

Seven deadly sins when moving office And how to avoid them

“Take the time to go through the budgeting process before you begin the search for a new site. It will pay off in the end.”

05
Inadequate budgeting

Starting too late - when should you start planning?

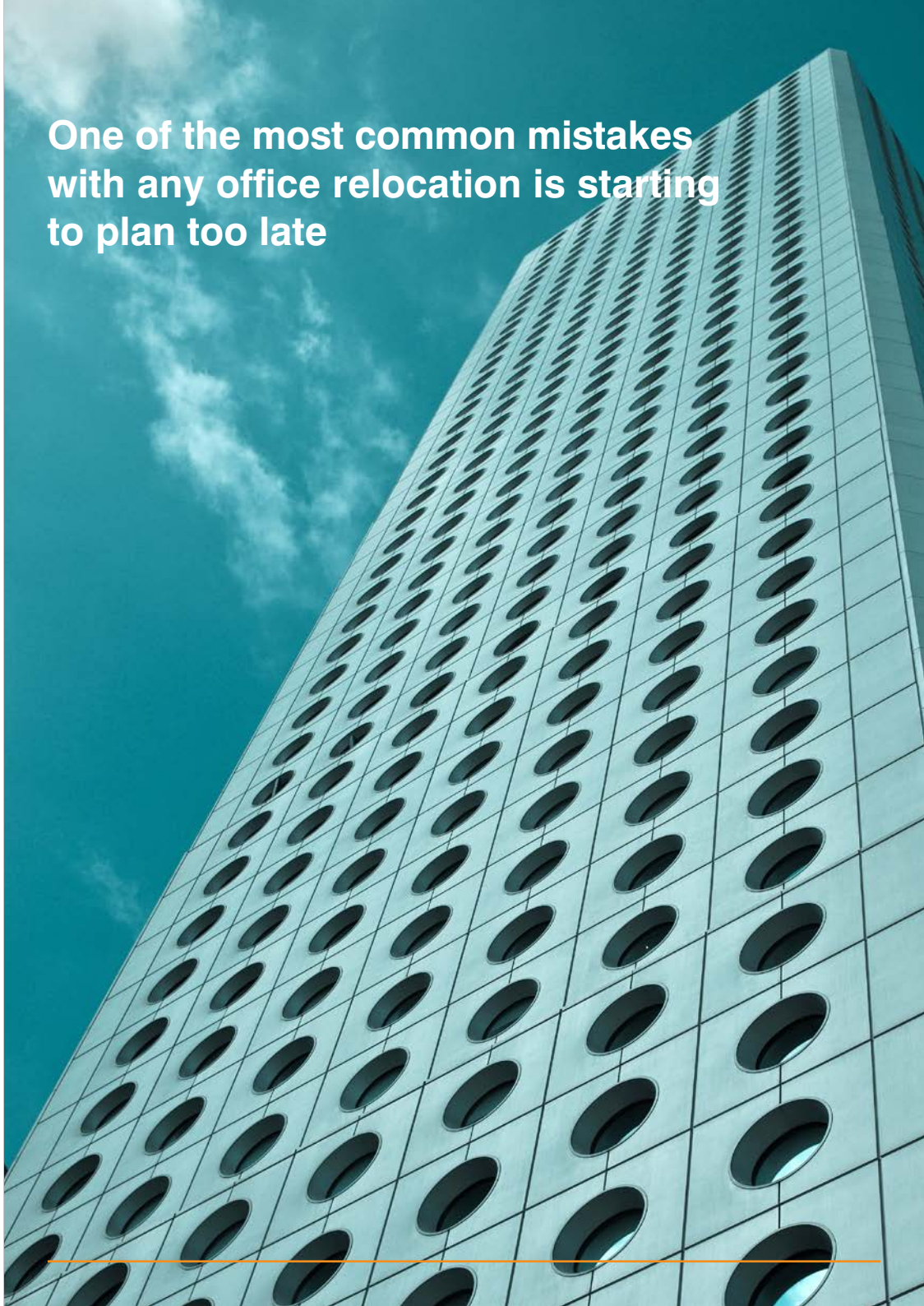
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One of the most common mistakes with any office relocation is starting to plan too late, either evaluating your office space needs, selecting an agent or agents to work with, selecting the right office, selecting contractors / designers etc. An office move can take months, even after a site has been selected and a lease has been signed.

Most tenants will work back from their lease expiry date, making allowance for moving out of their current space early, to factor in sufficient time to reinstate but many tenants still take an optimistic view over the time schedule which leads to serious complications later (See mistake no 5).

To reinstate your current premises can take between 2-6 weeks, fitting out 1-3 months, ordering of materials before fitting out can take over 1 month and settling the legal paperwork can take longer than many expect and before you know it you are already behind schedule.

On average you should start to plan your office relocation 7-12 months in advance, depending on the size of your requirement.



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Selecting the wrong agent

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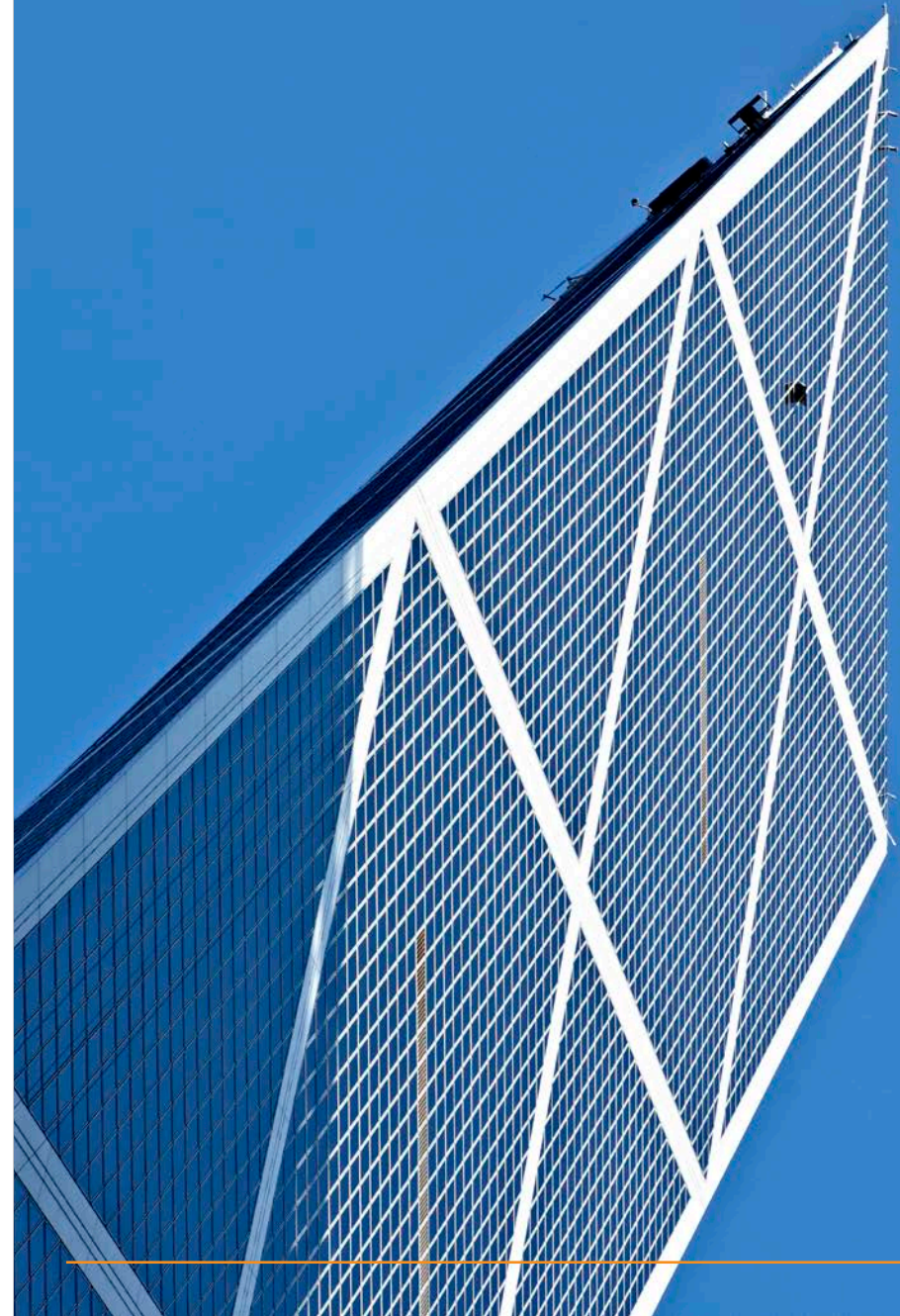
This is a tricky issue but if you pick the wrong agent you may end up disappointed with the quality of service and more critically you may not have every opportunity introduced to you.

Some agents may only show you the options they want to show you, some agents may only have limited knowledge of what is available in the market and some agents are reluctant to work with other agents, restricting the choice presented to you.

In most established markets there are usually so many agents to pick from and it can be difficult for the tenant to know who to select. Some tenants perceive that all listings are the same but this is incorrect. Often it is that extra 10% of market knowledge that holds the key to finding the solution to your office space needs. So scrutinize the quality of each agent's listings carefully.

Some tenants will simply pick the largest agent to work with, thinking this is the safest bet but it is important to establish there is no conflict of interest e.g. an agent may be retained to market a specific buildings / developments which can make it difficult for them to show competing schemes. **Make sure your agent is truly independent.**

Check the agent's track record, previous clients, market research and be sure the agent is looking after your best interest and not just showing only those buildings that offer the highest commission. Your agent must be comfortable co-broking with other agents and so make sure they are completely transparent.



Using too many agents

03

Another common mistake is for tenants to use too many agents, as they feel this will guarantee every option is covered.

What happens in reality is that you can end up seeing the same space several times with more than one agent, which leads to awkward complications. With too many agents on your case, you may find that at least one of them also has another client gunning for the same space.

So be selective which agents you choose to work with.

Also it is not in your interest to sign any exclusive retainer with any one firm, as this may discourage other agents from introducing opportunities to you.

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Poor selection of designer or contractor

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This is a common and often costly mistake. If you don't allow enough time to properly plan a move, you may end up making your selections in haste. The simplest route is to pick a designer who is able to deliver a 'turn-key solution' for you. I

In the event you wish to choose every vendor individually, be prepared because there are indeed many vendors to consider when you are moving office from interior designers, general contractors, project managers, telephone Systems and services vendors, computer Systems and networking vendors, cabling installers, security System vendors, furniture System vendors, and movers/haulers, just to name the main ones.

Hiring a sub-standard vendor can jeopardize the entire move.

A vendor who can't deliver on time can cause other delays further down the line and additional costs can multiply.

Selecting the most suitable designer / contractor always seems easier than it really is. Since it is assumed that all designers are created equal, the temptation is to hire the vendor with the lowest price – don't believe it. Most relocation managers will be seeking references of satisfied customers who used a specific designer before but no vendor will furnish names of dissatisfied customers.

So what should you do?

There are important areas of focus that will help you find the right vendor and they go way beyond the price and reference approach. **First, you need to determine the typical project size and scope in which your designer has the most experience.** You want to match your project as closely as possible with your designer's experience.

You also need to check whether the designer works on offices of a similar size to yours or do they suit a different size projects, do they have project management capabilities, what are their support abilities and do they have the full compliment of associated vendors. The choice is ultimately yours, and there is no right or wrong answer.

Once you have shortened the list of potential designers, you can try to arrange to take a tour of a customer site but this is not always possible. This will give you a good idea of the designer's real life experiences. You will want to ask the questions so you will need to arm yourself with meaningful questions.

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Inadequate budgeting

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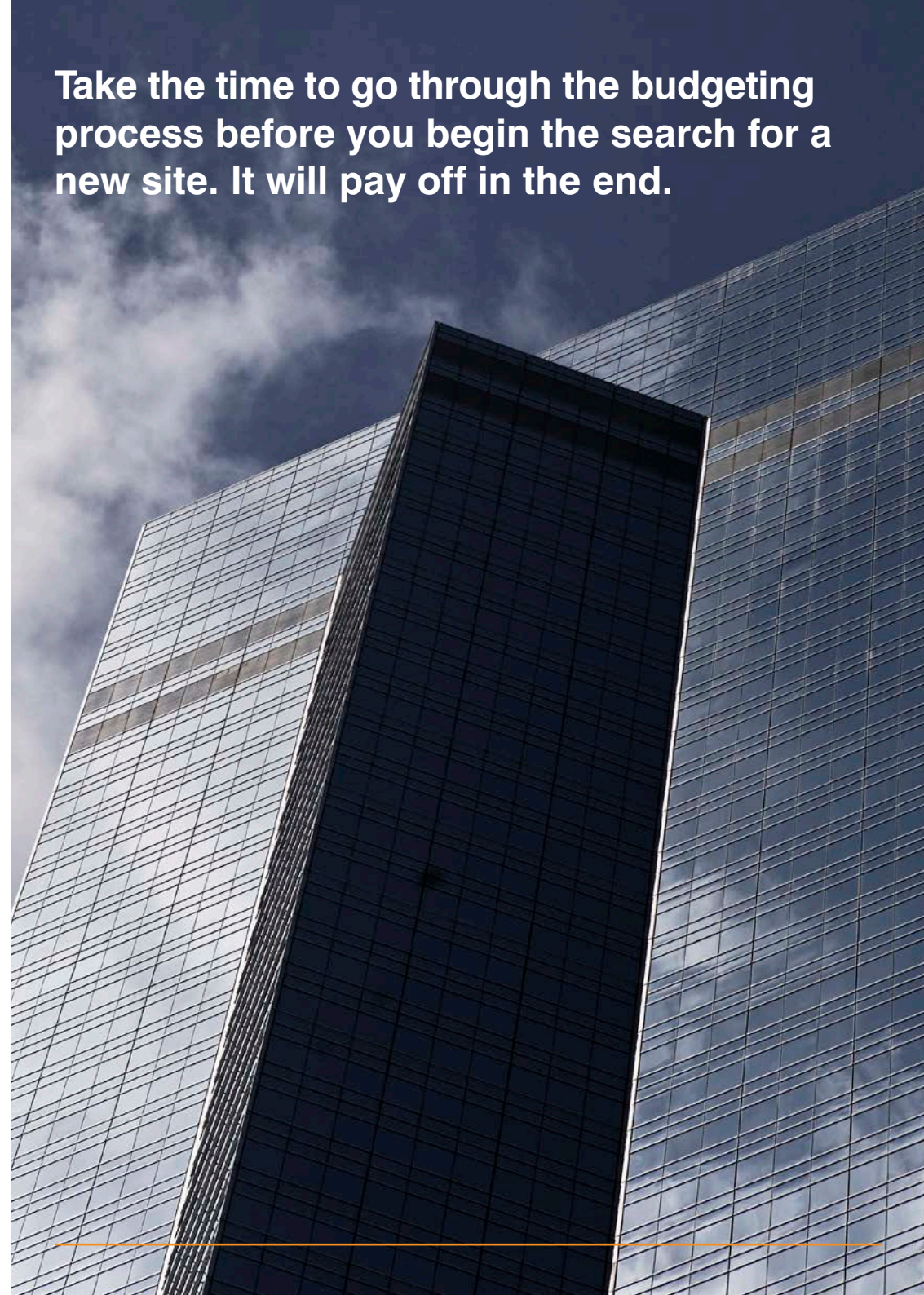
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The fifth mistake most commonly made is inadequate budgeting. Many companies have no idea what they will have to spend on their office move, and have no firm budget established. Others will establish an arbitrary budget that has no relation to reality.

Both strategies are doomed. Without guidance, entire Systems are forgotten until the last minute, and must then be procured with unbudgeted funds. Constantly repeating it's not in the budget serves no one's interests.

If you expect your designer to perform free services, you can pretty much imagine the quality of employee your designer will give you. **There are many places to look for help in getting budget estimates for all the goods and service required – see [our checklist for Office Moving Costs](#).**

Having no budget or an unrealistic budget is inexcusable. Take the time to go through the budgeting process before you begin the search for a new site. It will pay off in the end.



Compressing the schedule

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Closely related to starting too late is the sixth deadly mistake, compressing the schedule. Trying to make up for lost time or a late start by reducing the allotted time for completion is very dangerous. It is important to plan for enough time to allow each vendor to complete his task as agreed.

Your designer planned for this project, based on information you provided during your competition. They were selected based in part on their ability to get the project completed on time and on budget. Now, you must reduce the available time because of some schedule slippage caused by another vendor or unforeseen event.

How can your designer get the same quality job done in less time?

One way is by throwing extra bodies at the project. Another is by working overtime (longer days, double-shifts and weekends). You can't expect your designer to eat this additional cost, since it is beyond their control. They will expect to be paid extra for this.

If you decide to play tough guy and refuse to pay for the overtime your schedule slippage has caused, your designer's only defense is to treat your project as a loss leader. This means that will take their A-Team off the project, replacing them with less experienced employees who earn less money.

Now, you have placed your project at risk.

It is important to plan for enough time to allow each vendor to complete his task as agreed.

Even if you still have your designer's A-Team on site, compressing the schedule rushes your vendors and puts too many bodies on the job site at one time.

Image the sight of a dozen vendors, all on-site at the same time, fighting for elbow room alongside the construction sub-contractors. Nobody can be productive under these conditions. Don't kid yourself into thinking that your project will be different.

General contractors are notorious for compressing parts of the construction schedule. If they can't obtain their permit to close up the walls, they will spend the time installing ceiling tiles. While this sounds like they are making good use of their time while maintaining their OVERALL schedule, think about how this one change will affect other vendors.

Your cabling vendor will have far less time to install the cabling than planned. Who pays for their overtime? If the carpet is delayed, you already know how other vendors are affected. Will the general contractor pay for the overtime required of the furniture vendor, cabling vendor, and telephone System vendor? Even his small actions have major consequences.

Picking a unit that is either too small or too large for you

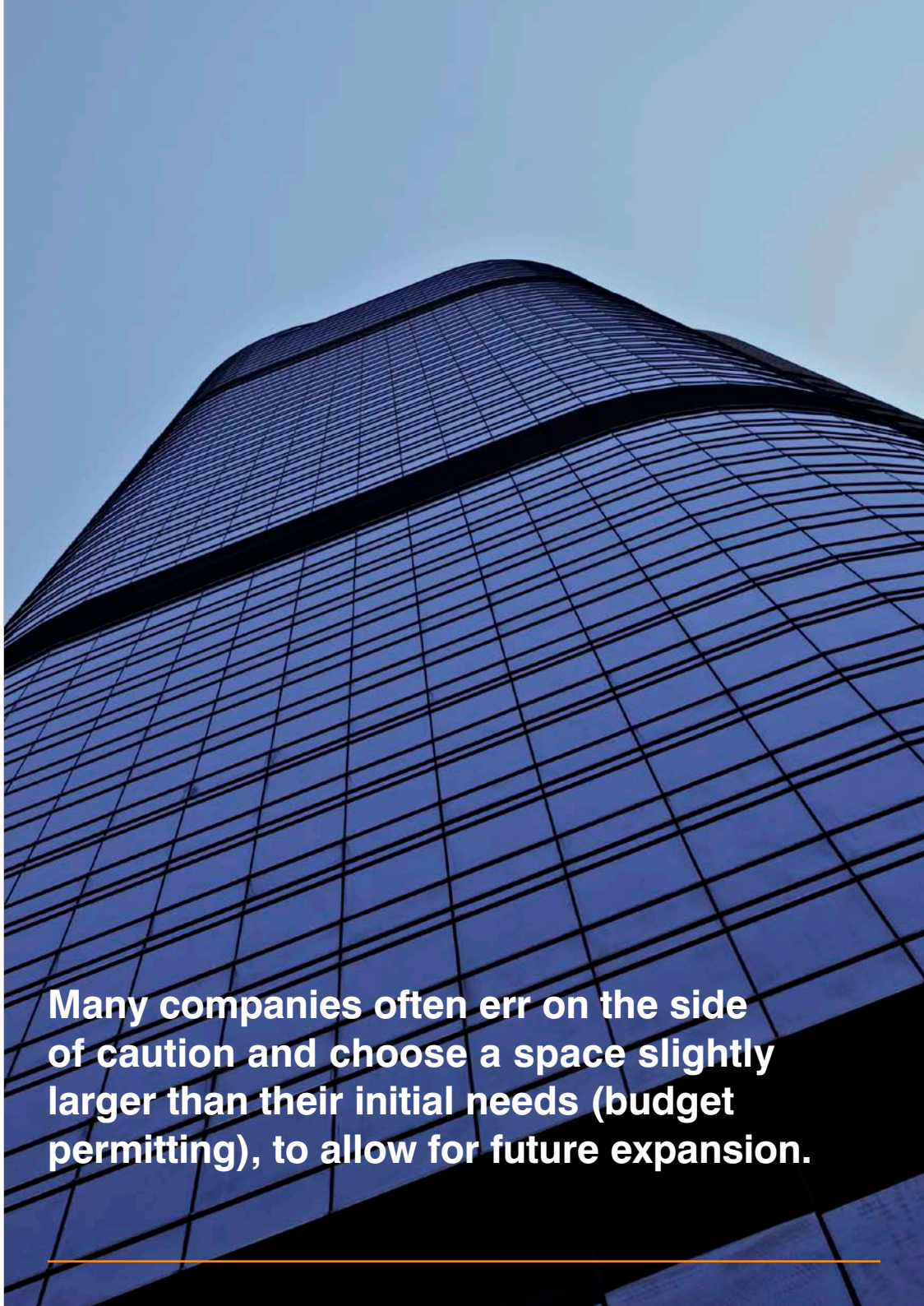
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This is such a critical issue that can often be over-estimated or under-estimated. It is imperative the tenant engages a space planner / designer at the mid-stages of site selection as your preferred unit of choice may seem large enough but the shape/ configuration could mean that you seriously constrained.

Often bare units look larger than fitted units. Conversely many companies often err on the side of caution and choose a space slightly larger than their initial needs (budget permitting), to allow for future expansion.

This is a sensible decision but could lead to surplus space being underutilized only to find out they will have significant surplus space which they are unable to utilize or sublease.

It is imperative the tenant engages a space planner or designer at the mid-stages of site selection



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If you found this guide useful, check out the other four in the series
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