E-News September 2019

Digital Transformation – Highlights of a McKinsey Study

In the September 17, 2019 issue of Information Week, an article entitled “Doing Digital Transformation Right” focused on a new report by global consulting company McKinsey. The report acknowledges the challenges organizations face in finding the right balance between traditional approaches to data, moving to a more digital environment and how to allocate the needed resources to get there.

McKinsey used the term “digitized incumbent” to define existing businesses that are competing substantially in new ways through digitization. The recent McKinsey study reported that digitized incumbents are twice as likely as traditional incumbents to experience organic revenue growth of 25% or higher. The research compiled from several studies shows that established companies gain competitive advantage by developing a two-pronged approach: building new digital businesses while digitizing legacy operations. The two pronged approach isn’t a revelation, but the level of organic revenue growth of 25% or higher should grab your attention.

Figuring out the right balance of resource allocation to advance digital transformation isn’t a one-size-fits-all approach. Organizations need to examine and acknowledge current strengths and weaknesses, and the commitment of resources to move forward. The willingness to approach business in a new way is challenging but necessary to maintain and grow your competitive position. Once your leadership has the will to embark on a digital transformation journey, it’s important to have the skill to carry it out.

McKinsey and other consulting firms are providing confirmation that the “let’s wait to see what happens” approach to an increasingly digital environment is not effective in building revenue or reducing expenses to achieve better outcomes. Customers are becoming aware of the need for change and proactively taking their perspective to their business partners. It’s in this environment where productive collaboration between owners, occupiers and investors and their business partners creates significant competitive advantage.

OSCRE’s expansion of products and services including the Reference Data Model with 90 use cases, education programs that help build skills in data governance and digital competency, and the convened meetings of senior industry thought leaders through the Council of 100 are just a few of the initiatives that have been built to help you advance the digital transformation in your organization. To find out more about these programs, please visit www.oscre.org or email us at info@oscre.org.

OSCRE’s next Council of 100 meeting will be hosted by Wells Fargo in San Francisco’s financial district on December 5th. The Council of 100 is a group of senior industry leaders who convene and collaborate on the big issues facing the industry with a commitment to take action. Previous meetings have been held in New York City, London and Chicago. This meeting will include a focus on cybersecurity, review the progress made on the template for building a framework for an industry-specific digital ecosystem, and more.
The real estate industry is becoming increasingly digital, and greater focus than ever before is on data to drive better business decisions at every level of your organization.

If you are interested in attending the meeting in San Francisco on December 5, and want more information on the Council of 100 email us.

High Activity in the UK

Continuing its expansion in the UK, OSCRE is holding a series of meetings in London in October and November with the legal profession and domestic and global investment management firms. The focus is around integration and making data easier to move between these key stakeholders in the real estate industry, especially around leases. These shorter meetings will lead to the next one-day Council of 100 event in London early in the New Year.

Additionally, we will be announcing the upcoming release of 3 new functions in the HACT UK Housing Data Standard, Powered by OSCRE™ soon. This collaboration is an excellent example of how the “OSCRE method” can be used to build and expand data models across many aspects of the real estate industry.

Data Modelling and the Evolution of Standards

Much of OSCRE’s history has been around developing data exchange standards, but the world is changing. The OSCRE Reference Data Model reflects how the industry is evolving. Having standards such as classifications, definitions, or how we measure things will always be needed. Data modeling brings standards like these to life by focusing on implementation. You need more than standards to be able to integrate systems, build data warehouses, or share data between business partners. Data models are the tools of choice to improve the working relationship between business end users and their technology team, by focusing on use cases which reflect the way the business operates. It also allows people to see where they fit in the flow of data, which helps prepare some of the groundwork for effective data governance. Finally, OSCRE has identified data strategy and data modelling as critical skills needed by any organization beginning to look at increasing their commitment to a digital future in real estate. Please visit the OSCRE website and explore the OSCRE Reference Data Model and some of the background provided on data modelling to help you get started. Here are some examples of the benefits of data modeling in real estate:

- Data integration and aggregation is easier, quicker and more flexible.
- Use cases make is easier for business folks to explain their world.
- Extremely useful when planning for better analytics and data governance.
- A reference data model like OSCRE’s can help you build in standards from other authoritative sources.
- Provides a powerful cost-effective starting point for implementation, integration and transformation.
- Allows organizations to leverage the extensive accumulated knowledge and experience build into the data model.

Learn at your own pace with our on-demand Certificate Programs:

Building Digital Competency in Real Estate on-demand Certificate program
It's about doing things right, engaging the right people, developing the right skills, and putting the right framework in place. Learn more here

Data Governance in Real Estate on-demand Certificate program
This 10-session program is presented by industry professionals, giving you access to their knowledge, experience, and guidance on how to
CIM is a community-focused real estate and infrastructure owner, operator, lender and developer. Our in-house team of experts work together to identify and create value in real assets, benefiting the communities in which we invest.

Back in 1994, the three founders, Avi Shemesh, Shaul Kuba, and Richard Ressler, focused on projects in Southern California neighborhoods. Since then, CIM has invested in core, value-add, opportunistic projects across all types of real estate and infrastructure in all major Metropolitan areas in the US as well as South America.

Today, we’re a diverse team of more than 970 employees with projects across the Americas. Our projects have delivered jobs; created comfortable places to live, work and relax; and provided necessary and sustainable infrastructure. Our focus on enhancing communities is unwavering, and we’re striving to make an even greater impact in the years to come.

For more information, please contact us at marcomm@cimgroup.com

Join OSCRE now!

Follow us on LinkedIn