

Corporate and public real estate management strategies

Welcome to the sixth special issue of the *Journal of Corporate Real Estate* that presents four papers from the 22th European Real Estate Society (ERES) conference in Istanbul. This conference was organized from 24 to 27 June 2015 in the historic building of the Faculty of Architecture and Urban and Environmental Planning and Research Center. This building was constructed between 1848 and 1853. Originally, it was built as a military medicine academy for the Ottoman Army. Already in 1849, the building's function was changed to military barracks. The building has been restored several times and was handed over to the Istanbul Technical University in 1944. In 1983, it was classified as a first-degree historical monument, a good example of the dynamic relationship between the demand and supply of corporate and public real estate.

In total, 281 abstracts were submitted by 424 authors from 41 countries. The conference covered a huge variety of topics, ranging across real estate valuation, finance and investment, market research and forecasting, tax and legal issues, regional and urban economics, environmental policies, housing markets and economics, marketing and communication, public-private partnerships, asset management, property management, facility management, real estate portfolio management, corporate real estate, performance and risk management and real estate education. Although real estate from an investors' point of view is still dominant, corporate real estate management (CREM) issues are growing in the attention of academics. Three full sessions focused on corporate real estate. In some other sessions, CREM-issues came to the fore as well, with topics like adaptive-reuse of offices, building information modeling (BIM), green buildings, global brands and municipal real estate management.

The four papers that were selected for this special issue show a variety of topics. The first paper on "Determinants of satisfaction amongst Tenants of UK Offices" presents data from interviews with 1,334 office tenants in the UK, conducted over an 11-year period. The findings show that occupiers' satisfaction is most affected by the office building itself, its location and amenities. Also important are communications with their property manager, the perception that their business needs are understood and appropriate property manager's responsiveness to occupiers' requests. Occupiers' loyalty depends mainly upon the feeling that the rent and service charges provide value for money.

The second paper investigates the relationship between energy consumption, physical building characteristics, operational sales performance and corporate environmental performance of the Metro Group's wholesale and hypermarket stores in 19 European countries. The statistical and econometric analysis of a huge amount of data over the period 2011-2014 proved significant reductions in electricity and total energy consumption over the analyzed timeframe. In particular, the implementation of smart energy consumption and carbon emission reduction targets and the identification of stores associated with lowest energy performance were found to contribute towards a more efficient corporate environmental performance.

The third paper explores the current municipal real estate management (MREM) in The Netherlands and how this evolved over a period over five years. The data from annual questionnaires and municipal documents show a shift towards concentration of CREM functions to improve the alignment of municipal real estate to municipal policies and the needs of citizens and end-users. The data also show a lack of consensus about the definition of CREM and CREM-related jobs. In the next years, municipalities intend to focus on coping with vacancy, collaboration, the position of CREM within the municipal organization, the degree of ownership and a more sustainable real estate portfolio.

The fourth paper presents data from six theses into adding value by health-care real estate. Currently, end-user satisfaction, enhancing productivity and stimulating innovation show to be most highly prioritized. These people-oriented and business-related values are followed by “hard” values such as cost reduction, flexibility and risk control. Prioritized values depend on the organizational objectives, the target group, the available budget, the position in the life cycle of design, construction and use and the external context, in particular governmental policy and competition with other health-care suppliers. The operationalisation into design choices and strategic management of buildings-in-use shows a huge variety and needs further development.

The papers have much in common, too. All four papers explore the performance of real estate from an end users’ point of view and its contribution to organizational performance: financial, functional, environmental and political. Two papers regard commercial real estate (offices, hypermarket stores), one paper discusses semi-public real estate (health-care facilities) and one paper explores how to professionalize public real estate (municipalities). Apart from a good product, that is, well-performing buildings and portfolios, a well-considered implementation process, user-oriented management of buildings-in-use and “empathic” management of relations between suppliers and occupiers are relevant as well.

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About the Guest Editor

Theo J.M. van der Voordt, PhD, is an emeritus Associate Professor of CRE management at the Delft University of Technology, Department of Management in the Built Environment. His teaching and research activities concern how public and corporate real estate can add value to the organization being accommodated, with a focus on offices and health-care facilities. Current key issues are adaptive re-use of vacant office buildings, workplace management, performance measurement and accommodating institutes for higher education. Theo J.M. van der Voordt can be contacted at: D.J.M.vanderVoordt@tudelft.nl