



HOW TO PREPARE FOR THE WORKPLACE OF THE FUTURE

BUSINESSES HAVE FACED MANY UNEXPECTED CHANGES DUE TO PANDEMIC-RELATED DISRUPTIONS, AND THESE HAVE MADE LASTING IMPACTS ON THE WORKPLACE.

The lessons learned have prepared market leaders to prioritize flexibility and agility in planning for workforce and workplace needs. Achieving these objectives requires unbiased support. When entering into lease agreements, businesses should ensure to leverage support from experienced, conflict-free advisors, or risk finding themselves with costly, inflexible leases.

Your organization has an opportunity to create a competitive advantage by capitalizing on new market conditions and workforce trends. Using predictive forecasting tools and scenario modeling can help devise practical portfolio optimization strategies that will enable you to act decisively. By taking a proactive approach to your real estate and facility planning, you can respond rapidly to operational changes, unlock significant productivity enhancements and achieve material cost reductions.

Increasing agility and preparing for the road ahead calls for assessing specific aspects of your organization to identify potential improvements. Review the checklist below to measure what stage your organization is at in preparing for the workplace of the future.





ESSENTIAL

- ▶ Assess the efficiency and continuity of running your operations with a remote workforce.
- ▶ Evaluate the potential tax implications of a remote workforce.
- ▶ Measure and compare pre-COVID and current portfolio performance.
- ▶ Gain clear visibility into total occupancy costs.
- ▶ Understand the changes to office space you need in the near term.
- ▶ Complete contract audits of material occupancy costs, including IFM contracts, lease audits and high category spend items.
- ▶ Conduct a Voice of the Employee Survey to gather data on their needs and preferred ways of working.
- ▶ Plan for office safety and sustainability upgrades when employees return to the office.
- ▶ Update the business resilience and continuity plans.
- ▶ Implement a market test process for validating current outsourced partners' costing and services.

ENHANCED

- ▶ Complete financial, supply-and-demand and occupancy modeling to produce a comprehensive view of potential outcomes. Engage objective, experienced experts to facilitate that modeling.
- ▶ Develop a prioritization matrix to close, consolidate and renegotiate or restructure locations and validate the locations needed.
- ▶ Create a market view for specific key locations.
- ▶ Avoid conflicted advice that could lead to suboptimal decisions and actions.
- ▶ Build a project plan to manage prioritized opportunities.
- ▶ Outline the business case for change that identifies cost to achieve savings and ROI.
- ▶ Implement a PMO to ensure savings and outcomes are driven, measured and achieved.
- ▶ Evaluate organizational structure across the enterprise, including Real Estate/Facility Organization.
- ▶ Reexamine the current operating model to determine core services and functions with the potential for outsourcing.
- ▶ Analyze needed roles, responsibilities and capabilities—as well as spans and layers—within the CRE organization to leverage skills and eliminate redundancy.

EVOLVED

- ▶ Review and optimize currently outsourced or out-tasked functions (number of vendors, vendor spends, cost category spends, service levels, etc.).
- ▶ Determine the best go-to-market strategy to capture economies of scale for desired outsourcing requirements and bid process management.
- ▶ Leverage independent expertise in optimizing operating model structure and outlining alternatives.
- ▶ Examine SG&A costs across all spend categories to assess supply and demand and reduce cost for improved contract lifecycle management.
- ▶ Test market conditions with a formalized outreach plan for existing landlords to understand potential lease restructures.

SMART

- ▶ Review current-state technology across the organization.
- ▶ Improve the digital experience by rolling out concierge apps, advanced portfolio analytics, dashboard reporting and more.
- ▶ Implement digital capabilities that support operations for critical supply chain impact areas.
- ▶ Track utilization through IoT sensors and provide real estimate data analytics.

CONTACT

DAVID BRADFORD

Managing Director
Corporate Real Estate Advisory
602-293-2359
dbradford@bdo.com

ROSS FORMAN

Managing Director
Corporate Real Estate Advisory
904-396-4016
rforman@bdo.com

MICHAEL PAPPAS

Practice Leader
Corporate Real Estate Advisory
212-885-8429
mpappas@bdo.com

BDO is the brand name for BDO USA, LLP, a U.S. professional services firm providing assurance, tax, and advisory services to a wide range of publicly traded and privately held companies. For more than 100 years, BDO has provided quality service through the active involvement of experienced and committed professionals. The firm serves clients through more than 65 offices and over 700 independent alliance firm locations nationwide. As an independent Member Firm of BDO International Limited, BDO serves multi-national clients through a global network of more than 88,000 people working out of more than 1,600 offices across 167 countries and territories.

BDO USA, LLP, a Delaware limited liability partnership, is the U.S. member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms. For more information please visit: www.bdo.com.

Material discussed is meant to provide general information and should not be acted on without professional advice tailored to your needs.