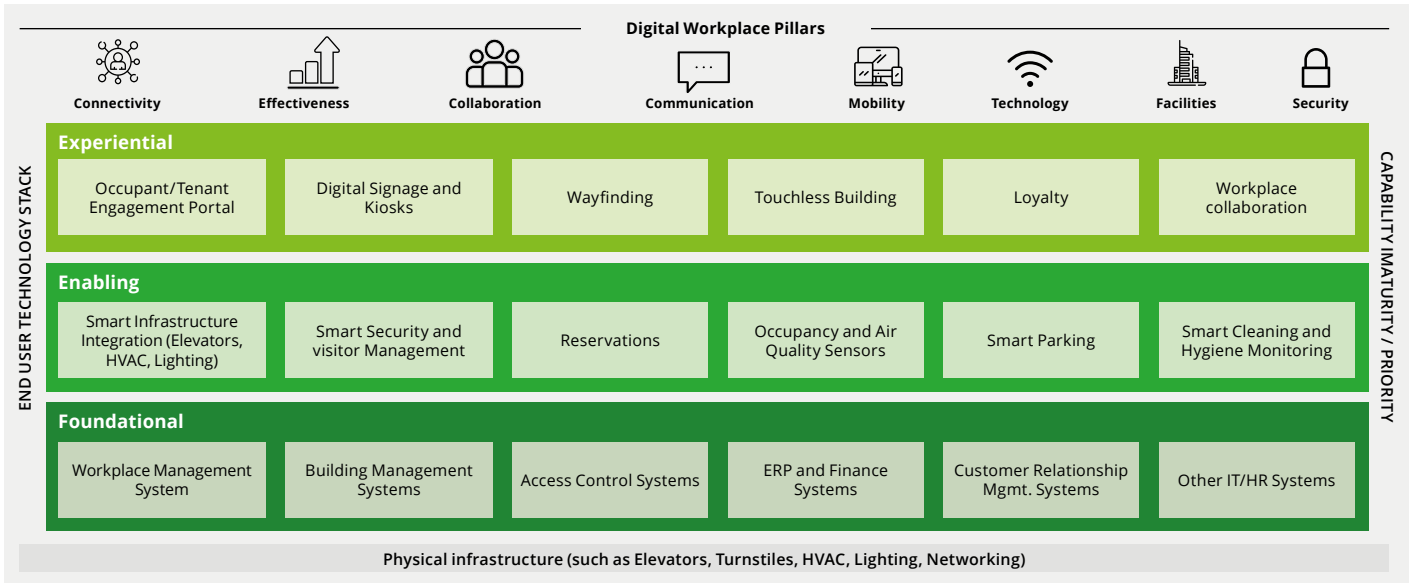
Smart building technologies that bridge the physical and digital worlds such as connected building infrastructure, occupancy sensors and parking management

Experiential

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The Next Normal as Driver of a Complete Workplace Technology Vision



The foundational, enabling and experiential framework has been right sized to a CRE construct and when applied to a facility or campus there may be additional infrastructure elements to shape a complete vision

While understanding the building blocks of a workplace technology ecosystem is critical in developing a technology strategy, it's also just the start. To implement a workplace technology vision, every organization needs to spend time at the outset in defining the pillars, priorities and timeline for their own transformation journey. In our experience, there are five key considerations that should be top of mind.

1. Intentional and adaptable

The whole of a workplace technology ecosystem is comprised of a constellation of supporting applications, platforms, and equipment. Regardless of whether you are building from legacy components or starting from scratch, each building block should be purpose-built and aligned to your organization's workplace technology vision.

Questions to Ask:

What use cases need to be met? How does the sum of parts complete the whole? What are the interdependencies across foundational, enabling and experiential layers?

Technologies to bring to life:

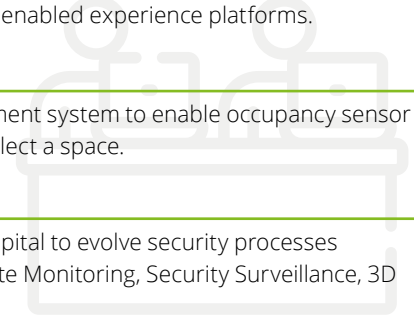
Workplace management systems, integrations with enterprise platforms, smart buildings, mobile enabled experience platforms.

Example:

Space planning will require the foundational layer of polylined floor plans in a workplace management system to enable occupancy sensor technology at workstations and experiential mobile reservation capabilities for the end user to select a space.

Case Study:

Client contemplated the strategic balance of using Unmanned Aerial Vehicle (UAVs) and human capital to evolve security processes given an organizational emphasis on safety; UAVs integrate with other technologies for Remote Site Monitoring, Security Surveillance, 3D Surveys and Inspections



2. Fundamental new normal

A future workplace is agile and requires closing the gap between accessing information and taking action. As Employees have more choice and control over where and when they work, organizations will be increasingly interested in understanding their behaviors, patterns, and actions. Historically, it could take weeks to analyze and understand occupancy and utilization metrics. Tomorrow, workplace leaders will need to know who was in the workplace and where—in real time

Questions to Ask:

What types of workplace data do I have on hand today? What types of data will I need tomorrow? How am I using data to inform workplace strategy?

Technologies to bring to life:

Workplace sensors, data lakes, dashboarding tools, machine learning

Example:

Instead of reviewing badging data to retrospectively understand which individuals were on site during a given period, dashboards can present snapshots and heatmaps of your workplace population—from a moment in time to real time—on demand

Case Study:

A global services firm is reimagining how to advance the frictionless user experience based on real-time occupancy and utilization patterns. While balancing privacy concerns with user experience, this company is able to use business logic built on live headcount to adjust heating, lighting, and other IOT-enabled devices.

3. More predictive, less reactive

Leveraging data from all three layers of the workplace technology ecosystem together with emerging and established AI technologies, resources can be freed-up to focus on workplace value creation based on predictive insights and automate resolution of business-as-usual issues.

Questions to Ask:

What workplace management activities are repetitive? What are the common failure points and workplace delivery (?) issues? Where do the opportunities exist for to reduce operational expenses and increase availability?

Technologies to bring to life:

Machine learning, robotics, smart infrastructure, natural language processing

Example:

Smart facilities that can anticipate internal and external factors will impact how the facility needs to be managed—rainy day may mean 10% less people on-site, adjust HVAC and cafeteria supply

Case Study:

A large technology company deployed use of Fault Detection and Diagnosis (FDD) across 125 buildings, 30k pieces of equipment and 500M data points. The resolution of faults is automated and 48% are resolved within 60 seconds

4. Highly experiential

Technology that still seems like science fiction is a reality today and there are innumerable applications within the workplace. Organizations should prioritize accelerating technologies that allow us to work together without being physically together.

Questions to Ask:

What does a consumer-like experience look like for our organization? Is our solution centered on the use case or the human executing the use case? How do we enable barrier-less collaboration among your geographically diverse teams?

Technologies to bring to life:

Augmented reality, virtual workspace, collaboration platforms

Example:

Augmented reality that allows a project team to meet and collaborate in a virtual conference room, each being able to review and edit a “widget” through smart lenses while meeting through a connected file sharing platform

Case Study:

An automotive leader is using tablet-based augmented reality applications to work with a global team in the vehicle design process, leveraging a physical model overlaid with a digital skin that can be manipulated by the geographically dispersed design and engineering resources

5. Over imagine and under resource

In the world of workplace and property technology, there are many innovative solutions in the marketplace with varying degrees of maturity and capability. And the landscape is changing every day. While it's critical to build a strategic vision for workplace technology, you need to ensure that it's right sized, realistic and fit for purpose so that your organization can maintain and build upon without overwhelming your "end users", whether key facilities stakeholders or the workforce at large.

Questions to Ask:

What capabilities are critical to the delivery of an experiential, highly available workplace? Where does the overall organization stand on the technology adoption and maturity curve? What criteria should be used to prioritize between must-haves and nice-to-haves? Do our real estate technology ambition align with our current state capabilities?

Technologies to bring to life:

Project portfolio management system, integrated planning and forecasting solutions, enterprise data warehouses

Example:

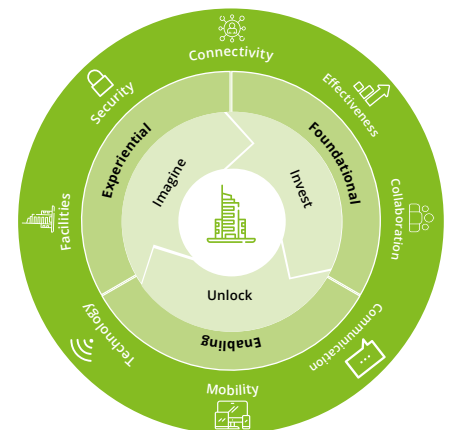
Establishing an enterprise strategic initiatives team to identify, prioritize and pilot digital projects, supported by a robust business case and accurate, timely real estate portfolio data

Case Study:

Following a digital strategy/transformation effort, client expanded digital capabilities and built a Digital Project Management Office (PMO)/Self Regulating Organization (SRO) to identify, prioritize and pilot digital projects, supported by a business case.

A value chain is unlocked when workplace technologies are integrated successfully within physical workspace and guided by the strategic pillars of digital workplace. This allows for cost savings realized from strategic operational decisions informed by Foundational capabilities to be re-invested in the ever-evolving Enabling and Experiential layers of a workplace ecosystem.

While it may seem daunting to consider a transformation as extensive as one that—quite literally—touches an organization's entire physical real estate portfolio, an ecosystem by definition is made up of subsystems, each of which can be defined, evaluated and implemented on their own timeline. The first step is envisioning what a successful real estate technology ecosystem looks like an individual organization's unique circumstances. From there, with an incremental investment, the journey can continue to adapt to new realities, with a technology footprint that evolves deliberately and strategically—for whatever the Next Normal looks like.



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