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## Practices

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In today's digital era there is growing pressure on financial executives to produce more analytics, reports and actionable insight across the enterprise faster than ever before. With corporate real estate representing the **second-largest expense** for businesses today, finance teams need up-to-date visibility into real estate offerings in order to fully support financial and business goals. The problem is that many financial leaders are still lacking the tools needed to manage facilities effectively.

Corporate real estate's purview spans beyond offices, factories and warehouses, to real estate activities such as acquisitions, subleasing, expansions and downsizing. While many businesses have facility managers responsible for maintaining these

operations, finance executives are often tasked with allocating and managing assets

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financial leader, but a strategic partner that helps guide business decisions. In this, they need a clear picture of the company's real estate assets to understand the costs and investments accrued around each lease. Having aggregated data in separate systems and formats across multiple locations can lead to sub-optimized facilities, directly impacting the company's EBIT. To obtain a real-time, holistic view, CFOs need a more integrated approach. By integrating cognitive technologies and automation tools to existing ERP systems, finance and corporate real estate teams can manage real estate assets under a single umbrella, ensuring that they are keeping track of the real-time value of all real estate assets in a way that keeps up with the speed of business today.

### **Utilize blockchain technology**

Beyond calculating depreciation, liability and valuations in interest, there are so many additional expenses involved in real estate transactions, including, building design, construction, tenancy, maintenance, ownership and more. While finance departments need to manage more financial data than ever before, the task of keeping up with the uptick in volume becomes exponentially daunting when records are kept in disparate locations. Corporate real estate data today often lies between spreadsheets, complex systems, mass documents and business partner information. To remain efficient, finance teams need a unified digital representation of every asset that comprises a physical building.

By utilizing blockchain technology finance departments can connect to each business unit involved in the asset through a digital key that opens all relevant information. It provides a neutral collaboration and information-sharing platform that each participant can use to support processes including contracts, regulatory compliance and transactions and more. With blockchain, finance departments gain more transparency to calculate potential ROI, they can compare costs to make better buy/rent decisions, and utilize benchmarking data for more informed buying and

selling decisions. It also provides facility managers, insurers, architects and more

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occupancy, optimize the use of conference rooms or regulate energy usage to inform finance executives on how facilities are being utilized. Predictive IoT within buildings can inform managers of impending maintenance issues, catching them before they become larger, reducing facility maintenance costs. Additionally, VR technology can provide online and mobile tours, providing greater insight to a certain real estate entity without the cost of sending an executive.

In today's corporate real estate environment, all business systems – including financial, HR, work systems, smart data, sensors, security and HVAC, need to be connected. By tapping into the power of advanced, innovative technologies like blockchain, IoT and VR, CFOs can consolidate real estate information, perform advanced reporting and analytics in real-time and improve building operations.

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