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REAL ESTATE ADVISORS

*A Quick Primer for Developing the Position
Description for a Corporate Real Estate Executive*

A BESPOKE REA WHITE PAPER



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specific needs of each client.*

A Quick Primer for Developing the Position Description for a Corporate Real Estate Executive

THE CHALLENGE

The Corporate Real Estate (CRE) world is currently witnessing an increased number of job openings for CRE executives across all industries. Hiring firms seeking senior CRE executives are facing a market in which demand for these existing and projected positions is expected to exceed the supply of qualified and experienced CRE professionals over the next decade.

In our paper “How to Hire a Corporate Real Estate Executive to Support Corporate Strategies” (Crumley, Becker, Fisher, Mendence. Bespoke Real Estate Advisors. 2019), we explored the state of the talent market and recommended the company reevaluate what it wants from its CRE department before embarking on a search for the person to run it. With the current market for senior CRE executives being so tight, a critical success factor to attracting the right prospects is for the hiring company to demonstrate its commitment to CRE and the role it plays in the organization. Another critical success factor to ensuring the job opening appeals to the top talent is a job description that accurately reflects the role and clearly articulates the opportunity.

Often the best candidates are those who are not looking for opportunities. In order to attract those individuals and to ensure the CRE position is filled with top talent possessing the right skills, it is important to create or update the detailed position description for the new or replacement hire. The position description will vary by company and scope of the role, but it is important all departments that work with the role have input and agree on appropriate competencies and the profile of an ideal candidate.

DEVELOPING A POSITION DESCRIPTION

The position description should identify the specific skillsets required for each job. The role CRE plays in the core business, the characteristics of the core business itself, the nature of the real estate assets employed and the types of risks real estate brings to the business should drive which skills are most critical for the senior CRE executive. Understanding areas of responsibility for each role will help to frame the role and ideal recruit.

An effective position description should include the following elements:

- **Overall Scope and Vision:** Details the purpose of the position, strategic and tactical responsibilities, and what the role is expected to contribute to the organization. Additionally, it should delineate:
 - size of budget, both operational and capital;
 - portfolio characteristics including size (measured in square feet and by number of properties), property types, and geography;
 - CRE services delivered to the organization, identifying what is currently internal versus outsourced;
 - to whom the position reports; and
 - direct and indirect reports to the position.

TECHNICAL REAL ESTATE EXPERTISE REQUIRED

Clearly defines the critical and desired technical skills. This section serves as the first level of evaluation for hiring managers, the recruiter and even candidates with regards to suitability of fit.

Inevitably the organization will want someone with a broad knowledge of most of technical aspects of CRE services as listed below (for definitions, see addendum). However, most candidates will have a real depth of expertise in a limited number of areas. Therefore, it is recommended that the organization prioritize those technical skills to identify the company's top two to four areas in which it is seeking a real depth of experience.

- **Technical Expertise:**

- *Asset/Portfolio Strategy*
- *Workplace Strategy*
- *Financial Structuring/Asset Monetization*
- *Site Selection*
- *Asset Acquisition/Disposition*
- *Project Management*
- *Property Management*
- *Facilities Management*
- *Corporate Services*
- *Lease/Owned Property Administration*

SOFT SKILLS REQUIRED

It is important to identify the soft skills required to effectively perform this role. A critical component for any position, these skills are more difficult to evaluate than the technical skills, even for the most experienced of interviewers. Some companies are now employing assessment tools to evaluate some of the softer skills.

- **Soft Skills**

- *Communications skills*
- *Leadership*
- *Vendor/contract management*
- *Relationship management*
- *Corporate Culture & Workplace*
- *Logistics & Supply Chain*
- *Advanced Analytics*
- *Change management*

DUTIES AND RESPONSIBILITIES

Detailing critical job duties and responsibilities should involve all internal departments who will be working with the position. This collaboration will help to ensure that all of those involved in the hire have similar expectations, which can decrease the time it takes to hire significantly as well as support the new hire's success. Duties and responsibilities often are categorized as follows (examples of each category are provided):

- **Leadership** – Typical duties related to leadership include:

- Providing governance and policy guidance to the company for all activities related to the delivery and performance of the portfolio. The individual should have the experience to provide strategic guidance to the company for all CRE activities.
- Directing team and service providers in executing the CRE and facilities strategic and tactical goals with objective of improving revenue, maximizing operating efficiencies and promoting the highest and best use of assets.
- Providing guidance and thought leadership in all matters related to CRE and facilities functions.
- Promoting continuous improvement by championing good process, methodology, technology and training.
- Leading the implementation of lean processes and best practices within the CRE organization.
- Ensuring the ongoing leadership, monitoring and management of vendors' performance in delivering excellent service.

- **Stakeholder Management** – Engaging with key stakeholders and maintaining good relationships with them requires strong communication skills and the ability to work with different roles of varying levels of influence. Typical duties related to stakeholder management include:
 - Aligning department and company strategies. The individual will leverage technical knowledge of the CRE industry and sharp business acumen to communicate effectively and transparently with client executives and their respective teams, with vendors and with contractors.
 - Developing relationships with department heads using collaborative, cross-functional, strategic relationships to facilitate the accomplishment of enterprise-level goals.
- **Planning and Budgeting** – Working with key stakeholders to understand goals and then devising a budget to meet those objectives

is critical. Typical duties related to planning and budgeting include:

- Leading and being accountable for the operational plan, budgeting, finance and corporate activities.
- Developing and ensuring execution of a multi-year plan for the CRE portfolio, in alignment with the company goals.
- Leading the development of capital plans, budget plans and forecasts, including cost efficiency efforts in partnership with finance groups and vendors.

QUALIFICATIONS AND EXPERIENCE

Defining the qualifications and experience required for the role should directly correlate with the expectations of duties and responsibilities defined above. The box below provides a list of items typically included in the qualifications and experience section.

Qualifications and Experience

- *Education: Bachelor's Degree in Business Administration, Finance, Real Estate, or related field.*
- *15+ years of progressively responsible experience in the real estate industry and having held corporate real estate positions or provided corporate real estate services.*
- *Preferred Designations: Defining designations may help to identify best targets.*
- *Must be a strategic thinker, highly organized, detail-oriented, analytical, with problem-solving ability and capable of managing multiple projects and tasks.*
- *Strong project management, customer service, negotiation skills and contracts experience.*
- *Strong understanding of real estate (lease translation), terminology, and financial models.*
- *Strong financial/analytical background with proficiency in Microsoft Office suite applications with emphasis on Excel and PowerPoint.*
- *Demonstrated ability to successfully manage multiple real estate-related projects with delivery of timely and quality results.*
- *Ability to multi-task in a collaborative, fast paced environment; comfort level with metrics and numbers.*
- *Excellent verbal, written communication and interpersonal skills.*
- *Ability to interact effectively with all levels of an organization and management and ability to build broad external networks.*
- *Self-starter and ability to bring a point of view.*

A brief note on experience: To secure a candidate with technical knowledge, strategic competency and business acumen, an employer must look for someone with significant experience in the CRE industry. While every search should include “stretch candidates,” or those who may be ready to move up into the position being filled, it is important to give careful consideration to how much experience is needed. As an organization considers the amount of experience required from the ideal CRE leader, they should give thought to these questions:

- How many annual business cycles, and economic and real estate market cycles has the ideal candidate lived through?
- Have they seen the ups and downs and learned to anticipate and flex with unexpected business and market dynamics?

The position description is considered the road map to follow when hiring and includes all critical data needed to evaluate talent. Given that organizations may be going after candidates already employed elsewhere, it is especially important that the role description emphasizes the selling points to pitch the target market. Why should someone want to join this firm? What are the upsides to this position from the candidate’s perspective? Why would someone that isn’t looking to make a move want to consider this position? What is the culture...and is there a fit?

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Appendix Real Estate Services

- Asset/Portfolio Strategy – development of asset, portfolio and/or sub-portfolio strategies aligned to business strategies in order to support and drive business success a company’s real estate strategies are aligned with its business strategies so that CRE supports and optimizes business success.
- Workplace Strategy – development of workplace environments so as to use the physicality of the workplace to support and foster business objective, collaboration, flexible and agile work, innovation and employee engagement creating workplace environments that support and foster productivity, collaboration, flexible and agile work, innovation, and employee engagement.
- Financial Structuring/Asset Monetization – decisions pertaining to whether it is in the organization’s best interest to own or lease a particular property; monetization of real estate assets to free capital for higher priority corporate objectives determining whether it is in the organization’s best interest to own or lease real estate assets and, when appropriate, how to monetize real estate assets to free up capital for higher-priority corporate objectives.
- Site Selection – analytical approach to evaluating and selecting sites for use by the business taking into consideration business objectives, workforce, supply chain and logistics evaluating and selecting locations for the business – analyzing business objectives, workforce, supply chain and logistics.
- Asset Acquisition/Disposition – purchase, sale, lease, sublease of properties for use by the organization or surplus to the operations evaluating and selecting locations for the business – analyzing business objectives, workforce, supply chain and logistics
- Project Management – design, engineering and construction to move a project from outset to completion designing, engineering and constructing real estate-related projects from conception to completion.
- Property Management – management and maintenance of buildings or properties including servicing of third-party tenants – managing and maintaining properties including servicing third-party tenants
- Facilities Management – management of the facility by delivering services to corporate occupants; often also includes corporate services managing company facilities by delivering services to corporate occupants (often also includes corporate services)
- Corporate Services - management and delivery of general services to the corporation which can include such things as security, reception, mailroom, food service, conference room management, fitness centers, etc. managing general services used by the company, including security, reception, mailroom, food service, conference room management, fitness centers, etc.
- Lease/Owned Property Administration – management and administration of documents and data pertaining to leased and owned property including payment of invoices, billing of rents, tracking of key dates and legal rights and responsibilities. Typically performed utilizing a variety of software programs. – managing and administering documents and data pertaining to leased and owned property, including paying invoices, billing rents to third-party tenants, managing leases by tracking key dates and legal rights and responsibilities, and reviewing operating expense passthroughs from landlords.