

## 2021 TOP TEN ISSUES AFFECTING REAL ESTATE®

The Counselors of Real Estate®

### Technology and Workflow in the Real Estate Space

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*Technology & Workflow was listed as the #8 issue in the 2020-21 Top Ten Issues Affecting Real Estate® by The Counselors of Real Estate®.*

In a post-COVID world (and a pre-future pandemic world) the combination of migration back to the office, need for reconfiguration and change in operating methods, and the general desire for working remotely and adding resilience is a) accelerating the adoption of technology and b) re-prioritizing certain technologies and moving some in and out of the spotlight.

#### SHIFT IN PRIORITIES

Before COVID-19, our Top Ten new technologies were tools and techniques that were emerging. Post COVID-19, the more dramatic change is the accelerated adoption of technology both new and old.

The pandemic will have a lasting impact on design, development and management of commercial real estate, and especially its operation. There is a new, urgent call for technology to monitor and manage risks—both those related to public health and to risk management in general. Strained revenue, rent levels and values make it difficult to invest in the “new normal” while budgets are being slashed. Notwithstanding this paradox, owners and operators must create confidence for tenants,



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residents, shoppers and visitors to set a floor to this downward trend.

### THE GOLDEN AGE OF THE LATE ADOPTER

In general, new technology adoption occurs at moments of non-tech change—relocation, new construction, or a radical reconfiguration of facilities. Only then do users accept the pain and expense of adopting new systems. This has left a backlog of unimplemented technology in the absence of other changes. The pandemic, the pause, and the restart/ reconfiguration have created a moment like this on a grand scale. “Occasional” tasks are now huge. Small projects are now the only jobs. And the level of change has moved from incremental to dramatic. Late adopters are forced to adopt everything at the same time.

### WHAT’S HOT... TO NICE TO HAVE... TO MANDATORY

Many technologies may go from “nice to have” to “mandatory.” These include: tracking of people in buildings and general geolocation; contactless doors and elevators; humidity monitoring; air and water quality monitoring; airflow and recirculation control; mandatory remote building services; and contractor and facility staff health screenings. Other technologies have moved to the back burner, such as hoteling and conference space scheduling, energy management, and lighting control.

### THREE-PHASED TIMING

Owners, managers and occupants should view asset preservation, transition and reopening, and the new normal in three phases of short, medium and long term, respectively.

#### *Short-Term Asset Preservation (Prior to Re-opening)*

For properties not back in service, remote monitoring of systems, conditions and security are now at the forefront. Plans are needed for maximal remote maintenance of building systems such as HVAC, elevators, parking, lighting and access control. Systems

may already be in place, but not fully or safely configured. This drives review and audit both internally (passwords and backups) and externally (secure remote access and connections). Older non-digital or hard-wired systems will require retrofit for safe portfolio management. In addition, new low- occupancy management routines are needed to ensure safe water, manage mold, and analyze equipment setbacks and manual settings.

We will be sitting further apart for a while, so a lot of reconfiguration is headed our way. Thinking about it requires data and systems that may not exist yet. As such, CAD systems for space planning that were half-implemented or unimplemented are now red-hot topics.

For example, a call center with a grid of workstations requires a 5/6 diminution of capacity to create social distancing. Retrieving some of that diminution requires moving workstations and systems. Restaurants typically have tables and aisle spacing that are inadequate, and reaching appropriate distancing can reduce capacity by half. Minimizing that impact requires space planning.

#### *Medium-Term Transition (Re-opening)*

“Sanitized for your protection.” Transparency in operations is important. Social media and the rapid propagation of information and rumor mean that the demand for information about safety is at a peak. Returning tenants, workers, shoppers, guests and customers expect new property management procedures that inspire confidence in safety. These include highly-visible cleaning schedules, standards for density in common areas, hand sanitation stations, and accelerated installation of public health solutions like touchless entry.

Technology helps with communicating standards such as ongoing reporting of outcomes, measurement of metrics such as avoided site visits and restricted area access by contractors and staff, and testing and monitoring results for selected air, water, and surface conditions. Digital signage, email, apps and texting will represent primary channels of communication.

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### *Long Term (The New Normal)*

This pandemic sets the expectation that there will be others. The new normal will include some of the short-term methods, all of the medium-term methods, and those integrated design-technology solutions that can only happen during new construction.

Common areas tend to be highly sensed with low-cost, high value measurements of multiple aspects of occupancy—proximity, skin temperature, air quality, water quality and surface testing. Facility scheduling is also important, including transparent data about “time since last use,” last cleaning, and shutdown times while waiting for disinfection.

We’ll be seeing electronic distribution of a library of public health use-case solutions that blend design, workflow, and systems to provide optimal choices for work areas, work times, and collaboration for blended in-person and virtual meetings. This will require working with architects, engineers, information technology and

human resources to create these use-cases that foster safety, collaboration, privacy and productivity. Finally, we’ll see smartphone-enabled information about occupancy, airflow and humidity, cleanings, and health testing of colleagues, customers and suppliers.

### **CONCLUSION**

This is a war, but with peace dividends everywhere. Things will be rough, but necessity will move us to better and smarter buildings and operations. Forced adoption of web meetings, safety standards, privacy and collaboration tools and cybersecurity has brought the benefits of technology to even the most resistant users. This, combined with changes in density, use patterns, meeting (in)frequency and movement, is already accelerating the incorporation of technology in the built environment. The result will be spaces that are safer, more efficient, and better prepared for the next big surprise. •



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