THE CUSTOMER EXPERIENCE REVOLUTION
Closing the skills gap
ABOUT THE BCO

The BCO is the UK’s leading forum for the discussion and debate of issues affecting the office sector. Established in 1990, its membership base comprises organisations involved in creating, acquiring or occupying office space, including architects, lawyers, surveyors, financial institutions and public agencies.

The BCO recognises that offices don’t just house companies, they hold people and so what goes on inside them is paramount to workplace wellbeing.

ABOUT THE AUTHORS

This report was written by Howard Morgan, Claire Middleton, Harriet Jones and Dr Danielle Sanderson of RealService.

RealService is a customer experience consultancy that works with the property industry to help clients improve the service and experience received by their clients and customers. Its aim is to help its clients improve the 3Rs of real estate – revenue, retention and reputation.

ACKNOWLEDGEMENTS

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CITATION

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Our mission at the British Council for Offices (BCO) is to research, develop and communicate best practice in all aspects of the office sector.

In 2015, the BCO published the landmark report *Building Performance: Rethinking the Relationship between Owners, Managers and Occupiers*, which included a 10-point plan recommended by the BCO Occupier Group.

In 2017, the follow-up report *Office Service Standards and Customer Experience: A Best Practice Guide* provided a set of checklists and case studies designed to help owners and managers develop best practices.

Discussions since that 2017 report have brought into sharp focus the importance of raising the profile of office property management as a career, and recruiting and training people with the right skills and attitudes.

It is clear from the success that co-working and flexible offices are enjoying that service and experience are what occupiers want.

It is also clear from this report that, despite the recommendations made in 2017, the cultural change required to shift the focus of traditional landlords to space as a service is not happening quickly enough.

Forward-thinking landlords are starting the process, and they are to be commended; but they are being forced to look outside the property industry for tomorrow’s property managers, and that is neither ideal nor sustainable.

This report presents an exciting vision of the future and a road map for change. It identifies the skills gap in the office property industry, and conjures a vision as to how we can train or upskill our people to be the ‘alchemists’ we need.

The new approach is one that needs to be adopted from the grass roots up and incorporate all the industry’s stakeholders: landlords, property managers, occupiers, professional bodies, educators and trainers.

The property manager of the future is going to have an exciting, people-focused career that is well rewarded, both financially and in terms of status. It is up to all of us to help make this happen.

Chris Richmond, PwC
Past Chair, BCO Occupiers’ Group

FOREWORD
Disrupters like the co-working companies are successfully recruiting from outside the property industry for the talent they need to run their communities. The property management industry is beginning to apply lessons that the hospitality sector learned 20 years ago and to recruit talent based on skills, aptitude and psychometrics. For companies that put customer experience at the heart of their business model, finding talent with the right customer mindset is more important than a technical qualification or years of experience in property or facilities management.

ATTRACTING SCHOOL LEAVERS TO AN EVOLVING ROLE
Currently, the skills gap is being plugged by personnel crossing over from the retail, transport and hotel sectors. These people have customer experience firmly ingrained. While the office industry is attractive because of its regular hours and higher pay, it cannot be sustainable to continue to plunder the hospitality industry for its best talent. The opportunity exists for the industry to grow its own talent, but to do this it will need to dramatically increase the profile of the industry to compete with the hospitality sector for people who have service in their DNA. Technology and artificial intelligence (AI) presents an opportunity to rethink the responsibilities of traditional roles in all areas of the property management sector. This includes front-of-house, facilities, property and back-of-house management.
THE WAY AHEAD

The property managers who move ‘from zero to hero’ deserve recognition and the status afforded to others who create value through development, design or deal making. It is important that best practice is celebrated and rewarded and that the spotlight is put on the pioneers who are leading change. It is also envisaged that office properties will be accredited for the experience they provide to their customers, and not just for their environmental credentials or technology.

CONCLUSION

Most people will tell you that they ‘fell into’ property management. By their own admission they will say that they learned on the job, and that this was at a time of ‘space as a commodity’ rather than ‘space as a service’. This report suggests ways to professionalise customer experience in the property management sector and, indeed, to create a whole new set of job roles and career entry points.

The BCO alongside property managers and other industry bodies has the opportunity to be a catalyst for a series of industry-wide initiatives designed to close the skills gap. Make no mistake, this will require transformational change in the way the office sector is promoted and how it attracts, trains, rewards and recognises its customer-facing people.

While this report highlights the challenges the industry faces, it also presents an opportunity to promote the profession in a new light that could attract a far more diverse workforce and recognises the increased value of the industry.
THE SKILLS GAP TODAY

In this section we look at how customer experience is delivered today, the role of the property manager and the influences that are bringing disruption and change. We then identify five skills gap challenges.

IMPACT

The existence of a customer experience skills gap and recognition that it is a problem for the office industry was evidenced throughout the research conducted for this report. During interviews and focus groups with property owners, managers and occupier customers (tenants) we heard statements like those below.

"A lot of property managers have been around the block and worked for umpteen employers – I’m looking for fresh talent."

"It drives me mad, there’s no loyalty and my property managers will move just to get a few thousand extra salary."

"Even the words ‘property management’ are a throwback and hardly encouraging a new breed."

"I’m exhausted dealing with property managers who can only see things through their client’s lens."

SKILLS GAP DEFINITION

A skills gap is traditionally defined as the gap between what employers want or need their employees to be able to do and what those employees can actually do when they walk into work. For the purposes of this report we are widening the definition to include not just what employers want but also what customers expect their suppliers to do.

As we will see later, the expectation gap between what occupiers want and the service they receive has never been wider. This fact was brought to life during a focus group with corporate occupiers who challenged us saying: ‘Why are we using the term “property management”? That’s yesterday’s profession?’

In this report we look at how property management is evolving from being about bricks and mortar to being about people, and why roles such as ‘community manager’ and ‘workplace experience lead’ are increasingly being advertised.

But let us first look at the traditional role of the property manager.

TRADITIONAL ROLE OF THE PROPERTY MANAGER

A property manager is hired by a third party to oversee and perform the daily operations of a real-estate property. As a liaison between the property owner and the tenants of the property, a property manager ensures that both parties are satisfied with the property and its daily operations.

So suggests the Daily Telegraph, which helpfully goes on to list the tasks a property manager might be required to carry out. These include managing the finances (rent and service charge collection), managing the tenants (leases and evictions), managing maintenance and general supervision. The skills required were listed as communication, strategic planning, organisation, negotiation and general knowledge of the real-estate industry.

The good things about the job, it details, are that it can offer a wealth of opportunities and the daily tasks are likely to be interesting and diverse, but, tellingly, the Daily Telegraph article adds: ‘Entering the field of property management is surprisingly easy and requires minimal experience.’

From our research interviews, key words used to describe the persona of the traditional property manager included:

- reactive
- invisible
- shackled by the service charge
- desk based
- only responds to the stick
- firefighter.

Being a property manager does not make for an easy life. Potential areas of conflict are obvious and revolve around the service charge, which many occupiers view as excessive and/or not sufficiently transparent.

"We get the charge but not the service."

Christopher Richmond, PwC

The 2015 BCO report Building Performance: Rethinking the Relationship between Owners, Managers and Occupiers highlighted how the misalignment of interests of the three parties results in conflict and dissatisfaction. This 2019 research shows that this lack of alignment continues and is placing even greater pressure on property managers. The re-tendering of property management contracts, which is perceived to be a mechanism for reducing costs rather than increasing standards, continues.

Property management companies report that more and more is expected of them. It is no longer simply about rent and service charge collection, they explain, it is also about health and safety, supply chain management, compliance, sustainability, placemaking, wellness and customer experience. And they are expected to do all this with ever-tightening budgets.
IMAGE PROBLEM

But our research suggests that property management has an image problem and the term ‘property manager’ is as outdated as the term ‘tenant’.

It is not a popular role with occupiers, who see the property manager as someone who collects the rent, implements the service charge and generally prioritises cost cutting over service provision. A straw poll of corporate occupiers taking part in this research showed that only one in five properties they rent offers a responsive service. This is unchanged since 2015.

The property manager is also seen as the ‘poor relation’ within the industry. One property manager said: ‘Property management is seen as the least glamorous area. The perception was always that if you could get into investment or agency roles you could earn a lot more. This has to be a problem for our industry, and as long as delivering great service is perceived to be of less value than transacting deals, property management will continue to fail to attract the best talent.’

Taking a more positive outlook, John Redfern, Director of Property Management at Savills, describes property management as the hub of all surveying, with managers involved in the whole life cycle of the building. This can offer fantastic job satisfaction and, as will become clear throughout this report, provides ample opportunity for adding value for the customer and the profession as a whole.

We encountered an increasing number of property owners who recognise that things need to change. Chris Carter Keall, Managing Director of Oxford Properties, said: ‘We must train and spend dollars on finding ways we can encourage and retain people.’ But he warns that it is not just financial rewards but working conditions that need to change. ‘You can get the best general managers, the people that you want, and then we put them in a basement with no natural light.’

This was also reiterated by David Woodman, Customer Experience Director at Bewonder*, who described the difficulty and frustration newcomers from outside the industry may face, with currently no set career path and varying regard towards the importance of customer experience in the property industry.

TRADITIONAL ENTRY ROUTES

The traditional route into property management – a relevant degree followed by a qualification through the Royal Institution of Chartered Surveyors (RICS) or the Institute of Workplace and Facilities Management (IWFM, formerly known as BIFM) – places emphasis on technical skills rather than customer experience. Currently, most UK RICS graduates are male and white, although the organisation says it is doing its best to increase diversity.

John Redfern, Director of Property Management at Savills, said:

“The vast majority of our property managers have some sort of surveying qualification. It’s still relevant. Property management is the hub of all surveying. You get involved in the life cycle of the building, you see the set-up, the agents working on it, building surveying protecting the fabric and repositioning buildings, the investment and asset management side – you see the best of it and can get fantastic experience from doing it whilst having a varied and people focused job.”

It is understandable that the industry still places an emphasis on, and seeks first and foremost, people with a knowledge of property that is underpinned by long-established qualifications.

“It is difficult to find the right talent currently in the industry because they mostly do not suit our customer-centric approach. Building managers tend to have a narrow outlook – they see their role as functional rather than delivering a service.”

Landlord

In the post-Grenfell era, and where the Corporate Manslaughter and Corporate Homicide Act 2007 threathens companies and organisations with prosecution for gross breaches of duty of care, landlords want their properties to be safe and the people running them to know what they are doing. It may be that the Grenfell Inquiry leads to requirements for property managers to be regulated or licenced, as they can be in some parts of Europe.

SIZE MATTERS

The Property Industry Alliance’s Property Data Report 2017 identified that the commercial property industry employs more than one million people – that’s one in every 32 UK jobs. Commercial property accounts for around 10% of the UK’s net wealth, it said, and of that, offices represented 31% by value in 2016. So, if 3% of the nation’s wealth and one in every 100 UK jobs are in the office industry, the number of people who require customer-experience skills is huge.

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EASY AND REQUIRES MINIMAL EXPERIENCE?

We wanted to find out how people at the start of their careers see the role of property management and how well equipped they feel they are for the shift ‘from buildings to people’.

The young and diverse group of people who took part in our Education Focus Group were graduates or apprentices looking forward to a career which they hope will reward them well and offer a clear career progression.

All were being guided down IWFM or RICS routes. This process was valued by these future property or facilities managers, who were keen to acquire a qualification with recognised status. However, this begs the question, is this more diverse intake being moulded into traditional roles which could soon become obsolete?

Several expressed an interest in the emerging area of customer experience but did not seem very clear about how this would fit into their training or qualification.

This needs to change according to Polly Plunket-Checkemian, Senior Executive Director of MJ Mapp, who told us: ‘The industry has a responsibility to move customer experience up the agenda. The focus on service is growing, people and trainees are becoming obsolete without knowing it. Do we carry on doing the same thing because we’ve always done it that way, or do we do something different? Around 80% of the running of a building will be about customer focus.’

RICS assessor and auditor Kate Taylor agreed. She said: ‘The APC candidate will often be inward-looking, process-focused and fail to understand the need to articulate experience in the context of the law and RICS guidance. Even graduates of a structured training programme with a major property company can miss the basic principle that this competency is all about the occupier.’

PROFILE

Ian Towse

Works for – Regent Street Management Direct
Job title – Director of Customer Experience
Where – Regent Street, London

What are the responsibilities of your role? I am the head of customer experience for Regent Street Management Direct, which is a dedicated property management subsidiary of JLL, established to concentrate fully on the client’s customers at Regent Street. We are responsible for a mix of buildings across office, retail, F&B and residential. It helps that I bring 25 years’ experience in retail to the role, as well as customer experience expertise. I also worked in change transformation and services for the Institute of Customer Services before joining Regent Street Management Direct.

Who’s in your team? There are four of us in the immediate team, which includes two experience managers. We work closely with the 56 people in front of house and facilities management roles across the site's many buildings. It's an active team, and we are usually on site visiting customers to resolve issues, get feedback and liaise with teams and support services.

What do you look for in you experience managers and what training do they undertake? Our current experience managers come from different routes. One has moved over from training with JLL in shopping centres and the other has over 10 years’ experience in traditional property management, but has made the transition to a more customer-focused role. He concentrates on the residential side, where people are sensitive, which requires great people skills. Both received in-house training around a customer-centric programme. Part of our role is to promote and coordinate a health and wellbeing programme. This is a different kind of task to usual property management. We look for people who can demonstrate understanding of and empathy towards the customer.

What is the customer experience at Regent Street Management Direct? It’s lots of things on different levels – we’ve had self-defence and professional phone photography classes for customers; we try to remove unnecessary steps in various processes, and have invested in a CRM platform to make communication and procedures simpler. It’s about asking the customer what’s important to their business, and this starts before they move in. We also know that our client’s vision is aligned with our vision to deliver excellent customer experience.

Do you feel the industry shares your passion for customer experience? Perceptions are changing, and really they should – the increased demand for improved customer experience means we are pushing at an open door. However, there is a lack of research, and the industry is very procedure driven and gets bogged down in process. The legislative and traditional mindset is a blocker.

So what do you think could catalyse a change? First, we need to recognise the value of customer experience, and that it’s around selling services. Customer experience is what is important to the customer, it’s not always just about price. There’s a massive opportunity to break with tradition. We need a clearer route of progression for customer experience professionals in the industry to gain more customer representation at board level.
THE LANGUAGE BARRIER

The job description for a Senior Property Manager shown opposite (advertised in February 2019) is typical. Surveying skills are required, and there is an expectation of leadership and management experience alongside an understanding of budgets and property-management software. There is no emphasis on the need to build relationships with customers.

Later in this report (see p. 22) we compare this with the role, responsibilities, skills and attributes required for a potential community manager at a co-working company. The latter role places much greater focus on the needs of the customer and the ability to align those needs with the philosophy of the company.

The co-working customer experience pioneers have brought into the property management framework a change of language, introducing job titles including ‘community manager’, ‘customer manager’, ‘general manager’, ‘service manager’ and similar others.

These roles are generally bespoke to each company; a community manager at BNP Paribas Real Estate, for example, would take on several buildings and come from a background in human resources, marketing, media or business, and be upskilled in real estate. A community manager elsewhere might simply be a concierge or a receptionist with enhanced duties. No one size fits all, although our research has revealed that the idea of building a community has taken root.

At Landsec, the role falls to the operations manager: ‘The perfect operations manager needs to be a person who has good management skills and a base understanding of how a property works. They need business acumen and a customer experience approach, and we want that person to be freed up to be more strategic and not drawn into the nuts and bolts of managing the “hard” services within the building.’

For the purposes of this report, we have used the phrase ‘tomorrow’s property manager’ to encompass all the new job roles, such as ‘community manager’ or ‘customer experience leader’.

SENIOR PROPERTY MANAGER

My client is looking for a Senior Property Manager to come and join their growing team. The main responsibilities include:

- Applying effective professional surveying skills as a member of the commercial property team
- Carrying out regular site inspections across the whole portfolio (industrial/office/retail/leisure)
- Managing all aspects of day-to-day management, including all landlord and tenant matters, lettings, rent reviews, lease renewals assignments, subletting, alterations and budgeting/forecasting
- Assisting in letting of vacant properties
- Managing, maintaining and upgrading the in-house property management software
- Levying of service charges on properties under management, where applicable
- Involvement in refurbishment and development projects from a property management angle
- Reviewing existing managing agents and appointing new agents, and renewing contracts where deemed appropriate
- Managing and updating the in-house database, bridging the gaps between agents, accounts and the in-house portfolio
- Management of vacant sites/vacant property pending development.

Source: Indeed.com
SO, WHAT IS CHANGING?

As with Uber and Airbnb in the taxi and hotel sectors, the ‘space as a service’ disrupters in the office sector are changing everything.

There have long been companies offering flexible office space, but the co-working phenomenon is forcing even traditional landlords to rethink their approach.

The likes of WeWork, The Office Group and IWG’s Spaces are successfully targeting not just start-ups but mature businesses. Each of the corporate occupiers we spoke with were happy to use these companies to give themselves more flexibility and a more creative environment. These corporate occupiers also see these organisations as being far more responsive to their needs than traditional landlords.

Customer expectations are not just rising because occupiers are comparing landlords and managing agents to the co-working/flexible office sector. Expectations are rising because quality of service is rising generally. Just compare the experience of ordering online and having a parcel delivered the same day with having to wait weeks for a simple repair to be organised by your building manager.

Political uncertainty also threatens business and, specifically, the availability of talent. As noted below, the hospitality sector has proved fertile ground from which to attract the new breed of customer-oriented property professionals, and many of these have come from Europe. It is too early to be certain whether Brexit will permanently reduce the pool of talent.

Technology is also likely to bring about far-reaching changes in the industry. How far this will shape the job roles of the future seems to depend on who you talk to.

There is no doubt that elements of the role traditionally carried out by property managers will be streamlined, for example rent payments and lease documentation.

But, as we will investigate in the following section, while there are voices who wish for technology to replace a majority of human interactions, most simply want it to save time and be used to tackle mundane, routine tasks, not to come at the expense of a friendly greeting or a helpful concierge.

HOW IS THE INDUSTRY PLACED TO RESPOND?

As we will detail, a major cultural shift is required to turn today’s property manager into the sort of professional who is fit for purpose in the new world of space as a service.

However, it would be wrong to suggest that the industry is ignoring the signals and turning a blind eye to the customer experience revolution. Many are offering new office products, shorter leases and on-site facilitators (with varying degrees of seniority and decision-making capability). Many have undertaken voice-of-customer surveys to discover the needs and priorities of their occupiers.

So, while we can see — and the industry sees it too — that the role of property management in the commercial office sector is in transition, we have to ask, what is holding up the transformation? Why is it not proceeding apace and generating a clutch of happy customers delighted to renew their leases?

“Because of the way we’ve been trained, because of the types of conversation we’ve had with our clients, because the institutional norm has been around compliance and protection rather than facilitation and enablement, we’ve been given licence not to grow our skills.”

Polly Plunket-Checkemian
Executive Director, MJ Mapp
THE SKILLS GAP AND THE ‘LOYALTY BONUS’

It is hard to put a figure on how much poor customer service costs the commercial office sector; for example, one landlord’s loss is likely to be another landlord’s gain. But there has been research indicating how much can be gained through the provision of good customer service.

In fact, it has been proved that a rise in occupier satisfaction by one level on a five-point scale (usually ‘very poor’, ‘poor’, ‘average’, ‘good’, ‘excellent’) will typically improve total returns by 1.9 percentage points a year. This research was carried out for her PhD thesis by Dr Danielle Sanderson at the Henley Business School, which is part of the University of Reading. Dr Sanderson wanted to see if objective evidence existed to show that investment in so-called ‘soft’ customer service could create ‘hard’ financial returns.

She discovered it did—a 1.9% total return ‘loyalty bonus’ which benefits landlords through:

Revenue – occupiers paying more.
Retention – occupiers staying longer, renewing their leases.
Reputation – occupiers being ‘willing to recommend’ their landlord.

Now a lecturer in real estate at the Bartlett School of Planning, University College London, Dr Sanderson said: ‘My research shows that there is a clear customer experience gap to be closed and the commercial imperative to do it. The early adopters of the customer-focused approach to property management have been using customer service to provide them with marginal gains and competitive edge for years. We now have evidence that their hunch was right.’

BRIDGING THE SKILLS GAP

We have identified why the skills need to change, but our research shows that the current pathways into the property industry are not addressing the skills gap in customer experience.

The most frequent approach to bridging the gap is hiring from outside the property industry. For many, the attraction of a sector where you can work regular hours and be paid more than in hospitality is obvious. But is it sustainable to paper over the cracks by plundering staff from the hospitality industry?

As Charlotte Crawley, Head of Customer Experience at Cushman and Wakefield, says: ‘Recruitment is not too hard at the moment because we focus on the hospitality industry. We can recruit from there because the property industry offers better hours, better benefits and better shift patterns. In the long term, customer service should be ingrained in all property professionals at surveyor level, preferably as part of their qualification process.’

RICS or IWFM qualifications have little customer experience focus, while courses that concentrate on customer experience have no real estate/property management component.

PROFILE

Kerry Campbell

Works for – Knight Frank
Job title – Client Services Director
Where – Plantation Place, Fenchurch Street, London

Tell us what you do. I head up the client services team at Plantation Place, looking after multiple customer companies spread over 375,000 ft². I’ve been working in commercial real estate for over 20 years, and have experience of both the client and the owner side, which is beneficial to understanding different perspectives.

What’s your background? I studied hotel management at Sheffield Hallam University. The course offered a comprehensive range of modules, including accounting and budgets, technical drawing, as well as hospitality principles and people management. It was an intensive course that required hours of practical study, so we were exposed to every aspect of the hotel business.

What happened next? I progressed headstrong into my chosen profession in hospitality. I was working at Ashdown Park Hotel & Country Club when a former associate suggested I take a look at a manager role with a forward-thinking London-based property company called Dorrington plc. Despite having no prior experience in commercial real estate, I think my customer-centric approach was just what they were looking for!

What motivated you to make the change? I was excited to make a difference to the way the industry approached the customer – and my hours halved and my salary doubled! There was no job description, just the instruction ‘We want you to make our occupiers happy’.

How did you adapt? It was a steep learning curve. I received on-the-job training on the technical aspects of the role from my director. I had weekly learning sessions, I was mentored, and I would jot down things in the week to ask at the next lesson. The only additional training on offer was RICS accreditation, but I didn’t progress that.

And what about today? The expectations and criteria around customer experience have come on since then, but as far as I know the qualifications remain much the same. I’m now responsible for recruiting and training my own team. I also look for aptitude over experience. On-the-job training and mentoring are vital for developing staff, but there are some things that can only be learnt on the job.

What do you need for the job? To do this job you need to be very good at going to talk to people, picking up what’s troubling them and finding out ways to deliver their needs. Not everyone needs to be a surveyor. I don’t see an issue with continuing to plunder the hospitality trade for new talent, but the property industry could do more to attract people who would otherwise join hospitality.

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As we will show later in this report (see pp. 24–37), there needs to be a long-term solution.

Chris Armstrong, of Get Living, summarised the dilemma. ‘As an industry we should continue to encourage people to come across from hospitality, but also, as the service offer becomes more expansive in many areas of property, we should be developing our own people and pipeline to compete with hospitality training. Given that pay and hours are often more attractive in the property industry, it shouldn’t be difficult to attract the right talent, but this does also mean the property industry cannot get away without a structured training offer.’

**GROWING OUR OWN TALENT**

Several of the companies we researched run schemes and apprenticeships, for example Landsec, Savills and Transport for London. As in other spheres, this is primarily so new employees can be inducted into the practices of an organisation from the start. As Ian Burr, Head of Property Management at Landsec, said: ‘We like to grow our own talent.’

The schemes we investigated put new trainees on rotations, usually lasting three or four months each. Apprentices work similarly, with time set aside for college before – hopefully – being offered a ‘real’ job at the completion of their training.

The government’s Apprenticeship Levy (which employers with a pay bill of over £3 million per year must pay) has provided some impetus for schemes in the property industry, but this is not, according to our research, a key driver. As one interviewee pointed out, it does, however, provide a welcome vehicle to enable companies to recruit employees from more diverse backgrounds.

**WHICH WAY FORWARD? THE FIVE SKILLS GAP CHALLENGES**

In summary, we see five major challenges.

1. **Need to upskill**
   Where does the current property manager fit in the grand new scheme? Are they obsolete?

   Surveyors who have gone through rigorous training for their RICS accreditation are unlikely to morph into customer experience evangelists (or so our landlord interviewees suggest).

2. **Identity crisis**
   If there is a new role to be created, where will these people come from? From inside the industry with additional customer-experience skills training, or from outside the industry with training in property management? What will these people be called?

3. **New pathways**
   Either way, there is a skills and/or knowledge gap. We need to develop a new pathway. Would a new, bespoke qualification address the skills gap, or can existing routes be adapted?

4. **From narrow to diverse**
   The road to diversity is not yet well trodden; those with great customer service skills are not being attracted into the property industry, which still predominantly recruits from traditional universities offering ‘relevant’ degrees. Property management is not perceived as attractive an option as investment or asset management.

5. **Who pays?**
   Implementing cultural shifts, backing new training initiatives or recruiting from outside the industry all come at a cost. How will closing the skills gap be funded? Will the new customer experience leader be employed by the landlord, the property management company or the occupier, and who will pay?

We explore these questions in more detail in the following sections.
Whether you agree with Tesla founder Elon Musk that ‘with artificial intelligence we’re summoning the demon’, or with IBM CEO Ginni Rometty that ‘the reality is this technology will enhance us’, the world of real estate and the roles within it will be dramatically impacted by technology.

The pace of investment in PropTech is increasing. According to Cushman & Wakefield’s report Occupier Edge, some 70% of the $6 billion invested in PropTech globally since 2011 took place in 2017 and 2018. A lot has been written that is beyond the scope of this report, but it would appear safe to posit that human interaction not replaced by technology will become a high-value skillset in the future.

This section concentrates on the ways technology is impacting and will ultimately change traditional roles within the property management sector. We acknowledge the threats and look at case studies of those who are embracing the change. We consider how the use of technology can have a positive effect on the people working in the industry and its customers.

“So much of what property managers did in the past will just be downloaded; the hospitality side will come much more to the fore.”

Andrew Reynolds, Reysult Properties

The outlook is far from dystopian doom and gloom. As part of the research we conducted a focus group with senior level personnel from the property and tech industries to compare and contrast current and future roles.

Drawing on perspectives from a range of specialisms, we look here at how four roles – front of house, facilities management, back of house and property management – will change.

**IMPACT OF NEW TECHNOLOGY**

**FRONT OF HOUSE**

**DITCH THE DESK**

The domain of front of house staff will be extended. People working in this role will no longer be tied to their desks and to a rigid daily routine. Self-service operations and streamlined processes will take the hassle out of administration. This will include meeting-room bookings, scheduling deliveries and issuing visitor passes. Not only will this make it simpler for the customer but it will free up the time of the person on the desk. This will enable them to place their focus on the customer entering and working at the building rather than their computer screen.

**MORE RESOURCE SPENT ON COMMUNITY ENGAGEMENT**

Front of house staff resources will be increasingly deployed to other areas of the business. In this era of employee engagement, this could mean organising a wellbeing programme or speaker event for occupier employees.

**INCREASED RECOGNITION AND RESPONSIBILITY**

Front of house staff will have the opportunity for significantly more job satisfaction as ‘processing people’ is replaced with the chance to create a genuine emotional connection with employees and visitors. Boring, repetitive tasks will be replaced with a more open brief and more empowerment. Front of house staff will need support to adapt to this changing environment.

Equiem is a platform that improves communication between property managers and their customers. It provides front of house staff with in-depth training aimed at helping the team to deliver a frictionless, engaging and impactful tenant experience programme. Front of house teams are equipped to handle all aspects of events management, content writing, supplier and partnerships management, and day-to-day occupier communications. Not only does this improve the overall occupier experience, but it also allows front of house staff to develop new skills and grow in confidence. With this type of technology reducing the need for a range of menial tasks and time-intensive processes, front of house teams should be afforded time to focus on interpersonal skills and building deeper customer relationships. This demonstrates how technology and people skills come together. Potentially, this will provide a valuable first step in a career in experience management.
FACILITIES MANAGEMENT

QUICK RESPONSE
The facilities manager today is characterised as being a troubleshooter and ‘firefighter’, primarily forced by time constraints to being reactive rather than proactive. Mobile technology, even at a basic level, makes raising an issue and communicating among teams easier. This is already going a fair way to alleviating some of the pressures the facilities management (FM) team faces. Going forward, integrated operation systems and advanced data tracking will provide those with the ability to read them with information to foresee and pre-empt problems. Customer care in the hands of FM will be more about experience design, workplace advice and consultation, rather than complaints management.

KEEP SMART
Buildings are getting smarter. The facilities manager’s knowledge and skills must be developed to keep up with this technology. The generalist facilities manager runs the risk of becoming outdated, caught in the middle between technical building specialists and data specialists. Feedback from our focus group suggests, however, that technological infrastructure is not yet at the stage where it can be completely remotely managed, and nor is it likely to be. Resources with the ability to respond to hardware issues on the ground, and in front of the customer, will always be necessary.

REPOSITIONING THE ROLE
Chris Moriarty, Director of Insight at the IWFM, spoke to us about the steps the industry is making to reposition itself as a constitutive part of the workplace, not just a building. He said: ‘Facilities management is a business services provider not a building provider.’

In this respect, the FM side of the office sector is ahead of the game. We envisage competition between the FM and property management streams to harness technology and data to find out more about the customer, and to understand how to make their lives simpler and easier.

BACK OF HOUSE
Work that is process driven and does not involve complex decision-making is most at threat from automation and AI. This poses the biggest threat to back of house property management activities such as rent collection, record keeping, lease administration, procurement and service charge management. In keeping with the general trend, back of house roles will need to change.

Our focus group participants expressed the most concern around these roles. Opportunities lie in helping to develop and implement the business innovation systems that will enable the property manager to deliver the best possible service to the client. Human resources functions will play an important part in defining new roles, job descriptions and competencies, and in helping existing teams to upskill.

The smart back of house person will see these signs early and be looking for ways to move up the value chain by developing their consultancy and customer skills. Their attention to detail could make them well suited to applying skills such as customer journey mapping and service design.
PROPERTY MANAGEMENT

LESS ADMINISTRATION

Like the facilities manager, the property manager typically spends more time troubleshooting than proactively creating better ways to deliver service. Too many tasks are still manual and reliant on spreadsheets. Today’s typical property manager is frustrated, with too much time being spent reporting to clients rather than serving customers. These reports are often bespoke and require a lot of manual intervention.

Tomorrow’s property manager will be served by a suite of software tools and apps that give real-time information on the state of essential activities such as rent collection, service charges, health and safety, environment, service delivery and complaints management. The traditional property management systems will transition from being accounting and property databases to customer relationship management platforms. Building owners and occupier customers will have far greater access to transparent information with real-time updating.

Our focus group contributors saw this new role as far more motivational and rewarding, with time saved being better spent on the customer and their business aims. The property manager will rebalance their attention from policing lease obligations to enabling occupiers to run their businesses successfully, to the mutual advantage of the owner and occupier. As outlined in the following sections, this will involve a new range of competencies.

“There is a lot of talk about technology and what it can do and will achieve, but in all this noise we can sometimes lose sight of the point of why property exists. A building and its services should help a company deliver its business aims; technology should never be the point but should be used to enable and enhance this.”

Dan Hughes, CEO Liquid REI

THINK TECH

Tomorrow’s property manager will need to be far more tech savvy. A recent report by the British Property Federation and Future Cities Catapult found scarce and unevenly distributed technical digital skills and a lack of a business innovation mindset across the property sector. The findings of our focus group also suggest that, while it will not be necessary that the property manager can write code or be a whizz with software, they will need to understand how to implement technology to improve customer experience around efficiency, sustainability and wellbeing. Antony Slumbers, a leading PropTech commentator, recommends that the property manager becomes versed in design and system thinking as part of their evolving role.
GATHER DATA

The ability to gather, analyse and act upon data will also be an essential skill for property managers. The property manager will need to monitor and understand the impact the building is having on a wide range of stakeholders, particularly the employees who work there.

WeWork’s recent acquisition of Euclid is a good example of the move to use work-based data insights to develop solutions. In a press release issued by WeWork they explain: ‘Technology is a fundamental tool that helps us optimise workplaces – Euclid is a spatial-analytics platform whose team and technology will bolster the insights we provide to enterprises. With this addition to our offering, we will help enterprises better understand how their employees use workplaces, and create more productive, engaging spaces for their teams.’

Our focus group participants were excited by the prospect of customer experience being monitored in real time, with key performance indicators (KPIs) being set. In their new position closest to the customer, the property manager should be at the heart of conversations between owners and occupiers on how performance should be measured and what targets should be set.

“In the future, commercial real estate will have to be data driven, and the industry will need to be more collaborative between owner, service providers and occupiers to share, discover and exchange data. To be able to make links or patterns between temperature and happiness and productivity, you need a large data set.”

*Tech focus group participant*

PROVIDE A HUMAN TOUCH

Of course, other feedback methods, such as talking directly to and listening to customers one on one, will become even more important. The best companies will use technology in combination with other approaches to augment the experience.

Csongor Csukas, Head of International Property Management at BNP Paribas, maintains: ‘People like interacting and communicating. They like to form communities and they can be very productive if well managed. We look to fields like human resources, media, marketing to find people to fill these roles.

‘We need a community manager to create the atmosphere to encourage these exchanges. Just because we robotise does not mean we become robots. We will still have feelings and desires and want to communicate – and that requires people management, which is where our future lies. We need to transform ourselves because, if we don’t, external factors will come and transform us.’

TECHNOLOGY AND CUSTOMER EXPERIENCE

Customer experience has rightly gained a lot of attention, and increasingly so over the last few years. It is apparent from this research that levels of understanding about what good customer experience is varies widely. We spoke to Alex Bradley, Strategy Director at Eight Inc., an experience design company whose clients include Apple, Virgin Airways and Citibank.

He said: ‘For us experience is everything we do. People say that you can’t design an experience, but you can design the tools that facilitate it. Our methodology thinks of experience in terms of four realms – environment, communication, products and services, and behaviour.’

Different customers will have different areas of focus. This will depend on company culture and intended outcomes. Technology may be involved in the assistance or delivery of a variety of objectives – it could be a website, an AI trainer, a bespoke app or a smart meter, to name a few. It is important to recognise that it is only one part of the experience.

As Alex Bradley said: ‘Technology may be part of the solution, but it is rarely the sole answer.’

NEW PURPOSE, NEW VALUE

The influence of technology gives the property manager a new purpose, more closely aligned with the customer. The property manager will be responsible for crafting a full package of services, not just administering the building itself.

Thomas Sevcik, founder of creative think-tank Arthesia, develops narrative strategies for global developments. He says: ‘It’s not about creating a space but creating a product, and the concept needs to be developed with the occupier.’ He suggests that more in-depth knowledge of audience segmentation is essential.

In addition, according to PropTech commentator Antony Slumbers: ‘Property managers will move up the value chain and essentially become the creators and curators of all customer experience – what it will be and how it will be implemented.’

WITH CHANGE COMES OPPORTUNITY

In this section we have looked at the way advances in technology are impacting and augmenting traditional roles within property management. Technology creates the opportunity to rethink key tasks and responsibilities. The pace of change will continue to accelerate, with acceleration becoming exponential. It will be more important than ever that staff have the right training to be able to adapt and keep pace with those changes. This is necessary to cater for the changing demands of the workplace. Findings from our research also suggest that utilising technology as part of a combination of measures to improve customer experience will also result in improved job satisfaction for people working in the sector.

In the following section, we look in more detail at the qualities and skills that are required, and set out a vision for tomorrow’s property manager.
We now look at why a new vision for tomorrow’s property manager is needed and what that could look like.

REPOSITIONING THE ROLE

As described in the previous section, the role of tomorrow’s property manager will be very different. It promises to be far more challenging, but also potentially far more rewarding.

The Business Dictionary describes a vision statement as ‘An aspirational description of what an organisation would like to achieve or accomplish in the mid-term or long-term future. It is intended to serve as a clear guide for choosing current and future courses of action.’

Our vision for the future role of the property manager must respond to the changing expectations of a wide range of stakeholders, from owners and investors to occupiers, employees, their visitors and the wider community.

If the role was traditionally about managing buildings, the future is all about people.

WHO IS CALLING FOR THE CHANGE?

In a word, the customer is calling for change. Right now, occupier decision-makers think the term ‘property management’ is outdated. It inadequately reflects the level of service they require. Occupiers increasingly see the workplace as a strategic tool for three key reasons:

• to attract and retain talent
• to boost productivity
• to build their brand.

Consequently, they are looking for an ally to help them deliver these objectives. That ally could be tomorrow’s property manager.

IT’S NOT JUST OCCUPIERS WHO ARE KEEN TO SEE A CHANGE

Owners are also looking for change and are increasingly recognising the value that good customer experience brings.

A growing number of ‘enlightened’ property owners see the benefit of aligning with their customers. Charlotte Crawley, Customer Experience Director at Cushman & Wakefield, explains that her role is no longer seen as ‘soft and fluffy’ but as part of the core property and asset management business.

Like many others we have spoken to, she says: ‘The status of property managers has changed dramatically over the last 12–18 months, and that has been driven by the serviced office industry. There are a lot of people in the industry that think they “get it”, but they still have to be convinced to resource it properly.’
WHAT WILL A NEW VISION FOR THE PROPERTY MANAGER DO FOR THE INDUSTRY?

Traditionally, the property manager is caught between two stakeholders who are seen as being at odds with one another. As described in previous BCO reports, aligning aims to provide better service is beneficial to both the occupier and the owner. In fact, property managers hold a unique and privileged position in between these two, or at least have the potential to.

Owners and occupiers who contributed to our research urged property managers to be more responsive, and some said they would be willing to pay more for a better service.

’As long as it is clear what we are getting. The best way for this to happen would be for everyone to sit around the table together,’ said one, but as Chris Richmond, Real Estate Director at PwC, simply stated: ‘We are just not asked for our view. They should be facilitators of change, and educators. They should bring partners together. They should bring occupiers together and get everyone in the building on board.’

John Redfern of Savills says:

“The industry is moving in this direction, but it cannot do it alone, occupiers and landlords are part of the equation too.”

Working in this collaborative capacity puts property managers centre stage and raises their status in the industry.

HIERARCHY OF NEEDS

Our vision for the future role of the property managers brings to life the hierarchy of needs introduced in the 2017 BCO report Office Service Standards and Customer Experience: A Best Practice Guide.

We see the role of the property manager as being an expert at combining scarce resources – people, skills, technology and buildings – to deliver the optimum experience to each customer. This will rely on the property manager not just getting the basics right but also making the customer’s life easier and finding an emotional connection with each customer.

If this sounds like tomorrow’s property manager will require the skills of a magician, you’d be right. Well almost!

THE NEW VISION: THE ALCHEMIST

Alchemy has been described as ‘the quest for an agent of material perfection, produced through a creative activity, in which humans and nature collaborate. It exists in many cultures and aims at the production of gold and/or other perfect substances from baser ones, or of the elixir that prolongs life, or even of life itself.’

Figure 1 depicts the hierarchy of needs for creating great customer experience. Increasingly, forward-thinking owners and occupiers recognise the benefit of creating work environments that emotionally connect with their customers. Making this happen requires a number of steps. It is up to the alchemist to work up and down all levels to find the perfect mix.

CHIEF AMAZEMENT OFFICERS?

The property managers of the future will more likely describe themselves as ‘customer experience leaders’ or ‘place and wellbeing strategists’. They will talk more about creating a community and employee experience than rent collection or service charge.

Job title generator

The diagram below shows how the focus of tomorrow’s property manager is expanding.

A change to the name of the job title is more than semantics. Think of the impact that calling tech support the ‘Genius Bar’ has had at the Apple Store. This raises the status of employees and supports brand image.
HOW TO BECOME A PROPERTY MANAGEMENT ALCHEMIST IN EIGHT EASY STEPS

Like the alchemist creating gold from base metal, the property manager of the future will need to learn how to mix the raw materials of skills, people and technology to produce great customer experiences.

A specific type of person is required to understand the pressures, and potential opportunities, that the tripartite agreement between owner, manager and occupier creates. The person who can successfully convey and coordinate such a partnership and generate value should be highly regarded.

Below are eight attributes of tomorrow’s property management alchemist.

I. WORK ON YOUR PEOPLE SKILLS

Having the right attitude was the top priority for many of the people we interviewed who were responsible for training and recruitment in the industry. A combination of skills will be required for the customer experience professional of the future, some of which are just part of a person’s DNA. The qualities frequently used to describe tomorrow’s property professional are:

- empathetic
- respectful
- principled
- creative
- good listener
- as well as commercially minded.

Chris Carter Keall, Managing Director of Oxford Properties, describes his vision for the office building as follows: ‘The ideal person might well come from a hospitality background. They need to be a “people person” who has run a business, has gravitas, can command respect. They must be able to drive a set of values that can deliver a return. They need to show modesty – arrogance does not sit well with the customer – and be able to relate to customers and manage them as well. There are demanding customers out there, but we have to get them to a point where they can focus on running their businesses rather than worry about their property.’

2. GET AWAY FROM THE DESK

The alchemist is not chained to a desk, in fact they could not do their job if they were.

Visiting buildings and talking to the people who use them, is the simplest way of finding out what the customer wants and building rapport. While the change required may not happen immediately, creating an open dialogue demonstrates intent. It is the first step in becoming more customer focused. The alchemist is hungry for customer insight and will have access to real-time feedback about how each customer is feeling.

‘Success can only be driven by collaboration and a collegiate approach’, said Nick Peel, Head of Estates and Asset Management at Battersea Power Station.

PROFILE

Siobhan Jared

Works for – Transport for London (TfL)
Job title – Senior Business and Customer Performance Manager
Where – Windsor House, Victoria Street, London

What are the responsibilities of your role? I lead a team that is helping TfL Property evolve by enhancing customer experience to increase revenue.

Where does your dedication to customer experience stem from? I began my career as an apprentice at McDonald’s – I am very proud of my hamburger degree! It was intensive – 6 days a week, 12–14 hours a day training. Customer training was really, really important, and the ethos was how you attend to the customer to get the extra pound notes from them (as it was then!).

What else did the training there include? Empathy training was one thing. We were also taught about consumer segmenting and targeted marketing. It was advanced for the time in terms of consumer insight, and this was used to plan different strategies.

But you didn’t stay at McDonald’s? No, I wanted to come to London, and began working in business development for a small coffee company. I was also talking to recruiters and was advised to go for a contract catering role at UBS. They needed someone with my understanding in aligning need with commercial aims. The task was to guarantee a high-level standard of service in a pragmatic and efficient way.

How did this pave the way into property? Well, again, I didn’t know the industry, but I was approached to apply for a property management role, and I think I just had the qualities required for the job – lots of energy, an ability to speak to people at all levels and negotiate well.

How did you find the switch? It took me a bit of time to understand the culture of the surveyor. I completely acknowledge the incredible amount of work required to gain accreditation and the necessity of technical expertise, but I wanted to do new things. Just because things haven’t been done before doesn’t mean they shouldn’t be considered.

How do you train new recruits? We have some excellent apprentices and graduates at TfL. Part of the application process for the apprenticeships is to submit a video – this is no big deal to 19 year olds. Apprentices come in very green, but given the right mentoring buddy they do very well. Graduates tend to be a bit more self-directed. You can’t be as prescriptive, you need to give them room to see what they can do. I do think you get a more diverse range of personal profiles from apprentices; graduates tend to be coming from the same route.

Can you teach customer experience? I think customer awareness can be taught with a combination of classroom and on-the-job training, like we received at McDonald’s, but it’s also partly down to personality. Having said that, I think the principle of customer experience is easy to learn and can be developed through constant assessment during development. I’ve been lucky to work with people who have customer experience in their DNA, and actively share. The team culture at TfL helps to drive the customer experience agenda.

Finally, what is your definition of great customer experience? Yes, it’s about having good people skills, but more it’s really listening to your client, understanding their needs and planning for the future with a very commercial outlook.
3. BE A TEAM LEADER, AND LISTEN

As well as listening to the customer, the alchemist will listen to members of the team on the ground.

The people who have daily interactions with the customer and have first-hand experience on site will have the most valuable insights. Their input will be valued, and teams will be empowered by being given the freedom to make decisions with the customer in mind. This will need to be supported by appropriate training, performance reviews, and personal development plans with frequent one-on-one meetings. Not only will this boost motivation, it will also help retain staff.

Paul Jackson, founder of the concierge business Portico, talked of the importance of training and being able to communicate effectively between teams. He said: ‘Our people understand and deliver Portico values and ethos, whilst also being the ambassadors for our clients’ brand values – it’s a balancing act. The key to success is ensuring we lead in engaging our people and clearly communicating our goals and objectives.’

4. DEVELOP A TWO-Cлик MINDSET

The alchemist will be skilled at customer journey mapping and at identifying the most important touchpoints from the customer’s perspective. The alchemist will be inspired by on-line businesses, like comparethemarket.com, that work to ensure the information you want is no more than two clicks away. Making life easy for the customer will become an obsession and points of friction will be eliminated. The alchemist will also be inspired by other property sectors such as residential build to rent, where operators like Get Living have done away with rental deposits and rent reviews. This has been done by using an app to pre-screen the financial status of customers and by introducing rental indexation.

5. ASK QUESTIONS, COLLECT DATA, COLLABORATE

The alchemist will be an expert gatherer and interpreter of data. After talking to the customer and understanding their objectives, they will look at ways to collect the right kind of data to enable them to track performance. They will define, agree and commit to performance targets developed with the owner and occupier. Performance data will be collected in variety of ways from increasingly smart buildings. The alchemist will also have access to continual customer feedback from surveys, colleague reports and social media.

6. CARRY OUT A SKILLS GAP ANALYSIS

The alchemist will be an expert coach and mentor. They will continually evaluate the skills gap in themselves and in their teams. They will identify areas for improvement and search for appropriate training and knowledge. The alchemist is inquisitive and a constant learner. These qualities are supported by Ben Tolhurst, Managing Director of Property and Asset Management at JLL, who is responsible for improving operational performance through organisational transformation. He advocates investing in consumer mapping, target analysis and leadership skills training. This creates great role models who are customer focused and can provide the vision, purpose and priorities for their teams.

HOW TO CARRY OUT A SKILLS GAP ANALYSIS

This is a simplified process – you may need external help if your organisation is large.

• Identify the different roles within your organisation
  These are not simply job titles. Find the themes. For example, ‘customer facing’ would involve all those with customer contact, from the customer experience director to front-of-house staff.

• List the skills needed for each role
  In the property industry these could be technical or behavioural.

• Survey your workforce
  Design a simple yes/no survey to identify who is confident about having each skill.

• Compile the results
  You need to know which skills each member of the workforce has, and who in the workforce has which skill.

• Analyse the results
  You should now be able to see which roles have skill gaps, people who could progress up the career path in certain roles, and the number of people with critical skills and skills you might need in the future.

7. GET CREATIVE

The alchemist will be constantly looking for innovation. An example that came up often in our research is the frustration with the service charge system and its inflexibility in the era of customer experience. The alchemist will find ways to create financial alignment between owner and occupier.

While all sides of the property triangle acknowledge the pressure that low margins place on management companies, this is often used as an excuse for not providing better service. The alchemist will think creatively about ways to create a bigger pool of value that can be shared.

8. ENCOURAGE DIVERSITY

The alchemist thrives in a diverse business environment and actively encourages diversity of background and experience in their team. The alchemist knows that diversity is good for business. McKinsey reported that in the UK greater gender diversity on the senior executive team corresponded to the highest performance uplift in their data set: for every 10% increase in gender diversity, earnings (before interest and taxes) rose by 3.5%. Groups such as Real Estate Balance are galvanising women – and men – to address the gender balance in property by pressing for change in corporate culture.
ALCHEMISTS WANTED – APPLY HERE!

We give here summaries of two job advertisements that reflect the alchemist’s role. One is for a community manager at a co-working company, illustrating that the role is anything but soft and fluffy. The second is a summary of a customer experience director’s role at a well-known real estate company. Both examples demonstrate how close the role is to the customer and how integral it is to the overall commercial aims of the business.

ALCHEMIST REQUIRED … COMMUNITY MANAGER

• Illustrate core values and strive to achieve the company vision.
• Lead the community management team to create a collaborative environment among our members.
• Proactively gather data on members’ business objectives and identify which of our services and member services could achieve their objectives.
• Identify opportunities and act on them.
• Drive growth and promotion of services.
• Maintain company standards and expectations.
• Design and implement rules, guidelines and best practices to optimise member experience.
• Maintain 100% occupancy, achieve sales goals and manage churn.
• Ensure the building is fully operational and processes are running smoothly.
• Manage building KPIs.
• Manage and maintain relationships with vendors and landlords.
• Review daily reports and work with the team to finalise weekly and monthly reports that outline community and sales progress.
• Expense management for the building.
• Know and be able to implement member safety plans.

As a senior executive of one co-working company suggested: ‘They are running their own complete business.’

PROFILE

Thomas Kanavan

Works for – Fora (co-working company)
Job title – General Manager
Where – Fora, Dallington Street, London

What do you do? There are 11 different companies at the site, totalling 235 active residents. The number one objective for my team of ‘hosts’ is to learn how to ‘read people’, which helps us provide a 24-hour, bespoke service to every individual who comes on site. I want our customers to feel proud to invite their customers to their workplace. Quarterly customer surveys help the team identify the areas that need attention.

What is your background? I joined the industry following a career in acting and subsequent bar management. My experience brings an outgoing nature and operational know-how to the table, which is easily adapted to my role as general manager. Aspects to do with building and administration were picked up on the job.

How do you see your role developing? We are encouraged to draw on previous experience, and are nurtured to develop our own career paths. There are clear opportunities for development within the company. Looking ahead, I see myself moving up in seniority in operations and training, and definitely still at Fora.
THE CUSTOMER EXPERIENCE REVOLUTION – Closing the skills gap

THE GOLD STANDARD

In this section we have set out a vision of the property manager needed as the industry shifts to a more people-focused approach. We have listed eight ways in which tomorrow’s property managers will perform. We have used the metaphor of the alchemist as we believe people working in the industry will need to be able to mix skills, people and technology to deliver the gold standard of service required by their occupiers.

In the following section we look at current training opportunities within and outside the property industry. We propose a list of competencies to show how the alchemist’s role will develop over their career. We urge organisations and industry bodies to take inspiration from these pages to pave the way for future customer experience experts and ambassadors.

ALCHEMIST REQUIRED ... CUSTOMER EXPERIENCE DIRECTOR

- Align the vision and values of the managing agent and owner with the occupier’s business requirements and initiatives.
- Drive customer satisfaction through voice of customer insights and other innovative methods to assist with overall performance of the building.
- Identify and develop problem-solving methodologies to resolve customer issues.
- Provide guidance and support regarding customer/occupier research and place audits.
- Develop customer communication and engagement strategies.
- Lead the team in the set up and oversight of asset brand and communications framework over multiple channels.
- Oversee asset and customer-specific calendar of events and activations.
- Identify and stay abreast of key touchpoints in the community journey, both physical and digital, and develop an appropriate, consistent strategy.
- Disseminate a customer- and community-centric approach for all stakeholders.
- Manage and maximise relationships with partner providers.
- Work with the owner to define the brand value proposition and commercial objectives.
- Build local and global customer initiatives and relationships.
- Develop a customer experience strategy and provide guidance to improve business plans.
- At all times maintain communications with on-site staff, contractors and tenants to respond to any emergency situations or urgent contact requirement.

Both these jobs show there are many overlaps with the role of the traditional property manager, but the additional emphasis on community and the commercial impact of customer experience jumps off the page.
SKILLS FOR TOMORROW’S PROPERTY MANAGER

In this section we identify the skills needed by the property manager of tomorrow. Then we ask whether these skills can be acquired within the property industry today, and explore whether we need a new qualification.

The property manager has always had to be a good all-rounder, with a blend of technical and business skills (Figure 2). We envisage these two skill dimensions being added to a new third: ‘the customer experience dimension’.

CUSTOMER EXPERIENCE COMPETENCIES

The property manager of tomorrow will need to develop a set of additional competencies that are more readily found in other industries. The inclusion of these skills will widen the pool from which the property industry can draw, and in time will help to reduce the skills gap.

“There should be status, appropriate qualifications and reward.”

Ian Burr, Landsec

TOMORROW’S PROPERTY MANAGER

1. CUSTOMER EXPERIENCE

The Customer Experience Professionals Association (CXPA) is a US-based organisation which has developed the Certified Customer Experience Professional (CCXP) examination and certification.

Table 1 (see p. 25) draws on CCXP criteria to illustrate the competencies required by tomorrow’s property manager. Levels 1, 2 and 3 reflect the likely seniority within an organisation, and broadly align to front of house, property manager and strategic director roles, respectively.

2. BUSINESS ACUMEN, PROPERTY SKILLS AND KNOWLEDGE

As well as customer experience competencies, tomorrow’s property manager will also need to demonstrate business acumen and knowledge in the following areas:

Business skills:
- Business/commercial
- Finance/budgeting

Knowledge/technical skills:
- Property/building management
- Compliance, sustainability
- Health and safety
- Legal – rent, lease, service charge
- Valuations
- Fire, safety regulations
- Building regulations
- Wellness, employee wellbeing.
<table>
<thead>
<tr>
<th>Skills and abilities</th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
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| **Customer-centric culture** | • Creating a customer-focused culture  
• Problem solving  
• Relationship building | • Has a strong personal commitment to serve the customer  
• Actively builds relationships (e.g. welcoming new customers)  
• Resolves customer issues  
• Initiates and drives a calendar of community-building events | • Works with colleagues to develop a customer-centric culture  
• Delivers on-the-job and classroom training  
• Develops and implements communication plans to engage staff and customers  
• Provides guidance and support to front-line customer experience teams | • Provides strong leadership and drives a customer-centric culture  
• Champions programmes to induct, train and develop colleagues  
• Works with human resources professionals to ensure that customer experience strategy and behaviours are aligned and understood  
• Designs customer experience-centric job descriptions and hires customer experience focused employees |
| **Organisational adoption and accountability** | • Collaboration, influencing and relationship skills, leadership | • Understands the importance of customer experience to the business and how it can contribute  
• Collects and understands customer experience data  
• Inducts customers into the building and use of technology | • Works across departments to improve customer experience  
• Recommends initiatives based on customer experience data  
• Introduces new processes to improve customer experience, including technology  
• Is accountable for the resolution of issues  
• Maximises and develops relationships with partners and suppliers | • Ensures customer experience impact is a criterion for business and investment decisions  
• Aligns business and customer experience goals  
• Plans, leads and manages change  
• Initiates and implements strategic partnerships with key customer experience partners and suppliers  
• Stays abreast of key trends in customer experience and analyses competitors |
| **Voice of customer insight and understanding** | • Analytical, organisational | • Collects voice of customer data  
• Collects unsolicited feedback from customers, shares and acts upon it  
• Contributes to customer journey mapping and problem-solving sessions | • Identifies and plots potential pain points through customer journey mapping  
• Delivers improvements to customer experience based on analysis of customer feedback | • Commissions independent voice of customer feedback  
• Plans and delivers improvements in customer experience based on analysis of customer feedback  
• Keeps abreast of latest techniques to gather and collate feedback, including social media |
| **Customer experience strategy** | • Has an understanding of the customer experience strategy of the business and how they can personally contribute | • Translates the customer experience strategy into customer experience design and execution  
• Clearly communicates the importance of the customer experience strategy | • Designs a customer experience strategy that aligns to overall corporate objectives and brand values  
• Develops principles and employee behaviours to reflect brand values and the organisational mission  
• Reviews the customer experience strategy and ensures it keeps up with changing customer requirements |

*Table 1*

The competencies required by tomorrow’s property manager
THE CURRENT AND FUTURE QUALIFICATION ROUTES FOR TOMORROW’S PROPERTY MANAGER

Below is a summary of the key bodies that play a role in the recruitment, training and personal development of property management professionals in the UK. We also include some international examples.

ROYAL INSTITUTION OF CHARTERED SURVEYORS (RICS)

RICS is a professional body promoting and enforcing the highest international standards in the valuation, management and development of land, real estate, construction and infrastructure. The organisation has approximately 125,000 members worldwide.

RICS has separate professional groups for commercial property (which includes property management) and for facilities management.

The RICS qualification guidelines do not specifically talk about customer experience as a skill, but ‘client care’ is a mandatory competency, and the concept of stakeholders, which could include the ‘tenant as customer’, is recognised as follows: ‘The term “client” as it is used in this competency means not only the contractual party who has appointed the surveyor, but also all of the stakeholders in a project with whom the surveyor has to engage.’

While there is no specific mention of customer experience in the Assessment of Professional Competence guidelines, Kate Taylor, a RICS Assessment of Professional Competence (APC) specialist assessor and auditor, explained that this does not prevent a candidate using a customer experience case study as evidence at their APC interview.

‘We have just re-done the RICS Pathways Guide but have not changed the property management section because it is relatively open,’ she said.

‘Service charge case studies are the ones most used by candidates, and those would include communication and negotiation.

‘Experience-making and place-making are buzzwords we are hearing a lot more from candidates. This is definitely candidate driven, and customer service is more important than ever. They could use customer experience as a case study because the property management specialisation is so open.’

Thus, it seems that the concepts of customer experience and placemaking are filtering up through the RICS assessment process.

David Woodman of Bewonder* said RICS has the ‘responsibility and the opportunity’ to create an additional stream for customer experience. ‘There is still a place for technical training, but customer experience is also a worthy and vital stream.’ He also raises an interesting question, asking what value traditional qualifications offer to the customer.

We expect RICS to reflect the emerging specialism of customer experience in the coming years.

RICGS – ALL YOU NEED TO KNOW

THE RICS Pathways Guide was rewritten in August 2018 with consultation from industry and the education standards board.

Most Level 3 candidates go down the pathway of a relevant degree and accreditation. Some 3,000 candidates apply annually worldwide, of whom ‘several hundred’ declare property management as a specialisation.

Level 1 assessments are knowledge based.

Level 2 is applied knowledge, dealing with clients.

Level 3 is high level, able to give advice.

Continuing professional development (CPD) is required to maintain accreditation.

Non-surveying candidates can become accredited as Senior Professionals. This is a specialist route of entry aimed at senior-level mid-career applicants. This route could be used more widely in the future by customer experience professionals looking to enter the profession.

Undergraduate courses

RICS accredits more than 300 degrees across land, property and construction at over 50 universities throughout the UK.

We were surprised to discover that the list of RICS accredited undergraduate courses reveals just one with ‘property management’ in its title.

The University of Wolverhampton offers flexible studying options for its BSc (Hons) in Property Management and Real Estate, which aims to ‘enable students to pursue professional careers in property management and real estate at a level which requires the exercise of sound judgement, and initiative, and the ability to make informed decisions in property situations that reflect a responsible, ethical, and socially aware outlook.’

There is no place-making or customer experience module in the syllabus.

The University of Westminster offers a Facilities and Property Management MSc course which is accredited by RICS. The course is aimed at graduates who are already in property management related employment and who aspire to senior positions as commercial managers or similar roles. There is no specific module in customer experience.
INSTITUTE OF WORKPLACE AND FACILITIES MANAGEMENT (IWFM)

The IWFM (formerly BIFM) has around 17,000 members and says: "We are here to drive change. To extend our profession’s impact beyond the built environment and unlock its potential value to business and society."18

It offers six levels of qualification plus an academy for personal development. Perhaps because many of its members are employed within corporate environments where employee satisfaction is a key driver, IWFM has already recognised the importance of customer experience as a discipline.

While IWFM has not traditionally provided training for property managers, one of its short courses is Improving the Customer Experience (see right). The competencies covering customer interactions are:

- Level 2 – Develop customer relationships.
- Level 3 – Customer and stakeholder relations in FM.
- Level 4 – Developing relationships with suppliers and specialists.
- Level 5 – Managing people, managing relationships with suppliers and specialists.
- Level 6 – Quality management and customer service.
- Level 7 – Managing staff and customers in FM.

“Many students think a career in property means working for the local estate agent.”

Louise Welland, Pathways to Property

PROPERTY NEEDS YOU

The property industry has for some years recognised that it needs to raise its profile with school leavers and young graduates. This will enable it to compete with other professions such as law, banking, management consulting and accountancy. It also has the challenge of attracting the millennial generation, who might be more attracted to the technology and media sectors, or careers with a deeper social purpose.

Property Needs You20 is a UK-wide initiative aimed at increasing awareness and helping young people think about a career in property. It is the umbrella brand name used by:

- Changing the Face of Property (backed by key industry players, including JLL, Cushman & Wakefield, CBRE, Savills and BNP Paribas)
- Pathways to Property (see p. 28)
- Surveying the Future (the RICS diversity initiative)
- Future Planners (the Royal Town Planning Institute diversity initiative)

Its mission is to engage, inform, inspire and challenge, and it does this by attending exhibitions, student fairs and career guidance shows.

We see the opportunity to scale up this initiative significantly, specifically to help close the skills gap, with the property management industry drawing on lessons from the hospitality industry (see pp. 30–31).

IWFM SHORT COURSE – IMPROVING THE CUSTOMER EXPERIENCE

Any member of your team can help to improve the customer experience. This course will teach you quick, cheap and easy ways to improve your customer’s experience and create an enthusiastic advocate out of every customer.

Upon completion of this course, you will understand:

- Customer types: Different types of customers and how to communicate with them.
- Developing relationships: How to develop strong customer relationships.
- Generating return custom: Techniques to ensure customers return.
- Dispute management: How to manage customer disputes effectively.

Source: IWFM19
PATHWAYS TO PROPERTY

Another programme designed to increase diversity within the property industry also has the potential to help close the property management skills gap. Pathways to Property\(^2\) is a programme for UK state-school students in Year 12. It is led by the Reading Real Estate Foundation at Henley Business School of the University of Reading, and backed by leading property companies.

The organisation gives talks in schools, organises work-experience placements and e-mentoring, and runs an online Pathways to Property course. Its most recent key activity is the annual summer school, held at the University of Reading, which attracts 200 young people each year.

‘During the summer school we emphasise to students the importance of networking and building relationships within the industry,’ said Louise Welland, the programme delivery manager of Pathways to Property.

The core mantra of the programme is to increase the ethnic and gender diversity of potential property recruits and to look for those without a background in the industry.

While the summer school is based in the south-east and UK-wide reach is hard to achieve, Louise Welland believes they have had some success. So far, 410 participants have gone through the programme and completed A levels; 23% of these have gone into property-related study, apprenticeships or employment.

We suggest that the aims of Pathways to Property are aligned with the growing recognition that customer experience skills are valuable and may already have been acquired by potential recruits through holiday or part-time jobs.

Regeneration Brainery is another scheme committed to getting a diverse range of young people into the property industry. Focusing on regeneration, it runs The Brainery, a five-day free ‘get-together’ for school leavers and undergraduates.\(^2\)

LESSONS FROM ABROAD

Building Owners and Managers Association (BOMA)

Founded in 1907, BOMA\(^2\) represents the owners and managers of all commercial property types, including nearly 10.5 billion ft\(^2\) of US office space. It runs a calendar of events, and its educational offerings include webinars and a foundation course in real estate management. The ‘career centre’ on the website includes a comprehensive list of real-estate courses to be found all over the USA, and the BOMA 360 Performance Programme is a means of recognising excellence in operations and building management – including ‘tenant relations’.

Property Council of Australia

The Property Council of Australia\(^2\) is an advocacy body. It offers professional development courses and industry diplomas, which provide pathways into master’s degree programmes, and benchmarking initiatives, which include facilities and financial management – but not customer engagement. It hosts 350 events nationwide each year, and its Future Professionals brand provides networking and pathways to those under 35. It hosts the podcast The Property Puzzle.

PROFILE

Charlotte Cheevers

Works for – Savills Property Management
Job title – Graduate Surveyor
Where – Margaret Street, London

Tell us what you do at Savills. I am a graduate surveyor. I’ve been with Savills almost three years, and am sitting my APC this spring. Most graduates rotate through different departments, however I’m fixed in property management. I have also spent four months in the valuation department.

What got you interested in a career in property? I studied business studies and law for my undergraduate degree. During my placement year, I worked for a law firm in Edinburgh – which was interesting, but not for me! When I graduated, I started working for a PR and marketing company in Belfast which specialised in commercial property and shopping centres, where we focused a lot on placemaking. I then moved to London and worked for another small PR/marketing company, again specialising in commercial property and shopping centres. I worked with asset managers and other parts of the wider estate teams on the property side, which pushed me to look at various opportunities.

Property management isn’t just bricks and mortar? It’s more about creating an experience and a place to be. Space is so competitive, especially in London, so we’ve got to demonstrate that it’s more than just a space being offered, but a full service.

Is this reflected in your training? More and more, yes, and I’ve definitely seen a change in the last few years. Savills has various initiatives to benchmark against so that we can raise the standards of customer experience. More landlords are recognising the need for customer/tenant service in buildings, and tenants are beginning to expect this more too. We’re beginning to roll initiatives out across industrial estates too – for example, we are holding a BBQ event for occupiers at one of our industrial sites early this summer.

Do you receive any specific customer experience training? Not specifically. However, new initiatives mean we are more exposed to it, and I think there will be more specific training on this in the future. I am also planning on focusing my dissertation on the importance of customer/occupier experience in the real estate industry.

Dissertation? As I joined Savills as a non-cognate graduate, I had to complete a RICS accredited degree in order to sit my APC. I am currently completing my MSc in real estate. I studied one day a week for two years during my time at Savills to complete the postgraduate diploma, and am now working towards my dissertation which will give me the full master’s degree.

Did you learn the technical aspects of the job from your additional studies? Some, but I would say I’ve learnt most through my experience at Savills.

What do you most enjoy about the job? I love that it’s fast paced, and you never know what’s going to land on your desk. It’s a great team and we face new challenges every day. I enjoy the interaction with clients and tenants, and managing this relationship is key.
European Association of Real Estate Professions (CEPI)

The prime objective of CEPI is to harmonise the education schemes between the various countries of the European Union so that professionals can work beyond national boundaries. It offers its basic Eureduc programme to property managers; this covers key knowledge areas but not customer experience.

Other areas

The South African Property Owners Association (SAPOA) and the Property Council New Zealand organise events and networking for women, while the Property Council of Australia offers a mentoring programme for women.

Asia

The Chinese University of Hong Kong (CUHK) Business School offers an exciting undergraduate course in hospitality and real estate. This is described in more detail on page 31.

HOW OTHER SECTORS ARE CLOSING THE SKILLS GAP

The office sector is not the first area to close the skills gap when faced by the combination of changing customer expectations and disruptive forces. Other industries have had to adapt and develop their approach to recruitment and training too. In this section, we look at examples from retail, hospitality and the creative industries.

Here are six examples:

• Revo Diploma in Retail and Leisure Place Management
• Institute of Residential Property Management (IRPM) Level 4 course in Build to Rent
• Portico Academy for front of house staff
• Lessons from the hospitality sector: Springboard, Kickstart, the Edge Hotel School, the Confederation of Tourism & Hospitality and the Hospitality Guild
• Undergraduate degree in Hospitality and Real Estate, Chinese University of Hong Kong Business School, Hong Kong
• Think beyond the usual channels: MA Narrative Environments, Central Saint Martins, University of the Arts London.

REVO DIPLOMA IN RETAIL AND LEISURE PLACE MANAGEMENT

This is a new qualification, equivalent to Level 4 (Higher Education Certificate/BTEC or first year of a university degree) that will launch in 2019. It has been developed in conjunction with industry experts and the Revo Educational Trust and is a response to the unprecedented structural changes currently taking place in retail. Like our vision for the property manager in the office sector, the traditional shopping centre manager now also needs a far wider skillset.

The course says it provides ‘retail place managers with the practical skillset and knowledge to manage and operate the retail and leisure assets that sit at the heart of our communities.’

The course is open to anyone working in the retail or property industry. All assessment is linked to real work scenarios. Students are expected to show their accumulated knowledge through assessments, following live briefs and industry-led projects.

The course covers both commercial and technical requirements, alongside training that enhances customer experience. Topics include health, wellbeing, community and developing a unique selling proposition (USP) to differentiate place. The new qualification demonstrates retail’s awareness and commitment to preparing for the future, and sets a precedent for a similar or complementary course for commercial real estate.

‘We hope that this will become the de facto industry entry-level qualification for the retail and leisure place management sector,’ said Tere Daly, Pro Vice Chancellor, External Relations, Solent University, Southampton.
IRPM BUILD TO RENT LEVEL 4 COURSE

The IRPM is the leading professional body for residential property management professionals, providing learning and qualifications to over 4,700 members from over 1,200 organisations. The institute’s key objectives include raising the standards in the residential property management sector and providing individuals with independent accreditation of their professional skills. The IRPM has recently launched a new Level 4 qualification and associated learning material for the management of institutional build-to-rent residential property. This is a fast-growing sector providing a responsive and creative service to private renters.

Recognising that this new product needed a new qualification, the IRPM set up a working group to deliver the syllabus and training material. The course (mainly online) will be taken over two years and involves continuing assessment.

A module of the course also covers customer care. ‘In this module, you will learn about how important it is to think about the manner in which you do things, rather than what you do. You will learn about protecting the brand and why exceptional customer service matters.’

PORTICO ACADEMY

The Portico Academy is the training arm of the concierge company Portico. Founder Paul Jackson sees the rise in service expectations as an opportunity not a threat, putting customer experience firmly on the map. At the heart of Portico is a rigorous and bespoke training programme for everyone who joins the company.

The starting block is an induction programme at the Impeccable Service Academy. After this, Portico enhances personal and professional skills through nurturing talent programmes, professional qualifications and a leadership academy. The academy is also open to non-Portico clients, offering a wide range of bespoke or tailored courses for companies looking to invest in their teams’ personal or service development. Competencies include service language, leadership, communication techniques and brand awareness.

LESSONS FROM THE HOSPITALITY SECTOR

Christian Armstrong, Chief Experience Officer at GetLiving, whose first career was in the hotel industry, describes the hospitality sector as ‘light years ahead when it comes to training and education’. The hospitality industry provides many examples of ways that industry-sponsored and/or in-company initiatives have been put in place with the aim of closing a skills gap. The contrast with the office property sector is striking.

For example, The Springboard Charity is supported by industry sponsors and business partners on a wide scale. It offers clear paths and advice for professionals, teachers and companies offering work experience. It supports people into sustainable employment within hospitality, leisure and tourism. Last year it helped 2,224 people through employability programmes, provided education courses to 13,907 students, and gave 17,426 work experience tasters and careers advice to 56,497 beneficiaries. A wide range of programmes and activities are clearly listed on the Springboard website.

These include FutureChef, which provides programmes that combine experience in industry and education. Local sponsors are actively involved in promoting skills and showcasing their industry.

Also, Kickstart, a programme similar to Pathways to Property, offers a three-week summer school for students looking to make career decisions. This began in 1999 in London, and has now grown to take place in 11 cities across England and Scotland. There is also a one-on-one mentoring programme for university students studying hospitality-related degrees, and ‘buddy days’, where people interested in starting or changing careers are invited to shadow participating company employees for a day. As a charity, there is also extensive resource for developing those who are ‘further from the labour market’ and encouraging them into rewarding work.

As well as the variety of training initiatives, there are innovative approaches within hospitality training from which property can learn. The Edge Hotel School was founded in 2012 by the Edge Foundation in partnership with the University of Essex. Students work towards their BA Hotel Management or BA Events Management with Hospitality in a real hotel setting. This approach means students acquire ‘the all-important people skills essential for success in the sector’. The initiative is widely supported by leaders in the hospitality industry, who have been heavily involved in the development of the curriculum. Scholarships are also available from many of the leading hotel companies. The property industry is already familiar with on-the-job training. The Edge Hotel School shows this is just as applicable to developing customer experience professionals. This example points the way to more vocational training in a real-world environment.
The Confederation of Tourism & Hospitality\textsuperscript{35} has a network of more than 200 approved teaching centres for the delivery and assessment of qualifications in the tourism and hospitality industries. It says: ‘Our mission is to focus on the training needs of new entrants and existing industry professionals.’

The Hospitality Guild,\textsuperscript{36} meanwhile, is an alliance of employers, skills bodies, individuals and training providers ‘dedicated to simplifying, and promoting the professionalism of the hospitality industry’. They say they do this by:

- encouraging those within the industry to work together and, as a result, reduce duplication of effort
- increasing awareness of the many different opportunities available in hospitality, including careers, apprenticeships, education and training, and making them easy to find, navigate and understand
- simplifying all aspects of professional development for individuals and employers
- highlighting clear career pathways to those wanting to enter the industry or those already in it.

**DEGREE IN HOSPITALITY AND REAL ESTATE, CHINESE UNIVERSITY OF HONG KONG BUSINESS SCHOOL**

This cleverly designed undergraduate course at the CUHK Business School offers streams in both hospitality and real estate.\textsuperscript{28} It is the only course of its kind that aligns the two, and which recognises real estate as a service industry. Modules include service and hospitality quality management, hospitality strategic management, real estate law and real estate investment.

Programme Director Gentiana Cheung explains how the hospitality and real estate industries are linked: ‘Imagine you accomplish the task of finding a piece of land, constructing a beautiful hotel, adding wonderful facilities, designing a unique brand, all pieces eventually fall into place to transform the building, the landscape, the services into the best experience for your guests.’

This course, which brings the two worlds together, provides a glimpse of how undergraduate education could evolve in the UK.

**EXPERIENCE/DESIGN – MA NARRATIVE ENVIRONMENTS, CENTRAL SAINT MARTINS**

Experience is everywhere. There are lessons to be learned from all kinds of industries and channels. The MA Narrative Environments course, offered by leading art school, Central St Martins, University of the Arts London,\textsuperscript{37} equips students to develop and design engaging visitor experiences in a variety of physical settings. During the course, students learn theory and practical tools for understanding how people use and interact with space. Techniques include user journeys, storyboards and emotional mapping. These are put to the test, working in multi-disciplinary groups on live projects. Each project involves multiple stakeholders in complex spaces, and can include commercial property environments.

The course held a successful one-day event in October 2018 with the property networking group Experience Makers\textsuperscript{39} that demonstrated the potential for collaboration between the property business and academia.
WHAT WE’VE LEARNED

FOUR SIGNPOSTS TO THE ALCHEMIST’S GOLDMINE

The good news is that the closing of the customer experience skills gap is aligned with the direction of travel of the property industry. From our investigations above, we have identified four paths that the industry’s educators, trainers and professional bodies must navigate. The destination, we suggest, is a new qualification.

1. Diversity

There is a welcome drive to increase the diversity of students coming into the property industry. Property Needs You and, especially, Pathways to Property, with its emphasis on state-school recruitment, are doing their best. RICS, too, is endeavouring to widen its base and overcome what it calls the ‘unconscious bias of middle management’. The need for increased diversity at entry level, in recruitment and career development underpins any attempts to close the skills gap.

2. New pathways required

While it may be true that there is more diversity among those joining the industry, the pathways remain broadly the same. Even if more women and ethnic minority candidates opted for the property industry as a career, they would still be channelled towards ‘relevant’ degrees and into RICS or IWFM accreditation. An increasing number of employers are recruiting on attitude and no longer require an ‘exempting degree’ in real estate. This presents a great opportunity to reach out to the students who have gained experience in a luxury hotel or volunteering abroad, or have studied sociology, experience design or computational mathematics at university and show an interest in commercial property.

3. Make it exciting

There is a recognition that occupiers are becoming more demanding and that customer service skills are required for all customer-facing property roles. As Polly Plunket-Checkemian said: ‘Everyone on site should be customer experience professionals.’ A lot needs to be done to raise the profile and attract more innately customer-focused, passionate and inquisitive talent to choose a career in property management. One approach could be to think more creatively to raise the profile and accessibility of office buildings. As Kerry Campbell, Client Services Director at Knight Frank, points out: ‘People have an idea about what a hotel is and what goes on in them; there is less awareness around office buildings and how they are run. No one grows up wanting to manage an office.’

4. Clarity

Clearer job descriptions should be provided for customer experience professionals entering the profession. Better defined career progression is also needed from entry level and at senior level. Having a clear career progression route, which can apply to more than one type of role or department, will give people working in the industry an incentive to improve their skills. According to LinkedIn’s 2018 Workforce Learning Report, 93% of employees would stay longer at a company if it invested in their career.
THE DESTINATION – A NEW QUALIFICATION

There is a need in the property industry for people who know how buildings work, and who are comfortable operating in a legal framework and where health and safety is paramount. However, there is also a hunger, particularly in the office sector, for people who have customer experience skills. At the moment, it is seen as more expedient to hire or poach an employee from hotel management and teach them the ways of property than it is to persuade a technically competent property manager to take a customer-centric approach.

We asked our interviewees whether there was a need for a qualification which would bring together the worlds of property and customer experience. The proposal received significant support. Iain Taylor, Director of Northwood Investors, backed the idea: ‘Qualifications are important, especially for the person who has them, for example for those in facilities management it is good they can put BIFM after their name. It would be good to get the customer message into those courses. The BCO could come up with a recognised qualification which would be a good use of our resources.’ He also said that there should be links with universities or other higher education providers that could offer vocational courses tailored to the property sector. As described on page 29, this is an avenue which has been explored by Revo.

Voices from earlier sections of this report, like Charlotte Crawley of Cushman and Wakefield, are very keen to see customer experience embedded in undergraduate or postgraduate property courses and courses offered by RICS.

An accredited training qualification in customer experience for the property industry is not a prerequisite for anyone delivering great customer experience. There are exemplar property managers currently working in the industry who do so without any industry qualification. Such a qualification would, however, create a benchmark standard that is recognised and respected. This is an important motivator within the industry. From an outside perspective, accreditation demonstrates an overall commitment of and collaboration within the industry.

“It is hard to get the industry to put a high priority on customer experience. Training is not taking customer experience skills where they need to be because they are confused with being ‘soft’.”

Anthony Bickmore, Lendlease
ROAD MAP FOR CHANGE

In this section we set out a road map for change – a series of eight recommendations aimed at industry bodies, property managers, owners, landlords and educational establishments, and designed to accelerate the pace of change and address the skills gap identified in this report.

CUSTOMER SKILLS GAP ROAD MAP

A wide range of practical initiatives that will enable the property industry to create momentum behind closing the skills gap are detailed below.

1. NEW FOCUS

The challenge
To create momentum across the industry behind the challenge of closing the customer skills gap.

Actions
The property industry should create the necessary momentum to close the skills gap.

1. Greater engagement by all parties through a task force, which would bring together owners, managers and occupiers, is recommended.

2. Greater industry engagement between professional and trade bodies (e.g. RICS, BCO, IWFM, Property Industry Alliance, Revo, UKAA and BPF) is advocated to identify common challenges and opportunities for collaboration.

3. Collaboration between the property industry and other professional bodies, charities and educators outside the property industry (e.g. Confederation of Tourism & Hospitality and Springboard) would be advantageous.

2. NEW DATA

The challenge
To establish an accurate measure of the size of the customer experience skills gap, and be able to track the impact of steps taken at a company or industry level to close the gap.

Actions
Employers should aim to:

1. Carry out their own skills gap analyses.

2. Undertake reporting of the number, pathway and background of customer experience professionals coming into the industry.

3. Measure in a consistent way the size and impact of investment in upskilling existing employees.

3. NEW PATHWAYS AND DIVERSITY

The challenge
To broaden the number of pathways and the diversity of people seeking a career in customer experience delivery within the property sector.

Actions
Industry bodies as well as property managers should aim to:

1. Work within existing diversity and inclusion initiatives to promote opportunities in customer experience as particularly welcoming and suited to wide range of people.

2. Work towards the creation of a new diploma or graduate programme in conjunction with education providers specifically for tomorrow's property manager.

3. Work together to provide a pathway towards a recognised industry qualification (like RICS or IWFM) for customer experience professionals transferring mid-career into the property industry.

4. Work with educational establishments to ensure that undergraduate and postgraduate courses equip students with a practical understanding of the importance of treating tenants as customers, and of how customer experience management is relevant to property development, investment, and asset and property management.

5. Broaden the scope of existing initiatives aimed at young people (e.g. Pathways to Property) to promote the fact that customer skills are relevant and will be valued within the property sector.
4. NEW AWARENESS

The challenge
To create greater awareness of the opportunities within the property industry with the aim of attracting people who would otherwise be recruited into the hospitality and related sectors.

Actions
1. Individual companies and the wider property industry should aim to identify customer experience role models within the property industry who can mentor young professionals and present a more accurate image of tomorrow’s property manager.
2. Companies should use social media to present a more exciting image of the work of customer-facing people in the property industry with a focus on how this enriches job satisfaction.
3. Landlords, property managers and occupiers should reach out to local schools and colleges to offer open days and visits focused not just on how things are built but also on the breadth of opportunities available for people to put life and soul into places.
4. Employers should aim to raise awareness of education and qualification routes, CPD programmes, networking groups and customer experience courses through their human resources functions, and as part of their graduate recruitment programme and any additional training offered.

5. NEW OPPORTUNITIES

The challenge
To present the opportunities in the property industry to customer experience professionals in a more attractive and relevant way.

Actions
1. Employers should rewrite job descriptions and rethink traditional property management job titles to make roles more attractive to a wider group.
2. Recruiters should be encouraged to look far wider and think more laterally about where to find the talent needed.
3. A recognised set of customer skills competencies should be developed by companies’ human resources departments in collaboration with industry bodies and education providers to ensure relevant course content is developed and taught.

6. NEW TECHNOLOGY

The challenge
To equip tomorrow’s customer experience professionals and property managers with the skills they need to realise the full potential of PropTech.

Action
1. Closer engagement between property businesses and PropTech companies should be encouraged to promote best practice and knowledge about the application of technical innovations and their potential impact.

7. NEW STATUS

The challenge
For customer experience professionals in the office industry to be recognised for their expertise in this new discipline at a personal, company and industry level.

Actions
1. The launch of a new award to specifically recognise projects, service partners and individuals who deliver exemplary service and demonstrate real innovation could provide the impetus for change. This is currently being considered by the BCO.
2. An accreditation programme for office buildings that recognises the ability of a building and its management team to consistently deliver the desired level of service to occupiers would be a further way to encourage the property industry to adopt the necessary changes outlined in this research.
3. Further research on ‘best practice design for customer experience’ would help the industry to find ways to bring general managers, and front of house staff, out from behind their PCs.

8. NEW WAYS TO PAY

The challenge
To address the big question of who ultimately pays to create the changes envisaged in this report.

Actions
1. Greater engagement is required between owners, managers and occupiers to continue the debate initiated by this research project into who pays for improved customer experience. This could be facilitated by industry bodies such as the BCO.
2. Further research is required into whether the service charge system is roadworthy and whether a new type of ‘experience charge’ needs to be designed to accommodate the increasing range of services and bespoke solutions needed by occupiers. This is under consideration by the BCO in conjunction with key industry players.
WHO SHOULD PAY FOR AN ENHANCED CUSTOMER EXPERIENCE?

RESEARCH WORKSHOP

As part of the research we invited managing agents, occupiers and owners to come together to discuss a series of propositions designed to draw out their thoughts and opinions on ‘Who pays?’ and to generate ideas for the way forward.

There is a general perception within the office industry that there is a conflict between key stakeholders – owners, managers and occupiers – when it comes to the question of who pays.

The traditional presumption is that:
- owners want to maximise rents and service charges
- occupiers want to minimise rent and service charge outgoings
- managers are caught in the middle – incentivised to keep their fees as low as possible while promising to deliver the maximum to their clients and occupiers.

The good news is that, on the basis of the workshop discussion, it does not always have to be this way.

SERVICE PARTNERSHIPS

Occupiers were emphatic on the point that they would pay more for a better level of service – they just want to know what is being offered and to have a say in what that level of service would look like. Tomorrow’s asset and property manager has a valuable role to play in enabling the two parties to make informed decisions on service levels and the costs of delivery.

SERVICE AGREEMENTS

A base-level service standard was welcomed by occupiers, with the option to request a higher level, with a menu or tick list, to match requirements. The idea of including these in a new-style service agreement and the value of aligning the service KPIs was discussed. In this way everyone is on the same page, and a level of flexibility can be offered to match different occupier requirements. This also lays the foundation for recognising the additional value that property management creates.

MULTI-OCCUPIER CHALLENGE

All sides of the table acknowledged that providing bespoke levels of service in a multi-occupied building posed more challenges. As we outlined previously in our vision of tomorrow’s property manager (see pp. 18–33), matching service levels to individual customers is a key part of the ‘alchemist’s’ role. Property managers who invest in understanding the needs of their client’s occupier customers will be recognised and win market share.

REMUNERATION AND REWARD

Customer satisfaction scores should be used to track service levels, and property managers should be rewarded as a result. Whether these extras are met by increased charges to the occupier, or owner, is up for further debate. During the research discussion, occupiers were open to rewarding good service, and we heard from Raj Rajput at Hines, an investment manager which pays its property managers a performance bonus linked to customer feedback scores. The group also recognised that not all reward is monetary: ‘It’s also about people feeling empowered and passionate about what they do,’ said one.

CUSTOMER EXPERIENCE LEVY

In order to upskill and promote the industry differently, we broached the idea of an industry-wide customer experience levy. The levy would help to fund initiatives designed to promote more diverse recruitment, increase access to training and education, and increase the use of technology. The reception was tepid. Owners and managers, who felt they were already travelling down this road, were cautious about investing in something that could lose them their competitive edge. Occupiers seemed reluctant to pay for something that would usually be a supplier cost.

ROOM TO EXPERIMENT

Allowing room to experiment and to try things out, as is widely done in the tech industry, could also help owners and managers better provide the service occupiers are looking for. For this to happen, more investment incubators or collaboration across organisations and stakeholders will be needed. Having the ‘room to fail’ was also discussed. This does not mean millions of pounds spent on expensive and vanguard R&D. Rather, it acknowledges a state of transition that requires multiple inputs and investment to develop bespoke and responsive workplaces.
TOTAL OCCUPANCY CHARGE

Given the increased range of services being provided in the office sector, the discussion led to a shared view that the service charge is not fit for purpose. ‘In essence it stops you being able to manage properties well,’ said one participant. It was largely agreed that a negotiable and transparent total occupancy charge would be better.

All parties agreed with the proposition: ‘We recognise that the current system of remuneration for property management through service charge is broken. We are receptive to ideas which seek to reinvent how we pay for and reward customer experience.’ This opens the door for managing agents to broker some new ways to charge for a customer experience package.

INDUSTRY VALUE

Participants agreed with the proposition that the direction of travel is towards an industry-standard benchmark or accreditation for customer experience, and that this will be a factor reflected in property valuations in the future. We are already seeing this trend gain traction with BREEAM, the WELL Standard, WiredScore and GRESB. However, owners, occupiers and managers all agreed that it was a long way off. The biggest obstacle to achieving it? The attitude and unresponsiveness of the industry itself. Participants took the view that, as the closest person to the customer, property management is in the best position to sell the value of customer experience, and that this needs to be better understood by financial and legal teams too.

FINAL WORDS

In this final section we have looked at a wide range of practical initiatives that will enable the property industry to create momentum behind closing the skills gap.

The good news for property managers is that occupiers value the role when it is performed well.

“There is no question that the property manager has to be the key function in the building. The role needs to be respected and on an equal level with other positions in the industry. The property manager needs to be equivalent to the asset manager, with the same gravitas and perceived responsibility.”

Ian Burr
Head of Property Management
Landsec
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