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The 2022 Buyer's Guide for CRE Building Operations Technology



BuildingEngines

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Introduction

In 2022, commercial real estate (CRE) owners and operators continue to face an uphill battle.

Tenant expectations continue to rise, 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 a great 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 But choosing the right solutions—and avoiding clunky, outdated, and difficult-to-deploy options—takes research.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 five areas when choosing a building operations platform.



Chapter 1: NOI Maximization

Given the challenging climate for commercial real estate, an operations solution that doesn't help you achieve a higher net operating income (NOI) is a wasted investment. To get the most bang for your buck, here are some capabilities to look for in a building operations platform.

Asset Performance Maximization

Failing to perform regular maintenance on building equipment leads to breakdowns and major unplanned capital expenses.

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

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

Building Engines partnered with BOMA to survey over 500 property professionals. The report, [The State of Commercial Real Estate Building Operations for 2022](#), revealed:



98% expect their investment in CRE software to stay the same or increase in 2022



Tenant Experience tech was voted the emerging CRE technology most useful to respondents' business, and was their #1 software investment priority



Certificate of Insurance (COI) management was rated most time-consuming and ripe for automation

Ability to Capture All Revenue

Some commercial tenants are downgrading their spaces to accommodate hybrid and [work from home trends](#). This can mean higher vacancy rates and reduced revenue streams for building owners and operators. 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 leasing workflows, such as waiting on architects to send floorplans

A good building operations platform makes 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](#) using Building Engines' space management tools and services. 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 yield subpar results if users aren't engaged. To win user support, look for solutions that offer the following attributes.

Roles-Based Experiences

Bombarding users with irrelevant information is guaranteed to hinder adoption. Help teammates cut through the noise with customizable experiences for each user group. This could include different dashboards and streamlined experiences for personas such as:

- ✔ Property Managers
- ✔ Engineers
- ✔ Owners and asset managers
- ✔ Leasing managers and brokers

This way each user sees only the information most relevant to them—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 from their mobile devices



The average person checks their smartphone 58 times a day.

To engage tenants and motivate employees, it's vital to offer mobile capabilities.

Workflow Automation

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

Such chores include:

- ✔ Creating and sending RFPs—explore [Prism Bid Management](#) to see how a modern solution can take the headache 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 an excellent way to be ignored. Outdated mediums like your trusty lobby bulletin board engender a similarly low level of responses. But you can increase engagement with a platform tool that facilitates frequent, information-rich communication between your team and tenants.

A quality building operations platform should include communications tools that allow you to:

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

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 strategy leads to errors, bugs, excess downtime, and reduced user buy-in.

When speaking to a building operations solution provider, keep in mind the following:

- ✔ Look for vendors who emphasize deployment thoroughness over speed alone
- ✔ Deployment should include a detailed assessment of existing systems, data, business initiatives, and policies
- ✔ Vendors should provide a 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

- ✔ User training is vital to maximize the value of your investment
- ✔ 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 needed follow-up training.



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. Modern solutions offer more flexibility. Look for a platform that lets you pay for only the modules you use, with the option 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](#), open APIs empower your team to integrate a wider array of systems, and in a way that reduces manual work and errors.



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. It's vital to be able to manage, store, and use this data in a secure and effective way.

(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, a building operations platform should scale sufficiently to empower your team to visualize each of these areas and apply configurations to groups of buildings quickly and easily.

A less powerful system will require teams to set up each new asset one by one, increasing the risk of missed data, security threats, wasted time, and frustrated users.

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:

- ✔ The capability 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 lost data
- ✔ IT requirements such as external auditing that 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**.

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, and the theft of tenant data or other sensitive information.

Every dollar counts in a down market, so it's even more important to find a secure platform that prevents easily avoidable fines or lawsuits stemming from non-compliance.

At the enterprise level, a CRE building operations platform should demonstrate compliance with yearly audits, meet common data governance standards (such as [GDPR](#), [SOC II](#), and [ADA](#)), provide single sign on (SSO) support for user authentication, and more.



User-Friendly Analytics

More and more CRE firms are harnessing 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.

Analytics reports that arrive in cluttered Excel spreadsheets or are spread across never-ending dashboards are overwhelming and difficult to leverage into [data-driven decisions](#).

Instead, find a platform that can do the following:

- ✔ Pull data from various sources including accounting and leasing software and present it in easily digestible views
- ✔ Let users [visualize leasing data](#) with dynamic charts and stacking views. This functionality is invaluable when breaking down vast datasets
- ✔ Eliminate 'report fatigue' by providing customizable views for different users, such as executives, property managers, and engineers
- ✔ Quickly pull reports for tenant amenity usage, work order completion, and turnover rates etc. to fuel real-time performance improvement



“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. And some companies with single-country portfolios may have their sights 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 waning. In 2019 (pre-COVID), venture capitalists and angel investors poured \$8.9 billion into real estate startups.



The Future if 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 or no concrete growth goals, it's entirely possible to get by with 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. Prism's open architecture and robust, forward-looking capabilities inspired JLL to acquire Building Engines in October 2021 to become the system of record for commercial building operations across the globe.

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, a JLL company, 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 1,000 customers—including Beacon Capital Partners, Brixmor, and SL Green—rely on Building Engines to manage critical operational needs across more than three billion square feet and 35,000 properties worldwide.



BuildingEngines

Exceptional Building Operations. Extraordinary Business Outcomes.

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