

Losing The Cube

By Aida Gashi, R.E.M. Residential



When R.E.M. Residential, a property management company based in Manhattan, expanded in 2012 with the acquisition of LWL Properties, another management company, its owner Rick Elezi was faced with a conundrum. His company had now doubled in staff and portfolio nearly overnight. New hires would have to be made and space would have to be provided for these employees and all the requisite storage that would come along with the expansion. Although R.E.M.'s original Gramercy Park office was large and comfortable enough for his staff at the time, it would not be able to handle the incoming flux. A solution, albeit temporarily, was to rent space in an adjacent building and house the new staff members and back-office accounting department there. This was, however, a transitory fix.

Ultimately, the company decided that one large office would be the solution. This too became a daunting ambition, for how would this one office be designed, be set up and accommodate everyone? At a staff meeting, people asked, would there be several small offices within this 5000-square-foot space? Cubicles? A panopticon for executive staff was suggested in jest. Essentially, the question was: do we have an open office space or conform to enclosed cubicle-style space(s)?

The answer was a no-brainer. After all his years working in management companies and the subsequent cramped, cubicle set-ups, Mr. Elezi decided an open space was the way to go. It spoke to his business philosophy of transparency. Of course, there were some drawbacks to this idea. Lack of privacy and the possibility of noise came to mind. However, the advantages far outweighed the disadvantages and have certainly proven to be fruitful.

The *Harvard Business Review* published a study in 1996 advocating open office design as conducive to employee morale and boosting productivity ("Breaking the Functional Mindset in Process Organizations," Ann Majchrzak and Qianwei Wang, Sept. 1996). R.E.M. Residential's office design and results could, theoretically, have been the model for this study. The results have spoken for themselves on several fronts.

Property management is multidimensional and complex. You are not merely catering to your clients, but must take into account tenants as well. R.E.M.'s open office has helped build positive relationships and trust with both clients and tenants. As soon as anyone steps off the elevator into the office, one can easily see each member of the team providing service. The notion of being able to see and speak to the person one needs to without sitting in a

waiting room is helpful to begin with as it lends itself to an ease and familiarity. It keeps us on our toes since we never know when a client or tenant could walk in. In instances like this, there is no hiding in your enclosed office or cubicle while the receptionist tells a given visitor that you are not there. You must always be prepared and have your affairs in order.

In creating a space where there is free movement and accessibility, teamwork becomes inherent and seemingly automatic. A property manager can easily go over to the accounting department to discuss a matter and soon, another property manager will saunter over to join in when the interest and objective are the same; for example, water bills or RPIE's to name just a few. The free-flow exchange of ideas and solutions not only helps the property managers but the accountant as well, for the latter is, in effect, killing two birds with one stone. By having both managers present, the need for separate appointments and rehashing a previous discussion is eliminated.

Providing open office space for employees boosts their morale by giving them ease and space to conduct their work and leisure. Colleagues can easily engage in conversation with each other without the formality of knocking on a door; they get to know each other better and develop camaraderie. Moreover, for the company and owner, the open office begets the same in terms of business. Unwittingly, property managers become familiar with each other's buildings and clients in the same way as they do with each other. When a client or tenant comes to the office to speak with their respective manager, they find themselves in contact with their manager's co-workers and develop a familiarity. This has helped sustain R.E.M.'s efficiency in so many ways, in that any manager can provide information and answers to another's client or tenant due to this very familiarity and exposure.

The open office concept has helped raise the standard in property management through the qualities and essence it embodies, namely transparency. This hews to the core of R.E.M. Residential's business philosophy and practice. It may not be for everyone but for our team it has created positive relationships with our tenants, healthy and productive working relationships between staff members and more importantly, the continuing trust of our esteemed clients.

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