

Remodel, Refresh, Rebrand How to Manage Multi-Site Construction Projects

Despite the continued growth of e-commerce, brick-and-mortar retail is alive and well: The Bureau of Labor Statistics <u>reported a net gain</u> of 2,413 establishments between 2017 and 2018, representing an increase of more than 20,800 stores nationwide since 2011's "retail trough," after the Great Recession.

And while certain segments of the retail sector are experiencing an uptick in store closures—namely department stores and apparel tenants of regional malls and shopping centers—<u>research reveals</u> that 63 percent of consumers continue to make purchases at physical stores as often as they did in 2018. Additionally, 28 percent of shoppers are hitting up retail stores more frequently than they have in the past.

So, what does this mean for the operations and construction management (CM) leaders that oversee multi-site business locations? As consumer expectations rise and competition for brand loyalty gets increasingly fierce, operations, facilities and construction professionals should seek out ways to enhance their stores that will lead to an exceptional customer experience.

Make a Plan and Stick to It: Clarify Your Construction Goals

Whether you operate a national bank chain or a seasonal retail business, formulating a detailed plan of action is crucial to the success of your next construction project. This means not only coming up with a strategy but putting it on paper in the form of a working document.

Articulating project goals in writing will help you secure buyin from all invested parties—from C-level executives to the contractors performing the work. It will also help keep your project on track, which can get tricky in the construction business. Approximately <u>35 percent</u> of construction projects undergo at least one major change that ultimately winds up increasing project costs and/or derailing the projected timeline.

To avoid these and other complications, begin by defining the scope of work. Here are a few of the most common construction project types pursued by retailers who want to get more out of their space:

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35% of construction projects undergo at least one major change



In many cases, retrofitting a building—adding new technologies or modernizing outdated systems—is more cost-effective than constructing a completely new structure. If you're attempting to cut energy costs, for instance, you may retrofit your heating and cooling systems to make them more efficient. You might also do so with your HVAC system, by increasing filtration efficiency to MERV 13 or higher to protect employees and shoppers from COVID-19.

Retrofitting enables you to optimize old building features, improve equipment functionality, and reduce long-term maintenance costs.



Remodel

With social distancing measures becoming the new norm, your store layout will likely require more permanent changes. To maintain social distancing, consider new layouts, vertical displays that have smaller footprints and allow more space for consumers and employees alike on the floor, and even more permanent social distancing markers to replace the stickers that scuff and age easily. For stores that are now using curbside pickup, you might even consider adding permanent pick-up windows to your storefronts so pickup customers no longer have to come inside or get out of their cars.

Remodeling requires more substantial renovations and can impact structural, mechanical, electrical and plumbing systems. Projects that involve adding or removing walls, rewiring electrical units, re-stationing appliances and reallocating space within your building would qualify.



You may consider a refresh if you're seeking aesthetic changes like replacing light fixtures or a new coat of paint to give your space an updated feel.

More importantly, however, is doing a refresh to account for the ways in which COVID-19 has permanently changed the in-store shopping experience. 60 percent of consumers say that COVID-19 has increased their demand for touchless fixtures in bathrooms, and now a full 91 percent of American consumers expect touchless fixtures. You might even consider upgrading the sneeze barriers between employees and customers to be more stylish and on brand for your store to marry aesthetic and practical refreshes.

A refresh is ideal if you want to modernize your store's look and update features to give your customers a sense of safety from COVID-19 without altering the infrastructure.



Rebranding can mean many different things, from changing signage to overhauling a company's design, logo, and beyond. Because no two projects are the same, the term is more fluid than others when used in the context of construction management. Regardless of project type, it's important to proof your design ideas before officially diving in. By defining the scope of your next project and establishing your organization's goals upfront, you'll ensure that your construction and business needs are met.

Stay the Course: Tips for Sticking to Your Timeline and Budget

It is very easy (and somewhat common) for construction projects to veer off track—budgets can change midway through, the scope may be too loosely defined, or previously hidden issues might surface during the construction process. While you can't anticipate every obstacle in advance, you can put measures in place to help minimize potential problems. From finding help hiring construction teams, to deploying new technologies, here are several tips to help you achieve your project goals.

Finding Your Dream Team

Large-scale construction projects—especially ones that must be executed concurrently across several business locations—require a high level of collaboration and coordination among contractors. Construction supervisors have the ability to make or break a job, which is why it's so important that they and their teams are properly trained to handle the project at hand.

Finding skilled workers is easier said than done, especially as the years-long labor shortage drags on. And when organizations are forced to rely on workers who haven't been properly trained, they increase their risk of running into project delays, incurring excess costs and increasing jobsite safety hazards.

It's impossible to be in two places at once, so in order to manage multiple jobsites and multiple construction crews, it can be helpful to leverage a service provider with experience in multi-site management. They can relieve the burden of sourcing contractors by hiring licensed workers with the skills and knowledge needed to get the job done, even in geographic regions where contractors are in short supply. What's more, some service providers will help train contractors and provide tutorials to ensure consistent service delivery across jobsites.

IN A RECENT SURVEY, THE <u>COMMERCIAL CONSTRUCTION</u> <u>INDEX</u> FOUND THAT A STAGGERING 91 PERCENT OF 2,700 CONTRACTORS, CONSTRUCTION MANAGERS, BUILDERS AND TRADE CONTRACTORS REPORTED HAVING A DIFFICULT OR MODERATELY DIFFICULT TIME FINDING SKILLED WORKERS.



For operations and construction leaders who aren't accustomed to using technology in the field, the prospect of adopting a new platform or software can be daunting. But as technology advances, it becomes more user-friendly in the process, allowing construction and operations professionals of all levels to access its advantages. Depending on your needs, your construction data can be manipulated to provide a range of actionable insights that can inform everything from your budget to your project scope.

For example, if you operate a national chain of 150 home decor stores, and you're tasked with remodeling the restrooms at each of those 150 retail locations, you need the tools to craft a financial plan that will support each store's needs accordingly.

A PLATFORM EQUIPPED WITH ANALYTICS AND REPORTING FEATURES WILL ENABLE YOU TO TRACK EXPENSES THAT CAN HELP YOU FINETUNE YOUR SPENDING AND PLOT FUTURE BUDGETS. THESE FEATURES ALSO STREAMLINE COMMUNICATION AND ORGANIZE PROJECT INFORMATION TO REDUCE THE TIME SPENT SEARCHING FOR DETAILS OR GETTING CAUGHT UP ON JOBSITE PROGRESS.

Equipped with the ability to upload and view photos and aggregate project data, you can stay up-to-speed without wasting time seeking updates from different points of contact at different locations.

Strike a Balance: Using Tech with a Human Touch

Technology can do a great deal to optimize your construction efforts by allowing you to:

- ✓ Access comprehensive project updates and reports
- ✓ Streamline communication across corporate teams, contractors and service providers
- Run analytics using live data to uncover trends and patterns
- Schedule work and coordinate follow-ups

While the benefits of technology can enhance the construction process, nothing can replace the experience and expertise of trained professionals. Having a dedicated project manager supervising activity in the field and/or remotely will ensure each task gets completed on time and on budget. Their involvement helps to eliminate project reschedules and provide oversight on things like machine rentals and product deliveries so contractors and other employees can focus on their operational requirements.

Whether you're planning your next refresh or remodeling your stores for the first time, NEST can provide the advanced insights and consultative support to make your next construction project a success.

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