

Global Innovator's Finalist List Reads Like a Fortune 500 Who's Who

By Richard Kadzis



Mark Gorman of Nortel Networks chaired the judges' panel for the 2006 Phase II review of Global Innovator's Award finalists held at Harvard University. (Photos by Eric Bowles, CoreNet Global)

CoreNet Global's 'culture of innovation' was on full display 2-3 August 2006 at Harvard University, where the industry's leading practitioners demonstrated the kind of thinking needed to take corporate real estate (CRE) and workplace from the 'efficient' to the 'effective.'

The 10 finalists for the **H. Bruce Russell Global Innovator's Award** reads like a Fortune 500 Who's Who. They gathered to present their case studies to a panel of senior-level corporate real estate executives and academics. The program, now in its eighth year, is sponsored by **The Metro Atlanta Chamber of Commerce, Equis Corp.** and **Gensler**.

During the event, CoreNet Global announced that the January 2007 edition of The LEADER magazine will report exclusively on the finalists' cases as presented at Harvard.

See below for detailed reports on their presentations to the judges.

The winners from the following field will be announced when these finalists and their cases are recognized 13 November 2006 at the CoreNet Global Summit in Florida:

CORPORATE CATEGORY

- Capital One – Future of Work
- H&R Block Center – New Kansas City HQ
- Lockheed Martin – FutureView
- Shell – Real Estate Response to Katrina

SERVICE PROVIDER CATEGORY

- Corporate Portfolio Analytics – Market Intelligence
- Stadtmauer Bailkin Biggins – Triple Bottom Line

COLLABORATIVE CATEGORY

- Colliers Corporate Solutions – The UPS Store
- General Motors & Ghafari Associates – 3D Lean Design
- McKesson & Trammell Crow – M&A Playbook

COMMUNITY REDEVELOPMENT CATEGORY

- GJK Facility Services – Melbourne, Australia Partnership

Special thanks to our judges: Buzz Anderson (Cox); Dan Boutrouss (Sprint); Mark Gorman (Nortel); Mike Joroff (MIT); Renee Leach (Hewlett Packard); Don Moulton (NCH Corp.); Barry Varcoe (Royal Bank of Scotland); and Dr. Jacqueline Vischer (University of Montreal).



Judges deliberated extensively and included (from left) Buzz Anderson (Cox), Barry Varcoe (RBS), Dr. Jacqueline Vischer (Univ of Montreal), Dan Boutross (Sprint) and (foreground) Don Moulton (NCH).



Richard Kadzis (foreground, CoreNet Global) takes notes as judges debating cases (from left) included Renee Leach (Hewlett Packard), Don Moulton, Michael Joroff (MIT) and Mark Gorman.

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GJK Facility Services with Victorian, Australia State Government and The Brotherhood of St. Laurence

They came from Down Under, from Melbourne to the campus of Harvard University more than half a world away, to present their Global Innovator's case.

The team representing a real human interest story had initially submitted its case in the Collaborative Category, but when judges saw the results in a Phase 1 review of the GJK Facilities partnership with the Victorian State Government and Brotherhood of St. Laurence, they reclassified it under the Community Revitalization Category.

It marked the second consecutive year that a community-based case had made it to the award finals.



The GJK Facilities team traveled from Melbourne to present at Harvard. Mario Vella-West (left) and George Stamas (second from left) of GJK presented with Nick Marandos (far right) of the Brotherhood of St. Laurence. They were joined by Elliott Farber of Equis Corp.

"Astonishing achievement can be made when organizations think outside the square. This is the story of three organizations that truly embraced new and innovative ways to achieve mutually beneficial social and business outcomes," insists George Stamas, Director GJK Facility Services.

In April 2003 GJK Facility Services, the Victorian State Government and the Brotherhood of St. Laurence embarked on a journey that would truly test the respective groups. What was ostensibly a modest cleaning project, "The Cleaning, Grounds Maintenance and Waste Management Contract" at the Collingwood and Atherton Gardens Public Housing Estates in Victoria, Australia (akin to public housing projects in urban America) resulted in a commercial, collaborative service offering.

"This project could potentially change the face of long term unemployment nationally and significantly impact local communities at large," relates Stamas.

GJK had bid on and won the contract (valued at approx \$2.8 million) over an eight week period. The project involved significant financial risk, innovation and, above all, the requirement to engage some of the most financially and socially disadvantaged people in Victoria to their facilities management team.

Not only would they be required to train and manage people who in some cases represented the long-term unemployed, they would be required to integrate them within the existing GJK staff and organization.

Due to prior services that were lacking at best, the public tenants were generally skeptical of GJK and their staff. This would make the recruitment and management of public tenants to GJK more difficult, as well as the perception by the public tenants as a whole imperative to the success of the Public Tenant Employment Clause (PTEP).

The PTEP Clause specifically stated that "the successful contractor (GJK) would be required to employ a minimum of 25% effective full-time employees across (the) housing estates within three months of the contract's commencement and 35% effective full-time employees within a 12-month period (for the purposes of cleaning and maintenance)."

Mario Vella-West, GJK's CEO, adds that, "Through working in the collaborative partnership, GJK was able to gain actual insight to the issues of the public tenants at the housing estates and therefore strategies in dealing with problems that were not previously experienced by their organization. This meant that GJK was able to be part of a business environment within which all parties were to benefit - by being able, as a whole organization, to understand the issues of the estates and be part of a successful commercial and social outcome."

Training and mentoring were key components of GJK's service commitment and were integrated as part of their ISO accreditation as an indication of their day-to-day commitment to quality. GJK was able to draw on many years' experience in 'upskilling' new workers to the industry and focused their bid accordingly.

"It was a requirement that all GJK employees hold a minimum Certificate II progressing to Certificate III qualification in Asset Management (Cleaning Operations)," Vella-West explains. "Given that the unskilled workers would not have met this requirement it was submitted that 'on the job' training and intensive training sessions focusing on cleaning and work skills would be undertaken by GJK's training partner, Southern Edge Training.

The cost of training would be at commercial rates but would be offset by government training subsidies.

The GJK Training Plan was exhaustive and represented unprecedented opportunity for unskilled workers, and in many cases even second generation unemployed, to have a new career, quality of life and contribute substantially to the environment in which they lived.

The training plan aimed at having a collaborative approach between GJK Facility Services, the Victorian State Government and the Brotherhood of St. Laurence with strong lines of communication, team work and Key Performance Indicators (KPI's).

Ultimately, GJK would implement best practices and benchmark against KPI's with other commercial facilities and maintenance contracts in Melbourne.

The integrated plan worked, raising employment levels, reducing drug traffic and use, cutting crime, increasing productivity surrounding the maintenance of the estates, and most of all instilling a sense of worth and well-being in the residents who 'bought into' the program.

Quoting the social philosopher Walter Anderson, Nick Marandos of the Brotherhood of St. Laurence observes, "The most difficult risk we can take is to be honest with ourselves."

From the standpoint of everyone involved - GJK, the state government, the Brotherhood and of course the residents of the housing estates - taking full stock of their ability and the will to overcome substantial social and systemic odds was a key 'intangible' in this remarkable success story.

It's a story that will be added to the CoreNet Global Community Reinvestment Challenge "Best of the Best" including cases like East Lake in Atlanta, and the Arsenal Hill neighborhood of Hartford, a winner via the Northside Institutes Neighborhood Alliance of area financial institutions of the 2005 Global Innovator's Award.

As one would expect, the final outcome is promising. The GJK model is being adapted to other public housing estates in Victoria, and the state government praised the company's initiative: "This was the first public tenant employment clause in an office of housing contract. Your efforts and commitment have made it a very successful pilot. It will be used as a model to extend the program in to other Office of Housing Contracts."