



# „Got a solution - Looking for problem“

The discussion about valid property-industrial data dives too fast into discourse about eligible tools. Providing data quality is not the job of the IT department but remains the responsibility of the business. However, with the Common Data Environment approach (CDE) the IT department can provide a flexible alternative to traditional system solutions.

## It begins with the strategy

Consistent real estate data alone is not contributing to an added value for the RE investment management – but without it, asset and investment managers can not generate value for the company and its users or ensure global compliance.

Thereby, the challenge is not the one-off production of data transparency, but rather the continuous data maintenance and up-to-dateness in view of a multitude of different sources and different quality.

Insofar, the search for and introduction of a suitable IT solution is rather the last step in the preliminary optimization of data acquisition and validation. First and foremost the requirements for the target-operation-model and the underlying application environment have to be derived from the business strategy. Existing gaps are identified, evaluated, and prioritized.

The business strategy is decisive for the evaluation of the "structural fit" of present processes and systems: is

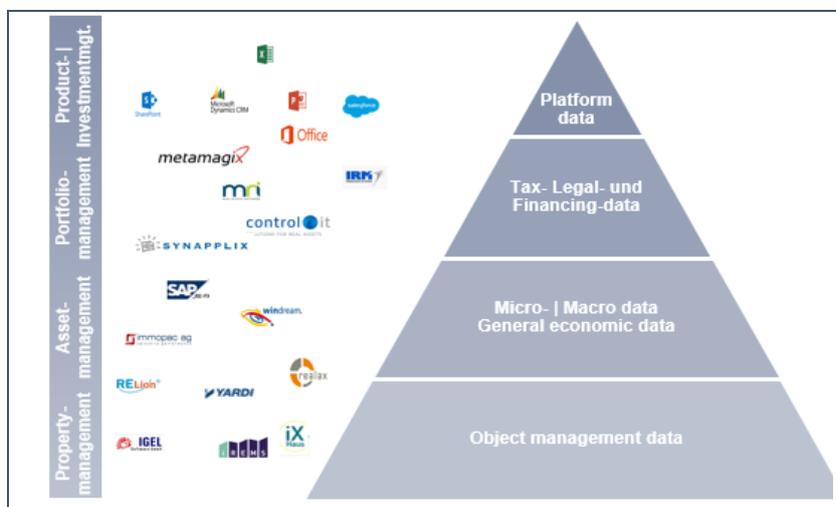
## The classic: a monolithic business system

By sharing a central system, uniform processes and data structures are systematically "enforced".

Typically, this is a single unit divided into the three components database, client-side user interface, and server-side application.

For changes, a developer creates an updated version of the server-side version and makes it available to his customers in the form of a new release. In the case of international deployment, the system must be available to all regions with their specific requirements.

The introduction of a monolithic IT system therefore presents real estate companies with challenges in terms of integration and full functionality. Thus, the use of a monolithic solution makes strategic sense, especially when the number of affiliated partners remains manageable and largely stable.

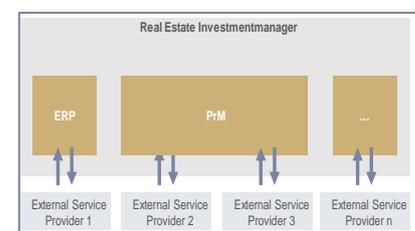


An Internet search on the term "data management" provides results that suggest that all the challenges of installing a system are solvable.

However, it can be observed that companies tend to deteriorate their situation. A software implementation always means high costs and a painful burden for the departments during the project and the subsequent initiation phase.

the company developing less dynamically and are the customer needs entirely known as well as remain constant in the foreseeable future?

Or does the company need to manage complexity that is increasing through steady inorganic growth and increasing customer needs?



**The alternative: Common Data Environment (CDE)**

In this variant, business-oriented APIs encapsulate a core business capability. The interface is defined purely by the business process and the implementation of the service remains hidden.

The same service can be reused in more than one business process or across multiple business channels or digital touchpoints.

Dependencies between services and consumers are minimised by applying the principle of loose coupling. This allows easy replacement or expansion of systems without any downstream impact.

**Stakeholder analysis**

However, only the user experience decides on the success of a software. The opportunity is extremely great that users are already "digitally spoiled" by companies such as Amazon, Google or Apple. In this context, it is therefore necessary to consider the benefits to be gained from (latest) alternative technology and business architectures (e.g. flexibility | adaptivity, dependency, effects of system changes | updates for customers), to ensure that the solution is also used.

Customer-specific and standard reports (dashboards, ad-hoc-reports, self-service BI) and the underlying data provision (history | actual | forecast | simulation and scenario data) must also be defined at an early stage. From them, the technical

requirements for interfaces as well as the data management strategy and the technical concept are derived.

A data management strategy and concept based on the analysis results reveals the company's fields of action.

**Benefits of the „CDE - Micro-service Ecosystem“**

**Agility**

Through consistent segmentation of individual functionalities and the subsequent abstraction of related services, development focuses on updating only the relevant parts of an application. This eliminates the painful integration process that is usually associated with monolithic applications. Microservices accelerate development and turn it into a process that can be completed in weeks rather than months.

**Efficiency**

The use of a microservice-based architecture leads to a much more efficient use of program code and the underlying infrastructure. By reducing the infrastructure required to run a particular application, cost savings of up to 50% can be realised.

**Elasticity**

By distributing functionality across multiple services, the vulnerability of an application to a single point of failure is eliminated. This enables applications to work better, to have less downtime, and to be scalable.

**Quality**

Faster iterations and less downtime result in faster response times and a higher quality of reports. User satisfaction and engagement increase with continuous improvements through microservices.

**The cooperative approach**

According to the current state of the art in real estate software development, hundreds of software applications are tested and available at low cost. Public APIs are global standard and prerequisite for the connection to the CDE.

With this ecosystem integrated into the existing IT strategy, the company's internal services can be linked and maintained with information such as ERP systems, existing reporting engines, and data mining instances.

To ensure the required data supply, all relevant processes run through the CDE. The contracts with the suppliers of the bottom-up data streams (property managers, facility managers, etc.) must therefore contain detailed specifications.

**Proof of Concept**

Customer expectations and business requirements are reviewed as part of a short front-end driven proof of concept based on use cases.

After a test run and the evaluation of the proof of concept, the best fit and a quick first use is possible.

This CDE prototype can be used immediately and productively in the course of the project progression and provides the basis for a detailed technical concept.

In addition, the findings from rapid prototyping provide the information needed to outline a roadmap for the digital turnaround of the coming years. These services include exemplary:

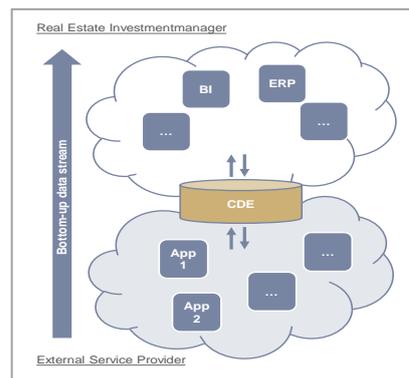
- Real-time valuation of properties
- Integration of public data services
- Integrated and IT-controlled M&A services
- Summary of technical due diligence "at the touch of a button"
- AI driven forecasting and evaluation services.

**TME Associates und Partner**

**TME Associates**, the strategic business consultancy and RE specialist:  
Strategy, organisation, business process optimisation and sourcing, preparation and execution of tenders, implementation and change management

**RealCube**, the real estate data-specialist:  
Provision of CDE solutions for SMEs, creating multi-app solutions for domain-specific real estate requirements

**Sevental**, the front-end experts and digital pioneers since 1999:  
Technology independent and user-oriented development, ISTQB-certified support throughout the entire software lifecycle



## Conclusion

Customers and different European supervisory authorities place increasingly higher demands on the reporting of real estate companies. Still, large volumes of poorly sorted data are still being moved. The vertical integration of property data for company reporting is often interrupted.

Asset and investment managers reach their limits in the management and aggregation of unsorted data.

Furthermore, there is a risk of incapacitating new, digitized business models in the near future because their own further development has fallen by the wayside.

The examination of the fit of current functions and processes as well as the underlying application landscape to the business strategy is an indispensable component for the digital transformation of the company.

The approach of implementing a "micro service ecosystem" represents an alternative to traditional system solutions and offers competitive advantages in a dynamic environment through increased flexibility and adaptability.

## TME project approach: individual solutions for our customers

Our experienced consultant team knows the existing transformation barriers in asset and investment management. Thus, we can ensure that these barriers are actively managed and overcome by us. This guarantees a resource- and time-saving implementation up to the full exploitation of the expected potential.

In addition, we can ensure that the best fit is also implemented in the operational phase. Herefore, in comparable projects, we accompany digital transformation through workshops, audits and our management expertise.

Combining TME Associates' expertise as a leading real estate management consultancy and its associated partners Real Cube - the real estate specialist and several as front-end experts and digital pioneers - delivers the highest levels of quality.

This enables us to accompany our customers end-to-end, from transparency to strategy to implementation. Here we can be measured by the results achieved.

## Autoren

**Christian Gebert** is partner of TME Associates and responsible for digitization in IT. He has many years of consulting and industry experience in the financial services sector, including more than ten years in the real estate sector.

**Dr. Uwe Forgber** is specialized in real estate information management, reorganization and renewable energies. He is the founder of "Conject AG", a leading international software company offering software solutions for the entire real estate life cycle.

TME Associates | Office Munich

Giselastraße 12 | 80802 München  
[www.tme-associates.com](http://www.tme-associates.com)