Our experience delivers you results

• We support all aspects of the Real Estate & Facilities Management (REFM) life cycle.

• KPMG’s REFM advisors average more than 15 years of industry experience.

• We have hundreds of professionals that support our REFM practice and provide services related to major projects, real estate tax and valuation, sustainability, and energy management.

• We properly evaluate short-term and long-term needs to enhance the value of our recommendations.

On average, KPMG helps clients:

• Reduce costs 10 – 22 percent through improving its outsourcing and insourcing delivery model

• Achieve operational efficiencies and reduce processing time by 10 – 20 percent

• Optimize its real estate footprint and improve utilization by 5 – 15 percent

• Reduce costs by 5 percent through improved data, performance management and governance
Helping clients achieve continuous improvement by implementing leading practices and innovation in Real Estate and Facilities Management based on KPMG’s years of experience, tools and methodologies, and industry knowledge.

Real Estate and Facilities Management (REFM) spend typically ranks as the second or third largest company expenditure, so it needs to be managed effectively. Many firms have used our services to develop strategies and approaches to reduce costs and improve operational efficiency. We have an established track record for our ability to serve as trusted advisors for all aspects of the REFM life cycle.

Why KPMG?

KPMG is one of the world’s leading shared services and outsourcing advisory firms. Our strengths include:

The right skills and experience – KPMG is a leader in the outsourcing of Real Estate and Facilities Management services. We believe this industry knowledge, coupled with our vast array of experience working in the Real Estate and Facilities Management marketplace is a clear advantage to our clients.

The right people – The professionals we assign to engagements bring clients the right combination of skills, and real world experience. They understand the REFM marketplace and vendor capabilities and what is required to successfully deliver REFM in a cost-effective and efficient manner. Our advisors leverage a wealth of tools, institutional knowledge, and insights they have amassed through countless engagements helping other clients tackle similar challenges.

An established track record – We are proud of our reputation as a trusted advisor. We have consistently created approaches for our clients that have reduced costs and improved operational efficiency and service delivery.

A demonstrated and tested approach – We follow systematic processes, using tested methodologies, tools, and templates. Our life cycle approach—covering the strategy, sourcing, implementation, optimization, and governance phases—helps ensure that KPMG can deliver no matter the client need or maturity level.

Global reach – KPMG’s global breadth of capabilities across industries, functions, geographies and business disciplines brings value to any client.

Your best interests in mind – We are not outsourcers, nor do we favor any supplier or delivery model. This independence and objectivity is essential to providing sound guidance and advice that is truly in the client’s best interest.
Services we provide

KPMG’s Real Estate and Facilities Management Advisory offers solutions to meet client’s needs. Whether you need help developing the right strategy to deliver REFM services, assessing your current state and improving processes and controls, or enhancing your real estate portfolio—KPMG can help. KPMG’s REFM Advisory Services include:

**Outsourcing**
- Evaluating different REFM service delivery options—including insourcing vs. outsourcing
- Leading all activities related to sourcing REFM services—such as RFP, selection, negotiation, pricing, and implementation
- Evaluating and recommending REFM organizational design structures including retained vs. Outsourced

**Real estate portfolio enhancement**
- Guiding the transition/change management process
- Recommending real estate strategies to enhance the size of the real estate portfolio
- Recommending disposition strategies
- Identifying ways to improve space utilization

**Process and systems assessments**
- Assessing the current REFM state to identify and evaluate areas for improvement
- Performing business process maturity assessments
- Evaluating current REFM processes and mapping what is necessary to get to a desired end state
- Recommending process improvements
- Assessing REFM technology

**Performance management and governance**
- Recommending SOWs, SLAs, KPIs, and reporting requirements
- Recommending governance processes
- Performing benchmarking
- Providing information on current trends and marketplace capabilities
Case Study:
KPMG helps FORTUNE 100 company achieve REFM efficiencies

Client challenge:
Client sought to manage its real estate asset of more than 100 million square feet more strategically. In particular, they wanted to:

• Reduce 10 million square feet and reduce rents
• Reduce REFM spend by 10 percent per year and improve its facility condition
• Streamline its back-office operations

How KPMG helped:
Client engaged KPMG’s services to help them:

• Identify and implement an integrated vendor model to evaluate potential outsourcing vendors
• Reduce its vendor base and create economies of scale
• Create standardized and formal processes
• Achieve sustainable savings

Results:
KPMG’s REFM Advisory helped the client select an outsourced vendor that provided integrated services including real estate transaction, portfolio enhancement lease administration, facilities management services, and capital/major projects. As a result, the client exceeded its efficiencies and savings targets.

Case Study:
Major financial services company reduces REFM tasks by 25 percent and manual steps by 50 percent

Client challenge:
Client lacked an integrated system for its REFM operations and sought to improve its processes prior to selecting and implementing an IWMS system for its REFM functions.

How KPMG helped:
KPMG stepped in to help the client:

• Evaluate its current state
• Identify process improvement opportunities
• Provide recommendations for its future state while incorporating leading practices
• Provide a road map to achieve the desired future state

Results:
KPMG’s REFM Advisory helped the client devise a business process improvement plan, streamline activities and processes that reduced tasks by more than 25 percent and manual steps by 50 percent, identify enhanced reporting requirements, establish process flow maps for the current and future state delivery, and develop implementation and transition plans.
Client benefits

While the benefits clients receive as a result of KPMG’s REFM Advisory services vary depending on each specific client’s goals and objectives, KPMG advisors typically set out to help clients:

- Meet current and future needs by:
  - Enhancing the use of the real estate portfolio
  - Reducing overall costs
  - Reducing the real estate footprint
- Improve the way they operate by:
  - Improving service delivery and, therefore, customer satisfaction
  - Improving overall operational efficiency and processes
  - Introducing leading practices to achieve continuous improvement
- Improve decision making and controls by:
  - Improving data integrity and technology
  - Reducing management complexity
  - Driving consistency across the real estate portfolio
  - Improving controls, including KPIs, reporting, and governance

Our Process

KPMG has leading internal processes to help ensure our scope of services is appropriately performed and our commitments are met. We follow a systematic process, using tested, modular methodologies, tools, and templates to understand and document the current state, identify opportunities for improvement, and evaluate options to address them. We recognize that every engagement is different so we tailor our processes to best meet each client’s needs. We involve the right team for each engagement and leverage the capabilities of the firm to deliver meaningful recommendations. Our recommendations are supported by experience and analysis to ensure that the benefits, risks, and impacts are thoroughly evaluated.

As part of our process, we gather and review information and introduce leading practices based on our market database and knowledge. We have a deep understanding of what works and does not work and what peer companies are doing. We actively communicate with our clients and work in a collaborative manner with them to achieve the best results.

We are committed to delivering the best results for our client. We are proud of our reputation as trusted advisors and operate with our client’s best interests in mind.
Recommended Reading:

**KPMG Real Estate & Facilities Management Outsourcing Pulse Survey**
The Real Estate and Facilities Management Outsourcing Pulse Survey is an annual report. The REFM Outsourcing Pulse highlights how end-user organizations and REFM service providers are actively exploring or undertaking REFM outsourcing efforts.

**Real Estate Strategy Alignment: Getting It Right**
An improperly aligned corporate real estate strategy can have damaging impacts on many other parts of an organization, causing your company to veer off the road to success. This paper discusses how an REFM team can help the organization run at top speed by effectively coordinating its efforts with the strategies of a variety of operational functions.

**Extending the Honeymoon Period: Five Recommendations to Help Create a Successful Transition to Real Estate and Facilities Management Outsourcing**
Transition projects seem to be about minimizing problems and accelerating the transition efforts instead of realizing the high expectation. What does this mean for the relationship between a buyer and their service provider? This article shares some of the root causes of why transition projects fail and provides some guidance for addressing them.

**Driving Innovation and Continuous Improvement after Year Two of a Facilities Management Outsourcing Contract**
After picking the low hanging fruit that enables cost savings in the first two years of a facilities management outsourcing contract, some teams struggle to bring additional value to their client engagements. This article explores a variety of levers that can drive innovation and continuous improvement.
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