



News

CONTACT:

Richard Kadzis, CoreNet Global
+1 404.589.3200

rkadzis@corenetglobal.org

Aaron Cohen, Imre Communications
+1 202.547.0500

aaronc@imrecommunications.com

Right Tool, Right Job: Peak Performance for Corporate Real Estate with Client Relationship Management (CRM) Tools in the Toolbox

Good business processes also key, according to new CoreNet Global Research

ATLANTA, June 27, 2006 — Corporate real estate (CRE) departments within large organizations, looking to tie CRE more closely to company objectives, will find that success lies in effective business processes rather than new software tools, according to a new report from CoreNet Global's Applied Research Center.

According to the report, CRM activities within large organizations are considered successful when a well-defined CRM process is in place. The report also concluded that while the development of software tools to support CRM is important, the level of sophistication does not create optimal client relations without an equally effective process to manage client relations. The Applied Research Center report also concluded that sophisticated tools often originate in the business and are adapted by CRE.

To arrive at its conclusions, the Applied Research Center recently surveyed the top CRM specialists with Fortune 500 companies to examine the collaborative decision-making relationship between an organization's real estate group and the various business units it supports.

"Consistently, survey respondents tell us that CRM is the secret sauce to integrating real estate with the rest of the business," said Eric Bowles, Director of Research for CoreNet Global. "As real estate increasingly becomes a strategic function of large companies, marrying its role back to the core functions of a business is a strategic imperative," Bowles adds.

CoreNet Global's survey found that CRM is a necessary core component consistently kept inside the organization; with survey respondents ranking it as one of the highest internally staffed real estate functions along with facilities management and workplace design and planning.

The survey indicated that most companies have not yet made the leap to formally link performance evaluation and compensation for relationship managers to the success of the business unit.

The report also concluded that the CRM activities performed with the highest degree of effectiveness are not always the same CRM activities considered to be the most important to the respondents who were surveyed. What's more, the most important activities are less frequently supported with formal processes and tools than other CRM activities.

Survey respondents indicated that some of the most important CRM activities include understanding the business unit organization, strategies and objectives and translating business strategies and objectives into real estate space demand assessments. Respondents also deemed balancing the concerns of the business units versus those of the overall organization important.

CoreNet Global members manage US \$1.2 trillion in worldwide corporate consisting of owned and leased office, industrial and other space. With 7,500 members representing large corporations around the world, CoreNet Global (www.corenetglobal.org) operates in five global regions: Asia, Australia, Europe, Latin America and North America, including Canada.

###