Digital Transformation: How to Exceed Expectations
by Lisa Stanley, CEO of OSCRE International

In an article published by McKinsey & Company earlier this month entitled “Digital Transformation: Improving Odds of Success,” researchers used machine learning techniques and regression analyses to examine practices that had a significant effect on improving a digital transformation’s outcomes relative to expectations. The article by Jacques Bughin, Jonathan Deakin and Barbara O’Byrne explores using these complementary methods, then isolated characteristics that contributed to digital transformation that were statistically significant in both explaining and predicting the likelihood of exceptional success.

The method. Researchers identified five groups of practices that when utilized collectively, substantially improve performance and exceeded expectations - it’s the “all-in” approach. Applying practices from all five groups maximizes the chance for exceeding expectations. Even following just two groups of practices greatly reduced the likelihood that a digital transformation will miss expectations. These practices are as follows:

1. Laying out clear priorities
2. Investing in talent
3. Committing time and money
4. Embracing agility
5. Empowering people

None of these practices should be a surprise – they represent recognized effective leadership and business practices. Where do companies tend to fall short? It’s often in the leadership to commit the resources and implement these practices consistently.

What can you do?

1. Update your digital strategy frequently.
2. Build the skills in your team to enable your will to succeed.
3. Reward team members for pursuing innovation and the risks that accompany it.
4. Clearly define individual roles and responsibilities with a designated leader.
5. Create an environment that fosters collaboration internally and with business partners.
6. Recognize the environment we operate in now has inherently more risk.

Technology is moving at an accelerated pace that wasn’t thought possible five to ten years ago, and includes distributed digital ledgers, artificial intelligence and machine learning just to name a few options. The “let’s wait and see what happens” approach is not only dangerous, it can cause damage that cripples the competitive position of your firm and your career. The time for action is now.

How can OSCRE help you?

OSCRE has developed tools to help you in your quest for digital transformation including the Reference Data Model (RDM), the OSCRE Academy to help build skills in data governance and digital competency in your team members and the Council of 100, a group of innovative leaders that convene and cultivate solutions to shape the digital future of real estate.

For more information on how to get started, please contact lori.walters@oscre.org today.
The real estate industry faces a significant rise in risks as new business models are developed and emerging technologies are explored. Cyber-attacks crash systems and cause operational shutdowns, financial losses, can compromise personal data and create long-term damage to the organization’s image and reputation.

Business and IT professionals alike need a clear path forward to manage a diverse set of cyber risks in real estate including:

- Using badge data to track utilization.
- Proliferation of intelligent building systems.
- Compliance with privacy laws - GDPR in Europe and US regulations including California’s CCPA.
- Outmoded systems creating security vulnerabilities.
- Moving to the cloud and its unique challenges.
- Outsourcing increasing the number and quality of data sources each with its own cyber-risks.

If you are interested in attending the Innovation Forum on December 5 in San Francisco, space is limited so please email lori.walters@oscre.org for more information today.

Law Firms Convene in London with OSCRE

Last week in London, Canada Life hosted an OSCRE Forum for law firms serving the real estate investment community in the UK and abroad. This is the first in a series of meetings planned specifically for law firms and their clients while OSCRE continues to expand it’s working relationships with investment management firms on both sides of the Atlantic. Law firms play a central role in the leasing process. However, data movement is still largely a difficult document-based manual process; investment firms are looking for consistency and the ability to use lease information for many other purposes downstream. With representatives of the investment community in the room, the group began to focus on several actions, including defining a core data set that the investment firms need, and potentially enabling data exchanges consistent with the Model Commercial Lease. The law firms present expressed interest in continuing this initiative in collaboration with OSCRE and the investment sector to review and potentially expand OSCRE’s Reference Data Model. OSCRE will also expand engagement with law firms in North America including with firms that have operations and clients both in North American and Western Europe. Thanks to Graeme Lambert and Canada Life for hosting this event.

Building Collaborations – Business and IT in Investment Management

In parallel with law firm engagement, OSCRE continues to build its collaboration with investment firms in the UK and North America. There is a long history of working with investment firms and the level of engagement is continuing to expand rapidly. OSCRE is co-hosting an Innovation Forum with the Eversheds-Sutherland law firm in London on November 14th. This forum will be a collaboration of business and IT leaders sharing perspectives on challenges and solutions in working with real estate data. Topics include how these firms approach integration especially in light of recent developments as more major software firms collaborate with OSCRE to develop APIs to link their platforms for the first time.

OSCRE Supporting UK Government Transformation

Along with many UK governmental agencies, OSCRE is engaging with the Office of Government Properties (OGP) in their efforts to transform the way data is used to manage assets and achieve strategic objectives government-wide relating to property. OSCRE has participated in several meetings with OGP, and has proposed using the Reference Data Model (RDM) as a starting point both for its content and structure. Data modelling is a primary aspect of OSCRE’s program and capabilities and can provide guidance to the OGP effort. OSCRE’s RDM takes a structured approach to digital transformation and has a long history of working with government organizations in the UK and elsewhere.
UK Housing Data Standard Expands

HACT and OSCRE continue their very successful collaboration to build and expand the UK Data Standard for social housing. Three projects have been completed and will be published in November as additions to the HACT Data Model Powered by OSCRE™. They include:

- Income Collection - which is focused on right-first-time rent account creation, improved cost attribution for service charges, clearer rent statements, and greater consistency in void income loss and arrears reporting*
- Planned Maintenance - which brings greater consistency across the tender and instruction processes, improved compliance, faster post-acquisition portfolio on-boarding, and improved alignment internally throughout the asset life-cycle*
- Care and Support - which provides consistent and GDPR-aware shareable customer data across the referral and case management processes, reduced human error, and shortens the lead-time to interventions*

The housing industry is experiencing many of the same challenges that OSCRE is working to solve in collaboration with investment firms, lawyers, software firms and more. This includes effective integration and aggregation of data from multiple sources as well as building a data strategy based on industry standard data models – as in HACT and OSCRE. The data models being developed are highly actionable and incorporate classifications and standards developed by other industry organizations with expertise in specific areas, such as construction, service fees, and measurement standards. As these projects come to completion, you’ll be hearing more about how to take advantage of the data models in your organization. Check here for more on the recent work on the HACT Housing Data Standard.

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For more information on OSCRE membership and any of our current programs, please contact lori.walters@oscre.org.

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