



## NEWS RELEASE

**CONTACT:**  
**Richard Kadzis**  
**CoreNet Global**  
**+1.404.589.3240**

### **Corporate Real Estate Strategies Play Significant Role In Overall Planning As Firms Cope With Economic Downturn; Strategies Being Implemented Now As Cost Savings Measures Will Facilitate Growth During Rebound**

**ATLANTA, GA (28 June 2010)** – As companies seek new ways to enhance profitability in the wake of the economic downturn, corporate real estate strategies play a large role in shaping the overall business direction, according to a survey conducted by CoreNet Global, the 6,500-member international association of corporate real estate (CRE) and workplace executives, along with Atlanta-based Georgia State University and Finland-based Aalto University.

Changes being implemented today, as primarily cost saving measures will become avenues for growth when the economy rebounds, according to the survey.

“There was an oversimplification in the past when it came to managing corporate real estate, primarily related to how many square feet a firm had or didn’t have,” said Michael Anderson, Manager of the CoreNet Global Research and Knowledge Center. “Today, that no longer exists. The management of workplace settings, allowances for mobile work, and collaborative environments are all elements of a comprehensive real estate strategy that has significant implications for the corporate bottom line.”

In the survey, a strong majority of 71 percent of the respondents reported that their organizations have a formal real estate strategy, indicating that their firms recognize that corporate real estate management can add value to the firm and that they are taking an organized approach to real estate decisions.

The survey points out that corporate real estate managers are currently focusing on profitability rather than growth, usually by reducing real estate costs. This means in some cases increasing the virtual aspects of the workplace and forgoing environmentally friendly enhancements if they do not directly reduce expenses.

**(more)**

## **Physical location still a priority**

Even with the current focus on remote workspaces and locations – accommodations for mobile work, teamwork space and teleconferencing facilities ranked among the most important attributes of the workspace -- companies still seek physical office space that is accessible to their labor force via major roads and highway infrastructure.

For many firms, specifically those involved in real estate, financial services, manufacturing and technology, the physical real estate also serves as a marketing and sales tool, tying CRE to the corporate brand and brand reputation.

Design of physical structures that accommodate teamwork and openness/visibility are rated as important. Technology, manufacturing, and business services firms place an emphasis on open floor plans. Firms that occupy just one office location are less likely to look for multipurpose space. The workspace social factor emerges in the value placed on spaces that encourage teamwork.

## **Turning Savings into Growth Plans**

Today's embrace of technology to reduce space requirements and allow mobile work – as a means of reducing expenses -- will be tomorrow's strategy of fostering growth through creating workspaces that support innovation and sales through collaboration across workspaces, as conditions improve, according to the study.

*Methodology:* The survey of CoreNet Global's membership yielded results from 271 senior level real estate managers of various sized companies in a range of industries and from all global regions. The survey was conducted by CoreNet Global, along with the Georgia State University's J. Mack Robinson College of Business and Aalto University in February 2010.

**CoreNet Global** is the world's leading association for corporate real estate (CRE) and workplace professionals, service providers, and economic developers. Our 6,500 members, who include 70% of the top 100 U.S. companies and nearly half of the Global 2000, meet locally, globally and virtually to develop networks, share knowledge, learn and thrive professionally.

For more information, visit [www.corenetglobal.org](http://www.corenetglobal.org)