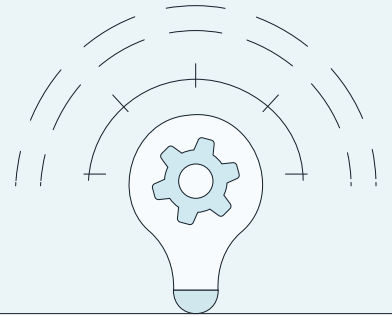


Manufacturers cut CRE costs with centralized decision-making

Connect scattered real estate choices to reduce total costs



Evolving from site-by-site to portfolio-wide decisions



When it comes to production, manufacturers know how to get things done. Where efficiency often breaks down: managing your corporate real estate (CRE) portfolio with the same discipline. Plant managers control facility investment decisions but are measured primarily on quarterly production outcomes. Business units purchase separately. Corporate leadership has limited portfolio visibility. The result: competing capital requests, inconsistent vendor contracts, siloed decision-making and missed cost savings.

“As a matter of longstanding culture, many manufacturing companies have deprioritized investments in their real estate,” said [Scott Little, Senior Director, Consulting, JLL](#). “Organizations with vast manufacturing portfolios and decentralized decision-making are challenged with making their portfolios more efficient and cost-effective.”

A decentralized organizational structure means no one person or function owns your CRE portfolio clearly enough to champion it. Decisions get diffused across sites, business units or regional teams. Short-term plant pressures crowd out long-term asset strategy. That’s why timelines are longer, why ROI is harder to demonstrate internally and why upgrades stall even when you have budget and C-suite support.



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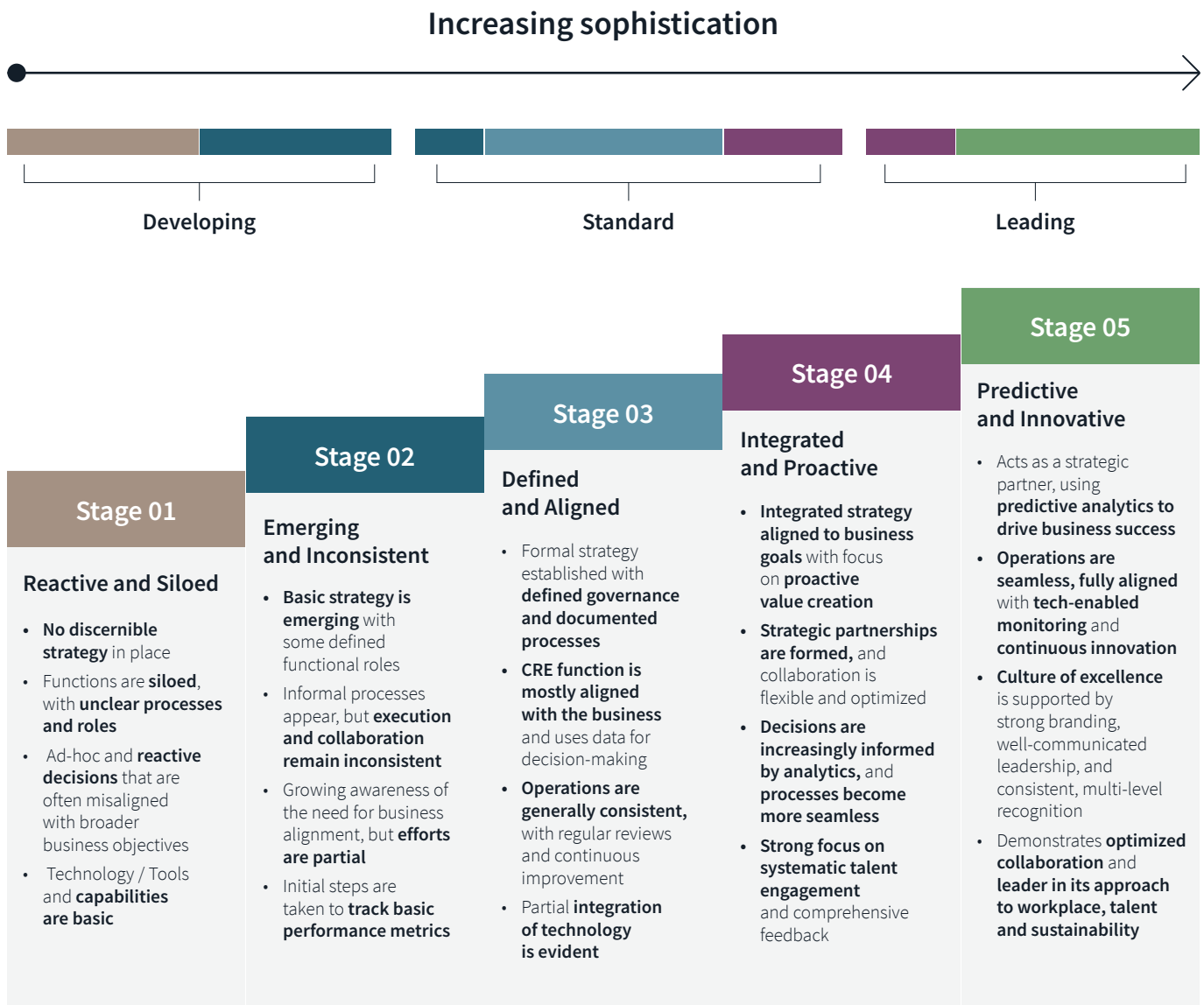
Your next competitive advantage may come from applying the same discipline you have for operational excellence in manufacturing to the decisions that shape the facilities where your products are designed, manufactured and distributed. Rather than managing facilities one site at a time, you build the governance, visibility and cross-functional alignment needed to make better decisions at the portfolio level.

Most start from different places — different business priorities, portfolio complexity and organizational structures. No matter where you are along the CRE organizational maturity curve, the goal is to grow from reactive and siloed to predictive and innovative.



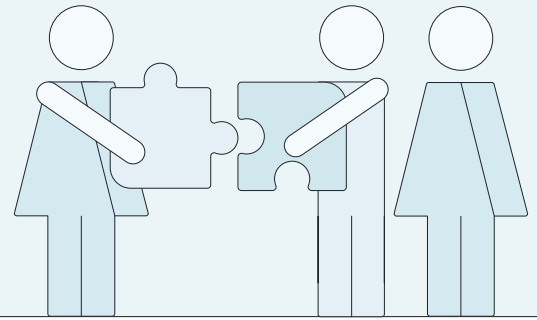
CRE Organizational Maturity Journey

The CRE maturity curve reflects a journey from reactive, ad-hoc approaches to proactive and technology-enabled operations. The pace and extent of innovation to transform varies by organization.



The question isn't whether to evolve your CRE decision-making, but how quickly and in which sequence. Against a backdrop of aging facilities, deferred maintenance, constrained capital and evolving production networks, an enterprise-driven approach delivers the savings, operational continuity and long-term competitiveness you're seeking.

Building blocks for better decision-making



CRE organizations evolve by building five foundational capabilities that allow real estate decisions to be made more consistently, collaboratively and with greater enterprise visibility.

1 Governance and decision rights



Thriving CRE organizations have one thing in common: clarity around who makes which decisions. In many manufacturing organizations, responsibilities evolved organically, with plant leaders, facilities teams, finance and CRE each influencing investments in different ways.

“We often see clients whose decision rights are delegated down to the plant level, and the plants — on an individual basis — have the right to opt in or opt out of the program,” said Don Dowden, Managing Director, Manufacturing and Automotive, JLL. “If an individual facility is seeing less benefit and has the ability to opt out, that has a detrimental effect to the rest of the program, because you’re losing scale.”

When CRE participates as an operational department, you’ll identify sale-leaseback opportunities during capital planning, consolidate redundant facilities during merger and acquisition due diligence, and align warehouse locations with distribution routes. This enterprise-level perspective gives you access to cost reduction strategies that individual sites can’t see — bulk purchasing across facilities, coordinated vendor contracts and portfolio-wide energy management.

Clear governance doesn’t mean shifting every decision to corporate leadership. Instead, your framework defines which decisions remain local, which require enterprise input and how competing priorities are evaluated. Local teams continue to provide critical operational insight, while enterprise stakeholders bring broader visibility into capital priorities, portfolio strategy and business objectives, allowing you to move faster, reduce duplication and allocate capital with greater confidence.

2 Enterprise data and visibility



Many organizations discover they lack the data needed for portfolio-wide decisions. The [Altus Group CRE Innovation Report](#) revealed 60% of CRE executives still rely on spreadsheets as their primary reporting tool. But when your asset information resides in separate systems, spreadsheets or business units, comparing facility conditions, forecasting capital needs or prioritizing investments becomes nearly impossible.

Before you act on data, you need to trust it. That means establishing standardized asset classifications, consistent data collection practices and shared reporting definitions so that information from one facility can be meaningfully compared to another. Without that foundation, even well-designed governance structures and capable teams are limited by the quality of the information you're working from.

Organizations that have standardized asset data and unified reporting use predictive analytics and Artificial Intelligence (AI) agents to monitor portfolio health continuously, flagging emerging risks before they become capital emergencies. As your organization advances, your data strategy shapes what AI and technology can do for you.

Recently, a global technology manufacturer worked with us to deploy a predictive occupancy AI tool with 95% accuracy. The new enterprise-level intelligence revealed opportunities for a 10% portfolio reduction and \$1.5M in annual savings.

If you're still relying on siloed systems and manual reporting, you're spending valuable time assembling information rather than acting on it.



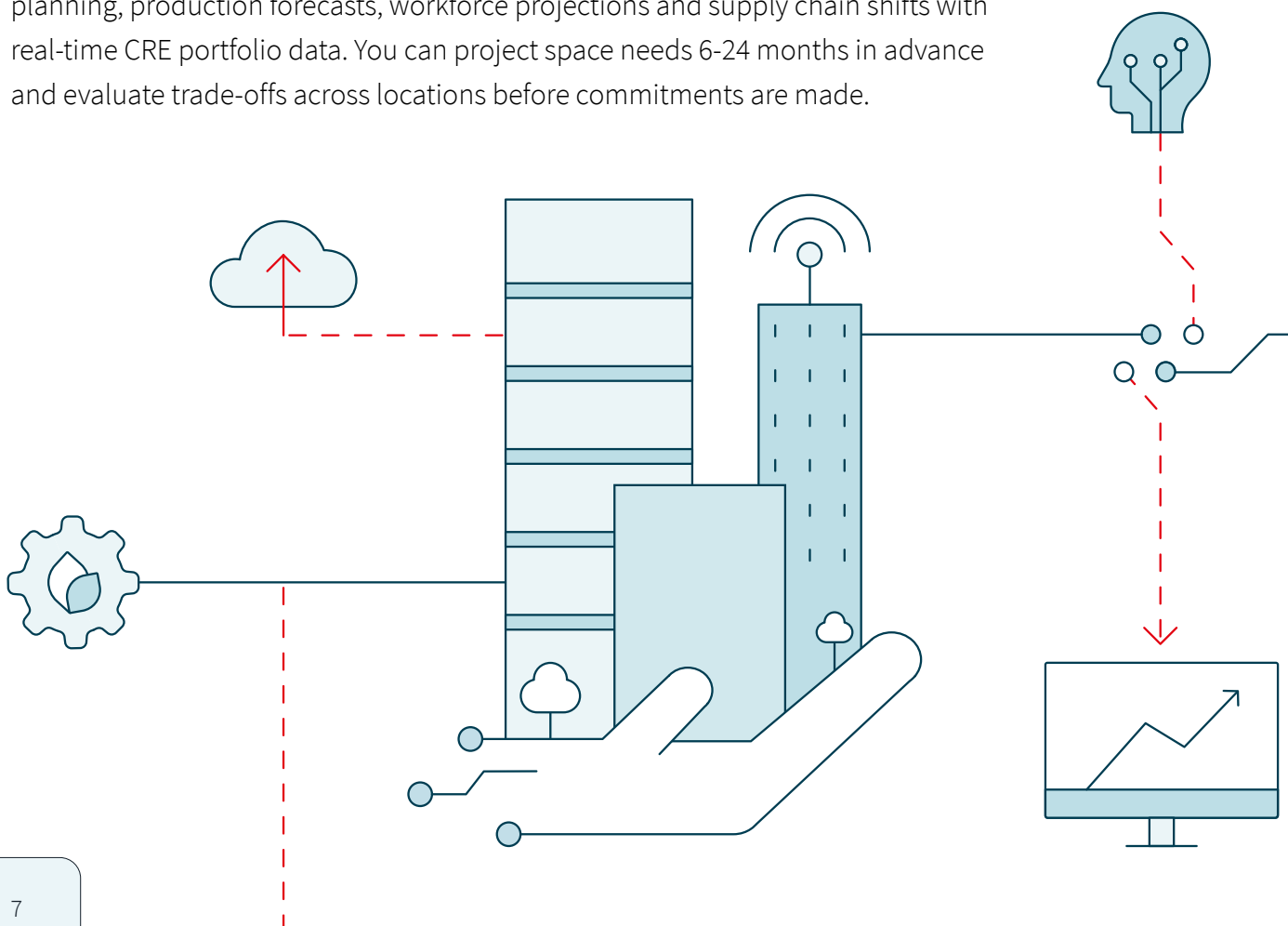
3 Strategic business partnerships



Real estate decisions rarely exist in isolation. Facility investments influence production capacity, workforce availability, supply chain resilience and long-term business strategy. When CRE is engaged only after major business decisions have been made, opportunities to reduce cost, mitigate risk or improve operational outcomes are lost. Foster closer collaboration among operations, finance, supply chain, human resources and executive leadership. When these functions work together, CRE decisions reflect business priorities.

One manufacturer found itself producing in a temporary warehouse because new manufacturing capacity had not been planned far enough in advance and current facilities couldn't keep up. Although the C-suite shared growth projections, those insights never translated into proactive facility or site selection decisions. When CRE participates in strategic planning earlier, organizations anticipate capacity needs in advance and avoid expensive interim solutions.

AI-driven scenario modeling is increasingly helping CRE organizations connect business planning, production forecasts, workforce projections and supply chain shifts with real-time CRE portfolio data. You can project space needs 6-24 months in advance and evaluate trade-offs across locations before commitments are made.



4 Specialized expertise

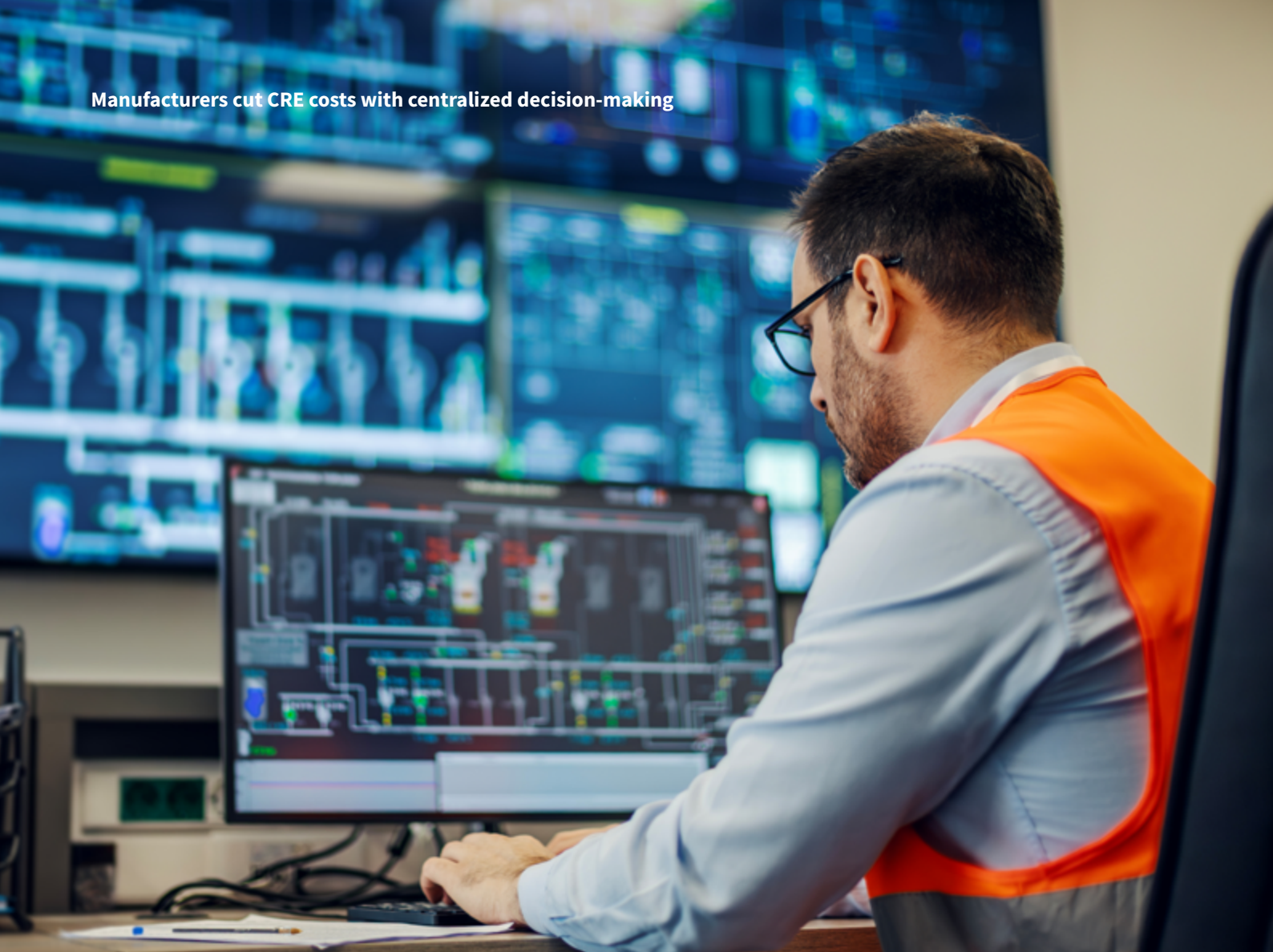


As manufacturing portfolios become more complex, so do the decisions required to manage them. Capital planning, Facilities Management (FM), engineering, workplace strategy, energy management, project delivery and portfolio optimization each require specialized knowledge that extends beyond the day-to-day responsibilities of plant leaders or operations teams.

Instead of expecting every facility to develop deep expertise across these disciplines, leading CRE organizations create access to the right resources at the right time. You might build specialized capabilities internally or partner with external experts to supplement your teams. Either way, your objective is the same: ensure decisions are informed by the expertise needed to evaluate risk, improve performance and deliver long-term value.

This approach becomes especially valuable during project execution. Close coordination between FM and project delivery teams helps you phase construction around production schedules, reduce disruption and improve project outcomes. Engineering, sustainability and workplace specialists similarly provide expertise that improves asset performance while supporting your broader business objectives.





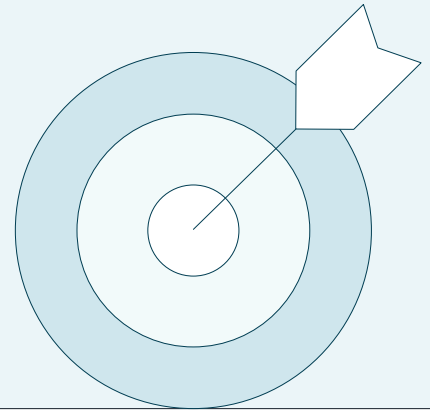
5 Technology sophistication



Technology delivers the greatest value when your maintenance system connects to capital planning, when your occupancy data informs workplace strategy and when analytics surface patterns across your facilities. Integrating these systems creates a continuous feedback loop: operational data improves capital decisions, capital investments improve operational performance and portfolio-wide visibility informs both.

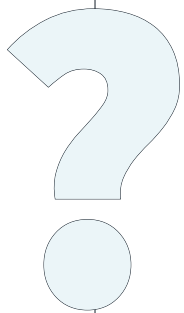
In FM, predictive maintenance models analyze equipment performance data to identify failure risk before breakdowns occur. Maintenance teams prioritize interventions based on operational criticality rather than reactive urgency. In portfolio planning, AI models aggregate asset condition data across hundreds of facilities to rank capital needs objectively, shifting the conversation from “which projects were requested first” to “where does our investment create the most value.”

Start with high-impact improvements



Strengthening these foundational capabilities over time helps you evolve from reactive, site-by-site actions toward connected, data-informed and strategically aligned decision-making. The goal isn't to reach a perfect end state overnight. Every step toward greater visibility, consistency and strategic alignment better positions your real estate portfolio to support business performance.

A good starting point is understanding the current state of the portfolio and the decision-making processes that support it. Ask specific questions:



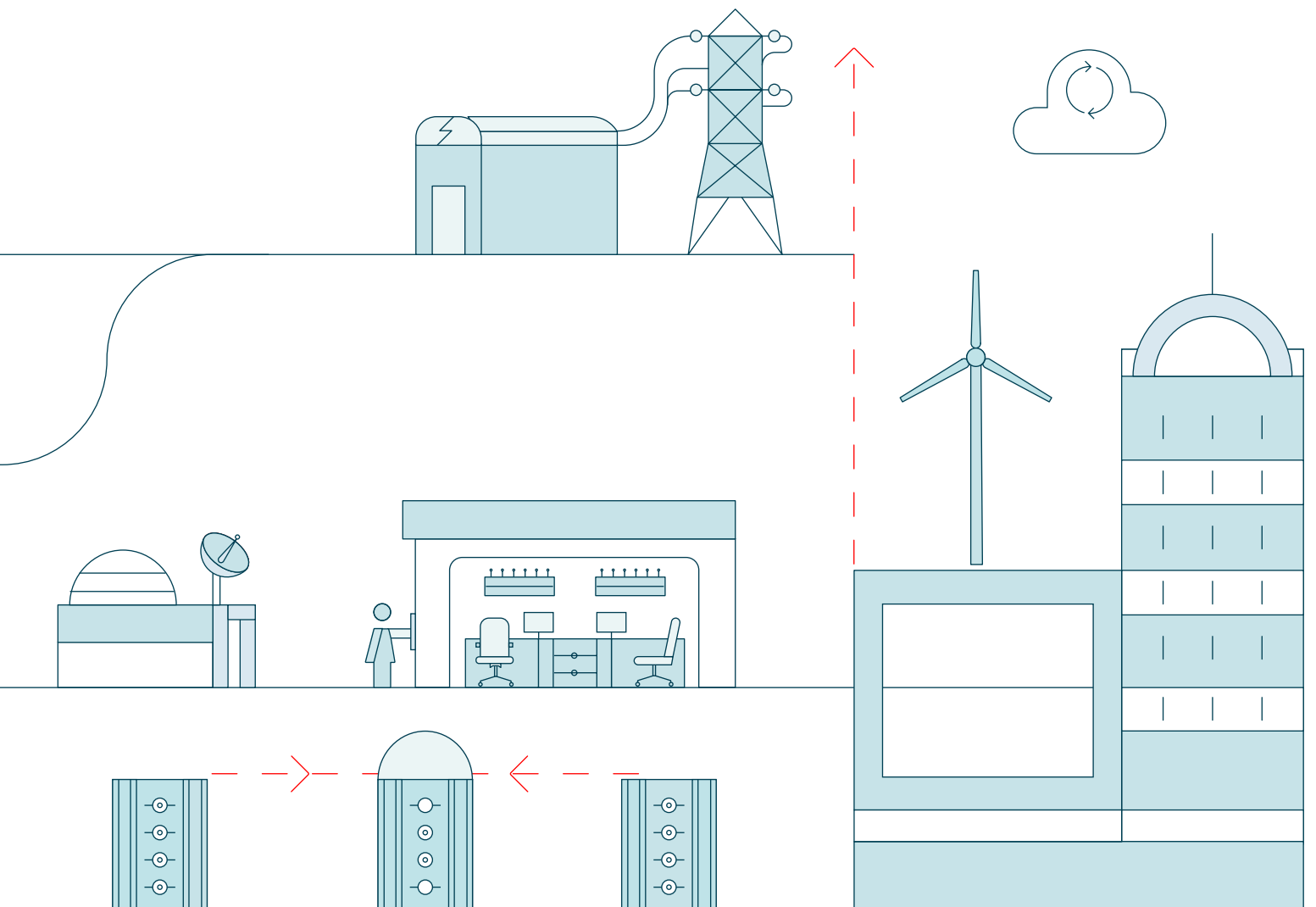
- Where do facility capital decisions happen today — at the plant, business unit or enterprise level?
- Do we have consistent asset condition data across sites, or does each facility track differently?
- When business units compete for capital, how do we prioritize — order of request, loudest voice or objective criteria?
- Can we compare maintenance costs, energy consumption or safety metrics across similar facilities?
- Who participates in business planning discussions about growth, consolidation or supply chain changes?

The answers reveal where governance, data, collaboration or expertise gaps create the most friction.

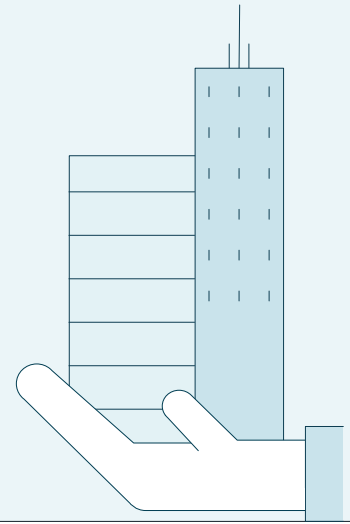
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Rather than making changes across the entire portfolio all at once, many organizations begin with one or two pilot initiatives that deliver meaningful business value without overwhelming your team or your stakeholders. Early efforts might focus on improving capital planning for a group of facilities, standardizing asset data, clarifying governance or strengthening coordination between FM and project delivery. Starting small allows you to demonstrate value, refine processes and build organizational support before expanding to additional sites.

Equally important: support a culture of continuous improvement with measuring progress at its core. As you evolve, measure success not only through traditional facilities metrics but also through business outcomes such as capital allocation effectiveness, asset utilization, maintenance response times, project delivery performance, energy efficiency and operational continuity. These insights help you continuously improve both portfolio performance and the decisions that shape it.



Make real estate decisions as disciplined as your operations



When you take this incremental approach to centralizing real estate decision-making, you'll realize measurable benefits along the way. Stronger governance and enterprise visibility improve capital allocation. Better coordination between FM and project delivery reduces operational disruption during capital improvements. More consistent data and predictive analytics support proactive maintenance strategies that improve asset performance while reducing unplanned downtime. Following this approach, you'll typically see operating cost reductions of 10-20% over three to five years as governance, data visibility and coordinated planning reduce redundant spending.

Whether you're assessing your CRE organization's sophistication, strengthening governance, improving portfolio visibility or executing complex capital programs, [we're here to help you build the capabilities needed to be more informed, connected and resilient](#). By bringing together FM, project delivery, technology and portfolio expertise, you'll turn better decision-making into long-term business value.



About JLL

JLL (NYSE:JLL) is a leading global commercial real estate services and investment management company with annual revenue of \$26.1 billion, operations in over 80 countries and a global workforce of more than 112,000 as of June 30, 2026. For over 200 years, clients have trusted JLL, a Fortune 500® company, to help them confidently buy, build, occupy, manage and invest across a variety of industries and property types, including office, industrial, hotel, multi-family, retail and data center properties. Driven by our purpose to shape the future of real estate for a better world, we help our clients, people and communities SEE A BRIGHTER WAY. Powered by rich global datasets and leading technology capabilities, we provide coordinated, end-to-end delivery of real estate services for a broad range of global clients who represent a wide variety of industries. Through LaSalle Investment Management, we invest for clients on a global basis in both private assets and publicly traded real estate securities. For further information, visit jll.com.



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