

# The 2021 Buyer's Guide to CRE Building Operations Technology

CRE Tech Guide

# Introduction

In 2021, commercial real estate (CRE) owners and operators face an uphill battle.

Tenant expectations are rising, budgets have tightened, and competition is increasing. COVID-19 has been a curveball that caused seismic [industry shifts](#), disrupting carefully laid plans.

Amid this change, one theme is clear: Assembling the right tech stack can be the difference between cementing your portfolio's long-term growth or falling behind competitor buildings.

Modern software platforms and point solutions hit the market each day and can help your team work smarter, faster, and more cost effectively. But choosing the right solutions—and avoiding clunky, overpriced, and difficult-to-deploy options—takes research.

However, you don't need to be a tech wiz to evaluate which tools are necessary and which are money-wasters—with the right preparation. Consider the following must-have capabilities and support features when choosing a building operations platform.

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## Chapter 1: NOI Maximization

Given the challenging commercial real estate climate, a solution that doesn't help you achieve a higher net operating income (NOI) is a wasted capital investment. To get the most bang for your buck, look for the following features in a building operations solution.

### Asset Performance Maximization

Failure to perform regular maintenance on a building's equipment inevitably leads to breakdowns and major unplanned capital expense.

A building operations platform should make it simple to maximize asset performance and longevity by:

- ✓ Automating maintenance recording on key equipment such as boilers and HVAC (read Building Engines [Report: The Evolving Importance of Effective HVAC Management](#))
- ✓ Standardizing building inspections
- ✓ Helping you predict and plan for major asset repairs and replacements
- ✓ Providing performance data to help justify replacement costs

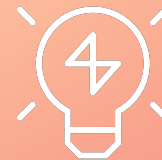
### Ability to Capture All Revenue

Some commercial tenants are downgrading their spaces to accommodate [work-from-home trends](#). For building owners and operators, this means higher vacancy rates and reduced revenue streams. So a platform that eliminates missed revenue opportunities is more important than ever.

For most teams, revenue tends to slip through the cracks via:

- ✓ Missed billables tied to work orders
- ✓ Amenities reservations that don't charge for add-ons or late cancellations
- ✓ Inaccurate building measurement
- ✓ Slow workflows, such as waiting on architects to send or edit floorplans

The right platform will make it easy to record billables at the point of service, customize invoices, and accurately bill tenants without administrative headaches.



#### Real-World Example:

The Feil Organization, a leading NYC real estate management firm, uncovered \$11.7 million in additional revenue by leveraging Prism Space Management, from Building Engines. This is just one example of modern tools helping teams get more value out of their spaces.

## Chapter 2: Tenant and Team Focused

Whichever solution(s) you adopt, the effectiveness of your tech stack hinges on user buy-in. Even the most sophisticated platforms will yield subpar results if users aren't engaged. To win their support, look for solutions that offer the following.

### Roles-Based Experiences

Bombarding users with irrelevant information is a surefire way to hinder adoption. Help teammates cut through the noise with customizable experiences for each user type. This could include different dashboards and streamlined graphical experiences for:

- ✔ Property managers
- ✔ Administrators and property management offices
- ✔ Engineers
- ✔ Leasing brokers

This way each user sees only the most relevant information—increasing productivity and positioning them to more consistently delight tenants.

### Mobile Capabilities

The modern workforce is more dispersed than ever, and CRE is no exception. But dispersed doesn't have to mean disorganized. A winning tech stack will offer [mobile app functionality](#), giving users key platform features in the palm of their hands.

With a truly mobile platform:

- ✔ Engineers can complete tasks from anywhere, including areas without cell reception.
- ✔ Property managers can initiate work orders or inspection tasks during walkthroughs, or wherever they see issues.
- ✔ Tenants can request work orders, reserve building amenities, and send feedback about your team straight from their mobile devices.



The average person checks their smartphone [58 times a day](#). To engage tenants and motivate employees, it's important for property teams to offer mobile capabilities.

## Workflow Automation

Property teams need an intuitive way to automate the more tedious, time-consuming aspects of their jobs.

Such chores include:

- ✔ Creating and sending RFPs—explore [Prism Bid Management](#) to see how modern solutions can take the headaches out of finding and managing vendors
- ✔ Tracking certificates of insurance (COIs)
- ✔ Monitoring equipment and key assets to maximize their performance
- ✔ Sending tenant communications

## High-Impact Tenant Communications

Inundating tenants with irrelevant messages is a great way to be ignored. Outdated mediums like the trusty lobby bulletin board engender a similarly low level of response enthusiasm. But you can increase engagement with a platform tool that facilitates frequent, information-rich communication between your team and tenants.

A good building operations platform should have communications tools allowing you to:

- ✔ Reach tenants through preferred channels, including text, email, Slack, or automated chatbot.
- ✔ Customize your audiences to include only relevant tenant, team members, or vendors.
- ✔ Track and manage communication history for each group.



### Communication Matters:

Nearly 50 percent of tenants who rated their building communications as “excellent” during COVID-19 said they were more likely to renew leases.

Source: [US Commercial Real Estate Re-Occupancy Plans and Priorities](#)



## Chapter 3: Comprehensive Deployment

### Deployment and Conversion

Hurrying through deployment without a solid deployment strategy leads to errors, bugs, excess downtime, and reduced user buy-in.

When speaking to a potential vendor, keep in mind the following:

- ✔ Look for vendors who emphasize deployment thoroughness over speed.
- ✔ Deployment should include a detailed assessment of existing systems, data, business initiatives, and policies.
- ✔ Vendors should provide a rock-solid migration plan that leverages best practices.
- ✔ Vendor should be flexible in tailoring plans to the needs and resources of the client. Getting from point A to Z will look different for everyone.
- ✔ To maximize the value of your investment, vendors should include training for all users.
- ✔ Vendors should tailor training sessions to the client and adapt to how they learn best. Approaches can include “train the trainer,” one-on-one sessions, or group training.



## Ongoing Support

Remember: You're not just choosing a platform or tool. You're also choosing people with whom you'll have an ongoing relationship.

A vendor's go-live process should involve more than just flipping a switch and walking away. They should provide a dedicated customer success team to check in regularly, verify the system is achieving objectives, and perform any follow-up training needed.



The Commercial Real Estate Tech Gap,  
a Building Engines survey of 200 property  
owners and operators across the United States,  
revealed:

- ✔ 92% believe technology will deliver business advantages
  - ✔ 30% say their current solution offers only acceptable, or even poor value
  - ✔ 70% believe better operations solutions would improve their bottom line
- 

## Chapter 4: Interoperability and Connectivity

Most property teams work across multiple systems for accounting, leasing, and building operations. This requires sharing data across various applications and legacy systems. A building operations platform with true interoperability ensures cohesive data, facilitates cross-team collaboration, and speeds deployment. To find solutions that can play nicely with others, look for the following.

### Modularity

In the past, solutions with bloated contracts and one-size fits all approaches were the norm. These left buyers trapped in long-term contracts paying for features they never touched. Today, solutions can offer features à la carte and price based on usage. You only pay for the modules you actually use, with the flexibility to add or scale back as needed.

### Open API

An application programming interface (API) enables two or more software programs to transmit data to each other without error-prone steps like exporting, importing, or manually re-entering data across two systems.

A platform with a robust API allows you to easily connect software apps to your existing tech stack. As the CRE industry evolves and new capabilities become necessary (such as connecting your operations platform to your accounting system, or adding tools to promote [vendor diversity](#)), APIs empower your team to integrate systems in a way that reduces manual work.





## Chapter 5: Enterprise-Class Capabilities

One of the most profound shifts in the CRE marketplace has been the growth of third-party property management companies operating not just tens of buildings, or even hundreds—but thousands. These new acquisitions bring an influx of data. The ability to manage, store, and use this data in a secure and effective way is integral to your success and reputation.

(However, if you manage a smaller property and don't have visions of global CRE domination, some of the following features may be superfluous to your needs.)

### Enterprise Scale Application Functionality

Your tech stack needs to manage portfolios of buildings, thousands of tenants and vendors (including all documents and contracts) and millions of pieces of equipment. As your portfolio grows, your platform should scale sufficiently to empower your team to visualize each of these areas and apply configurations to groups of buildings in a quick and easy way.



### Redundant, Resilient, IT Infrastructure

If you choose to upgrade to a modern building operations platform, make sure of its data security and that it offers continuous service. When evaluating platforms, look for:

- ✔ Functionality that allows you to perform key activities such as running reports or accessing work orders during system outages or interruptions.
- ✔ The ability to add new properties to your existing system, without slow, manual data migration or losing data.
- ✔ IT requirements such as external auditing that help ensure your data is compliant with the highest security standards.

Property teams can evaluate the strength of any IT infrastructure by asking about the two R's:

- ✔ **Redundancy** is the intentional duplication of system components to ensure the system's continuous operation if a component fails. This helps **prevent system failures**.
- ✔ **Resilience** refers to a system's ability to recover from a fault **after a failure has already occurred**.



Metric to ask a vendor:

“Annual Uptime” measures the amount of time a hosting system experiences without incident each year. Before finalizing a contract, ask your vendor for independent verification of their annual uptime and outages.

Sample questions to ask a vendor could include:

- ✔ How do you calculate available uptime?
- ✔ What is your schedule for data backup?
- ✔ Is there a disaster recovery/business continuity plan?
- ✔ What is your track record on data breaches?
- ✔ Who is charged with handling, processing, storing, and using personal or sensitive information?

## Tight Security and Compliance

[CRE cyberattacks](#) are increasing and becoming more sophisticated. A secure platform is your best defense against threats like ransomware, distributed denial of-service (DDoS) attacks, or the theft of tenant data or other sensitive information.

And since every dollar counts in a down market, it’s even more important than usual to find a secure platform that prevents easily avoidable fines or lawsuits stemming from non-compliance.

At the enterprise level, a CRE operations platform should:

- ✔ Easily establish and demonstrate compliance with yearly audits
- ✔ Meet common data governance standards, such as [GDPR](#), [SOC II](#), and [ADA](#) compliance
- ✔ Avoid data privacy issues by ensuring that any tenant or employee information is captured by consent and securely stored
- ✔ Offer robust data encryption and intrusion detection
- ✔ Provide single sign on (SSO) support for user authentication



## User Friendly Analytics


More CRE firms are realizing the [power of big data](#). Leveraging robust analytics tools, you can use big data to analyze tenant behavior, provide better experiences, predict lease renewals and devise strategies for tenant retention.

In a data-driven world, data availability isn't a problem. The challenge is finding tools that present this information in a clear, actionable format.

If analytics reports arrive in cluttered Excel spreadsheets or are spread across never-ending dashboards, they're overwhelming and difficult to leverage into [data-driven decisions](#).

Instead, find a platform that can do the following:

- ✓ Pull data from different sources (like accounting and leasing software) and present it in easily digestible views.
- ✓ Let team members [visualize data](#) via dynamic charts and stacking views. This functionality can be invaluable when breaking down vast datasets.
- ✓ Eliminate 'report fatigue' by providing customizable views for different users such as executives, property managers, and engineers.
- ✓ Fuel real-time performance improvement by quickly pulling reports in areas such as tenant amenity usage, work order completion, and turnover rates.



**"The future of the CRE industry is data. Investment in data infrastructure, networks, and analytics will be the competitive advantage for CRE professionals for years to come. The more accurate, up to date and granular the data becomes, the more predictive it will be when it comes to determining whether to purchase an asset."**

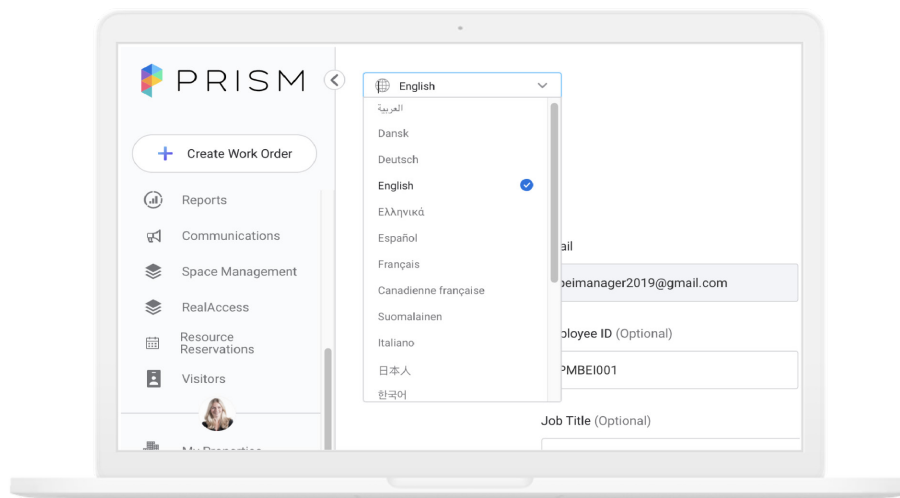
-Ronald D. Marten, CCIM, Forbes Real Estate Council Member



## Global Reach

In larger companies, real estate portfolios often span national boundaries. Other companies with single-country portfolios may have their sights set on expansion.

To manage this, a building operations platform must accommodate multiple languages and currencies, and should simplify compliance with national, regional, and local regulations.



The real estate industry has been historically resistant to change. That stubbornness is receding. In 2019 (pre-COVID), venture capitalists and angel investors poured \$8.9 billion into real estate startups.

# The Future is Already Here— It's Just Not Evenly Distributed

The CRE industry is changing fast, particularly in the aftermath of COVID-19. (Read [7 Keys to a Successful Post-COVID Workplace.](#))

For property management companies with smaller portfolios and no concrete growth goals, it's entirely possible to get by with rusty legacy systems or manual processes. But teams wanting to stay competitive in a changing industry have one option: modernize.

This starts with a tech stack that helps you excel at the day-to-day and plan for future growth. To help property teams achieve this dual aim, Building Engines created [Prism](#), the most innovative and powerful building operations platform for CRE.

User engagement and ease-of-use are Building Engines' guiding design principles. And this approach is backed with more than 20 years of industry experience. Our work ensures you stay ahead of the innovation curve and can meet industry demands few could have predicted even a couple of years ago.

To see how Prism empowers you for the future of commercial real estate, speak to our team of experts today.



[Schedule a Demo](#)

# About Building Engines

Building Engines improves net operating income across the world's most successful commercial real estate (CRE) portfolios. Our customers increase revenue, deliver the best occupant experience, and reduce operating costs with Prism—the industry's most innovative and powerful building operations platform. Today, more than 850 customers—including Beacon Capital Partners, Cushman & Wakefield, and SL Green—rely on Building Engines to manage critical operational needs across more than three billion square feet and 30,000 properties worldwide.

**Exceptional Building Operations. Extraordinary Business Outcomes.**



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