

The Innovation-Minded CIO

Why BGO's Christina Iacoucci is Immersing Herself in All Things Data

Fiduciary responsibilities are being redefined in a future that puts technology at the forefront of progress in commercial real estate



Christina Iacoucci

Managing Partner and Chief Investment Officer, BGO Canada

How will parking spaces have to adapt when autonomous vehicles become mainstream? What if you could calibrate the air quality in an office to make workers more energized and productive? What role will AI have in driving efficiencies in building operations as the hybrid workweek becomes more common?

These are the questions – the possibilities – that pre-occupy Christina Iacoucci at BentallGreenOak (BGO), a global real estate investment firm, investing in and managing real estate assets on behalf of its institutional clients. As Chief Investment Officer for the firm's Canadian business, Iacoucci is turning to innovation as an important element in the fiduciary responsibilities of her role.

"If we're only relying on our current experience and past precedence, we're going to miss something," she said. "Buildings last for decades, so real estate decisions have to be long term and future friendly."

Innovation-obsessed

With over 30 years of experience walking the hallways and corridors of hundreds of buildings, her perspective has steadily shifted in recent years as the industry has increasingly turned to automation to deliver efficiency and environmental gains. Change was inevitable and now contending with the pace at which it is happening has brought a new sense of urgency to Iacoucci. She believes a competitive edge in property and asset management is going to come from data – and the willingness and ability to harness it.

To that end, Iacoucci led the establishment of an innovation lab endowed with a multimillion-dollar budget designed to fund pilots and demonstration projects, some of which will fail. But that's not a word she cares to use, because these measured bets and forays into property technology (proptech) are how BGO intends to build organizational capacity and a healthy embrace for data-driven innovation.

"When you marry a wide range of building data with external information and on-the-ground real estate experience, you end up with a powerful combination of insights that enable you to do more for tenants and makes us better overall investment managers," Iacoucci said. "There are thousands of possibilities out there and I want our teams out front on these new ideas and thinking about how we take incremental steps forward to extract even greater performance from our assets."

Iacoucci's teams at BGO present many of those possibilities to Proptech firms, where an ever-growing eco-system of Canadian startups and entrepreneurial energy is already distinguishing itself in the global marketplace. Iacoucci views the nurturing of these relationships as a new frontier for her as CIO, where multiple crash-courses in technology and data analytics are a new demand of the job. And it is not in Iacoucci's nature to quietly observe from the sidelines.

"The work I do everyday is energized by my love for discovery and new opportunities to learn and the proptech landscape has definitely been a back-to-school experience for me that I am enjoying every second of," Iacoucci said. "But the learning is symbiotic, and startups are eager to draw on our experience too to hone their ideas and deliver even better outcomes."

Early and late-stage startups are cash-strapped but equally in need of live environments in which to test their concepts and this is where Iacoucci is seizing on timely opportunities. She has welcomed several proptech companies into BGO properties where cost-savings, carbon reduction, better waste management, and human health and safety are mutual objectives that are being explored in live experiments that challenge the status quo.

"Our partnership with proptech firms fast-tracks by years what we could do on our own," Iacoucci said. "We have a lot of properties, so we have a lot of opportunities to test things, learn from them and move on."

Ahead of her time

Iacoucci said she BGO was collecting data about energy and water consumption, waste generation and carbon capture "before it was cool." And long before the COVID-19 pandemic, she was working on smart building concepts around health and wellness.

She recruited a team of scientists to examine how a building's health

nect to – what's going on at the macro level, anywhere in the world," Iacoucci said.

"We think about what's happening globally and how it could impact real estate. How are people consuming things? Where do they want to live, work and shop, and how are they going to do those things?"

"Thinking big" also clears up critical blind spots.

Data scientists at BGO are already collecting hundreds of thousands of data points about properties around the globe and combining their findings with market-specific information to predict future needs. This new field is revealing a more vivid picture on where the next market opportunities reside and this is already influencing investment decision making today.

Now, the company runs all of its North American properties through a testing mechanism to evaluate potential climate events and risks based on location. BGO can help quantify for investors the risk of a climate event in Vancouver, for example, and propose mitigating actions or property decisions.

"Acknowledging threats and removing blind spots really widens the scope of our fiduciary response to investors," Iacoucci said. "Experience and history can't do that alone. We need to bring in critical data to make the right decisions. Investors require us to deliver today what will be required tomorrow."

“Real estate is an on-the-ground, local business. But if you want to grow or run a global organization, you have to understand – and connect to – what’s going on at the macro level, anywhere in the world”

impacted the people inside. Among other things, she was exploring air quality and how it related to productivity and absenteeism.

Being ahead of the curve on health and safety helped BGO respond to the pandemic. The data it collected on air quality, for example, was applicable to new safety measures around the mitigation of disease transmission. And she was already exploring touchless building technologies and sensors.

"We are committed to empowering our properties to make better-informed and refined operational decisions in a world where COVID and the potential for other infectious disease events are now embedded elements in the ongoing management of our assets."

Expanded responsibility

Iacoucci isn't afraid to "go big" when she's brainstorming ideas for real estate assets.

"Real estate is an on-the-ground, local business. But if you want to grow or run a global organization, you have to understand – and con-

Before, a portfolio manager could "just know" their market, she said. But that's not acceptable anymore, nor is it sufficient enough to assess risk. Portfolio managers need tools to drill down into individual building operations and to analyze exposure from macro events.

Innovation is also necessary to move the company – and its tenants – toward social imperatives like climate change. BGO is pursuing net-zero by 2050, knowing it'll require entirely new ways of doing business. Ultimately, data and innovation will be a critical driver in how BGO shrinks its environmental footprint across a global portfolio of properties and much of the pioneering work on proptech in Canada will inform the global action that the firm will take.

"If every industry in the world today is grappling with their carbon footprint, then BGO properties must become distinguishable by their ability to sizably contribute to their reduction efforts. Adopting new technology and effectively using data will not be a future endeavor; that work starts today."