



WORKPLACE BUSINESS STRATEGY

at a top 5 US Bank

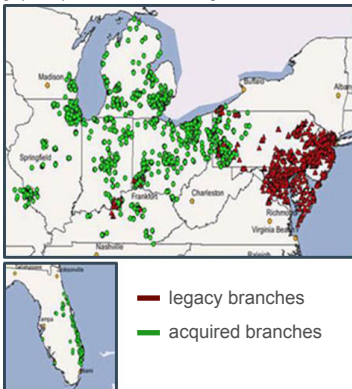
More than quadrupling in size since 2003 through acquisitions, this top five US bank defines a long-term real estate technology strategy to transform into a more efficient, forward looking operation.

“After acquiring [large national bank] and seeing our portfolio more than double in size with a single transaction, we realized Corporate Real Estate did not have the technology platform or organizational strategy to handle growth of that magnitude. Following our integration with [large national bank], we saw that the light at the end of the tunnel was the potential of the next big acquisition coming at us in the form of a freight train.”

- Chief Operating Officer, Corporate Real Estate

With more than \$290B in assets and a 150-year history, this financial institution is a top five US Bank as measured by deposits and the number of branches. A highly diversified and growing financial services organization spanning the retail, business and corporate markets, it provides everything from personal banking services to wealth management, business banking and corporate & institutional services for organizations all over the world.

graphic representation of bank merger



The institution has weathered the ongoing credit crisis better than most regional banks and has remained financially strong thus maintaining growth opportunities through acquisition of more than a dozen smaller banks over the last several years. With the latest acquisition of another national bank, the institution actually has acquired and integrated a larger organization than themselves as measured by deposit base, employee headcount, branch count and overall real estate holdings.

Responsible for addressing all aspects of the institution’s real estate needs, their Corporate Real Estate division is an organization whose primary function is the management and disposition of owned and leased real estate assets for the company, its subsidiaries and affiliates. The organization is staffed with specialists in Real Estate, Project and Construction Management, Space Planning, Facility Operations, Finance and Accounting, Corporate Responsibility and Information Technology.

Relying heavily on the individual talents of the Corporate Real Estate organization to successfully navigate the newly acquired bank integration with very little in terms of relevant or usable technology or data coming over from the acquired company, the team came to several conclusions. First, after quadrupling in size over the last decade, they had transformed into a very different organization. Second, their technology platform had been designed and implemented in the early 2000’s timeframe. What served them well in 2001 was in many respects no longer adequate to meet their evolving needs. Third, the state-of-the-art in Corporate Real Estate technology, such as Integrated Workplace Management Systems (IWMS), had advanced dramatically.

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THE FACTS

- Industry: Financial Services
- Space: > 30M SF
- Employees: 59,000
- Branches: > 2,500
- ATMs: > 6,500
- Leases: > 2,400
- Work Orders/Month: > 10,000

CHALLENGE

Development of a comprehensive technology strategy across the entire Corporate Real Estate spectrum of services. The strategy should be informed by the challenges in the current state environment and all recommendations and solutions should be based upon generally accepted best practices in the industry for process and technology enablement in a geographically distributed major building and retail branch environment.

SERVICES PROVIDED

- Project scoping and design
- Current state process workshops (over 30 functional areas)
- Current state process analysis and documentation
- Current state systems schematics
- Documentation of current state issues and opportunities
- Summarized findings and recommendations
- Detailed future state functional and technical requirements
- Off-the-shelf technology solution identification
- Research and detailed analysis of 12 candidate solutions
- Recommended short-list of 2 candidate solutions
- Detailed demonstration scripts for candidate vendors
- Facilitation of candidate vendor demos
- Facilitated stakeholder consensus/decision meetings
- Detailed validation workshops for selected platform
- Detailed business case, cash flow and ROI analysis for selected platform

SERVICES PROVIDED

The organization gained a newfound perspective by taking a detailed, impartial look in the mirror with BRG. This provided considerable value in understanding how the organization functioned in the current state across numerous CRE/FM workstreams and varying geographies. This was especially valuable considering the dynamic brought by recent mergers and acquisitions and a consensus on technology and process strategy that evolved across the merged companies during the project. In the end, through the rigor of the BRG process and the detailed business case developed by BRG, full approval for a significant acquisition and deployment of a leading IWMS platform was achieved in several months time.

With these things in mind while planning for a new decade of growth, the company retained BRG, already a long time partner, to drive a critical initiative to conduct a comprehensive review of their technology, processes and procedures in order to help formulate a strategy for the next generation of the newly combined organization.

With the recent, sometimes painful integration lessons still fresh, the institution implemented BRG's best-practice methodology to identify organizational strengths and deficiencies and to develop a plan for significant improvements based on industry best practices and state-of-the-art technology. BRG's methodology has been designed to facilitate decision making using a phased approach of due diligence across the major Corporate Real Estate stakeholder groups to fully capture the current state of operations, document major issues and opportunities and seek consensus for future organizational strategy.

STRATEGY DEVELOPMENT ACROSS THE CORPORATE REAL ESTATE VALUE CHAIN

REAL ESTATE SPACE MANAGEMENT FACILITY OPERATIONS CAPITAL PROJECT MANAGEMENT FINANCE & ACCOUNTING CORPORATE RESPONSIBILITY

DISCOVERY Scoping and Planning

- Conducted scoping workshop with process owners
- Developed detailed scope and project plan
- Developed project document templates
- Scheduled process workshops
- Facilitated workshop planning and logistics

RESEARCH Process Workshops Documentation

- Conducted 30+ 'current state' workshops with process owners & SMEs (125+ individuals)
- Documented outputs of each workshop:
 - Process Flows
 - System Support
 - Issues and Opportunities
 - Recommendations
- Developed schematic of current systems
- Summarized findings and recommendations

ANALYSIS Functional and Technical Requirements

- Drafted requirements based on current processes and issues
- Distributed to key stakeholders and SMEs and incorporated feedback
- Generated 600+ functional and technical requirements across all Corporate Real Estate operating areas

MARKET RESEARCH Vendor Due Diligence and Short List

- Developed rating criteria and weights
- Reviewed 12 IWMS solutions including:
 - Functionality
 - Technology Platform
 - Longevity and Viability
 - Geographical Presence and Support Capabilities
- Analyzed strengths and weaknesses
- Short-listed 2 solutions

SELECTION Demonstrations and Platform Selections

- Distilled requirements into an end-to-end demonstration script
- Developed scoring template for attendees
- Scheduled demos and prepared vendors
- Conducted detailed solution demos and consensus meeting with attendees
- Facilitated hands-on platform validation workshops
- Developed detailed business case and cash flow model for selected solution

As described above, the process involved over 125 Corporate Real Estate employees and several key business partners. The end result was a well defined business case and clearly presented ROI benefit for investment in the future. The outcome was a unanimous selection of an enabling IWMS software platform and full approval to proceed with the investment in the planned improvements.

One of BRG's goals in any client relationship is to become a key trusted advisor. As stated by the client's Vice President of Leasing, "...the perspective we gained by taking a detailed, impartial look in the mirror with BRG, provided considerable value to [our company] no matter which direction the evolving strategy would take us."

The enterprise alignment between all parties involved, their activities, and the overarching corporate goals has provided a strong foundation to blueprint the future state of the financial institution from an organizational, technology and process perspective.

