

2024 Talent Recruitment and Compensation Trends

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Moderator: Andrew Hunt

Marquette University



- Vieth Director, Center for Real Estate, Marquette University
- Working closely with the real estate program faculty, Andy is responsible for carrying out the mission of the Center and oversight of the day to day administration of the Center's programs, activities and outreach.
- Duties include oversight of all fundraising initiatives and of the Real Estate Asset Program, management of the Center's four annual events, coordination and mentoring of the students and responsibility for maintaining a 100% placement rate for all graduating students, and more.

Christopher Lee

CEL & Associates



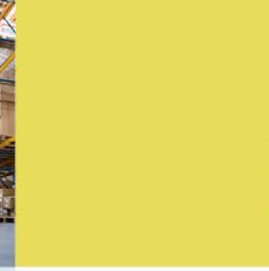
- Founder and CEO of CEL & Associates, Inc., one of the nation's leading real estate advisory, strategic planning, benchmarking, and compensation firms.
- Active in NAIOP, ULI, BOMA, IREM, NMHC, IFMA and USGBC.
- Real Estate Futurist & Advisor to 500 real estate firms nationwide.
- Editor of Strategic Advantage newsletter, received by over 12,000 real estate leaders nationwide.

Ryan Neale

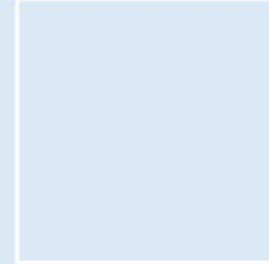
SelectLeaders



- Managing Director of SelectLeaders, a talent platform and service for commercial real estate, where he leads strategy, operations, recruiting and business development.
- He has 16+ years of progressive leadership experience within the talent acquisition and technology industries.
- Ryan leads a dynamic team that focuses on helping companies source and hire top talent through various recruitment solutions.



2024 Compensation & Benefits Trends In The Real Estate Industry



*Pivot, Reset & Redefine Talent Management
In An Era Of Change & Disruption*

Presented by
Christopher Lee
CEL & Associates, Inc.



2024 COMPENSATION & BENEFITS TRENDS

- “Getting compensation right” has become a core strategy.
- Securing HIPOs has become priority #1, #2 and #3!
- Building a “values aligned” workforce resonates with real estate CEOs.
- Talent Management continues to move to a platform mindset (“HCM”, Human Capital Management). Talent is now on par with capital.
- A shift to skills-based hiring is underway...capabilities matter.
- Only 33% of real estate firms today have a formal Talent Management Plan, and 25% are developing one.
- Layoffs, RIFs, and organizational restructuring will be recurring matters for many formerly high growth firms throughout 2024 as the real estate industry pivots and rebalances.

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors.

2024 COMPENSATION & BENEFITS TRENDS

- ❑ Succession planning will be a recurring strategic focus throughout the 2020s.
- ❑ 44% of real estate firms have embraced a PTO bank for all time paid off (excluding holidays).
- Only 34% of real estate firms have a formal/implemented 100% return to office policy.
- ❑ 37% of real estate firms are changing policies to attract younger talent.
- ❑ Locking in HIPOs and next generation leaders has become paramount.
- Bonus realization in 2024, for 2023 performance, will be around 79%.
- Base salary increases in 2024 will be around 5.0%.

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors.

2022 - 2024 SALARY INCREASES

Average Salary Increase, 2022-2024P

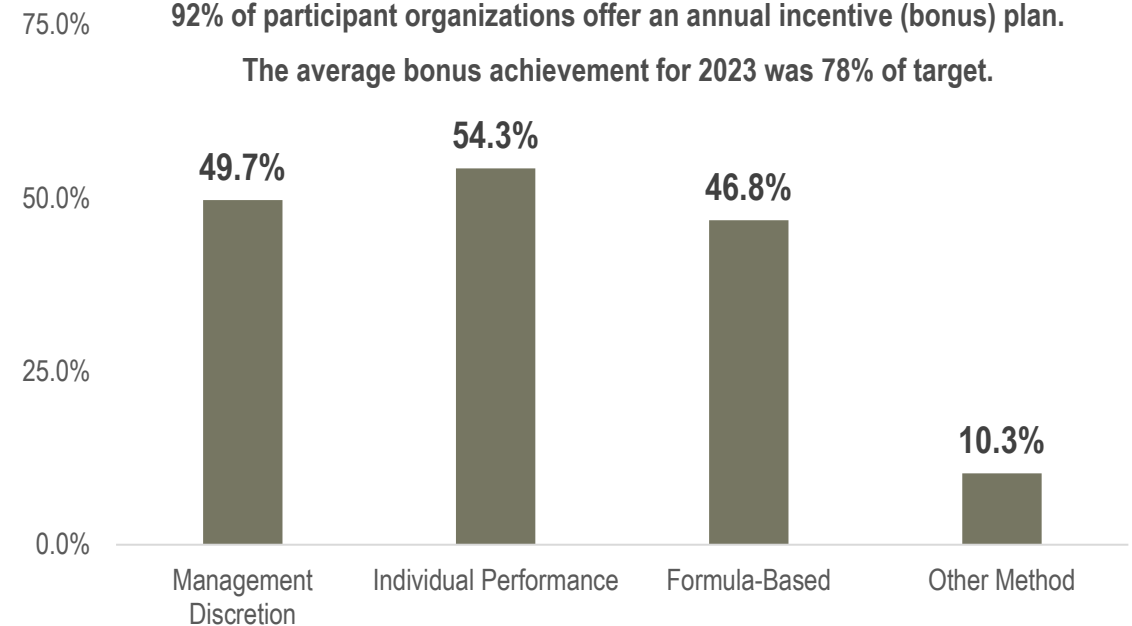
	Top Executives	Senior Management	Exempt Employees	Non-Exempt Employees	Company Average
2022 Actual	5.2%	5.7%	5.5%	4.8%	5.3%
2023 Reported	4.4%	4.7%	4.8%	4.6%	4.8%
2024 Projected	4.7%	5.1%	4.9%	4.6%	4.9%



Basis for Bonus Determination

92% of participant organizations offer an annual incentive (bonus) plan.

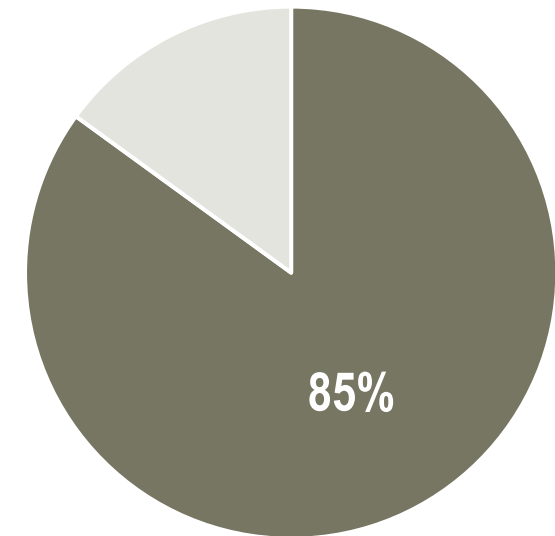
The average bonus achievement for 2023 was 78% of target.



RECRUITMENT TRENDS

- 42% of real estate workers now work remotely for some portion of their time.
- 45% of real estate firms say return to the office policy is impacting recruitment and retention.
- 85% of real estate firms are having difficulty finding qualified candidates.
- 55% of real estate firms are having challenges meeting the cash compensation expectancy of recruits.
- 66% of real estate firms have a telecommuting option.
- 58% of real estate firms offer flex time options.
- 68% of real estate firms subsidize training/professional

Trouble finding skilled talent to fill some positions



EMPLOYMENT TRENDS

- “Work with a purpose” motto is gaining popularity.
- 65% of real estate firms offer a new hire referral bonus.
- 60% of real estate firms now offer a “Wellness Program”.
- 63% of real estate firms have adopted a formal exit interview.
- 42% of real estate firms now offer benefits to PT workers.
- Real estate firms are fast tracking “employee engagement” policies to reduce turnover and inspire overall worker productivity and satisfaction.

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors, and other published sources.

TRENDS AFFECTING THE WORKPLACE

- Values and culture matter...employees want a better sense of belonging.
- Employees working remotely want technical and logistical support for that option.
- Health and wellbeing are now an integral part of the workplace environment.
- The workplace environment has become an ecosystem of “touch points for work, learning, collaboration, training, socialization, mentorship, knowledge sharing, and building relationships.
- Today 45% of real estate firms have family leave policies (vs 30% in 2022).
- 78% of real estate firms have a “professional appearance” policy.
- Real estate firms are increasingly embracing the development of a frictionless, seamless, and inviting digital portal for employees and all employee-related matters.
- Only 39% of real estate firms have a formal DEI policy.
- Only 24% of real estate firms have a formal ESG policy.

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors.

REAL ESTATE FIRMS ARE CREATING BETTER HYBRID WORK EXPERIENCES

- Shift from working at the office to working from home, to now “working from anywhere.”
- Real estate office locations that have surrounding/adjacent amenities [restaurants, coffee shops, bars, gyms, places to socialize, etc.] attract a higher percentage of workers coming to the office regularly.
- GenZs want an ecosystem of places to work, socialize, collaborate, and to grow/advance.
- Offices that connect to and/or bring the outdoors in [natural lighting, vegetation, etc.], will improve overall employee well-being.
- Real estate firms are moving from space metrics to productivity metrics and strategic outcomes.
- Consider “collaboration” hours [in office] with individual “job” hours [in office not required].
- Prioritizing human outcomes, accelerating talent engagement, and elevating a trusting workplace environment are top priorities for HR Directors.

Bottomline...people want to know that their work matters and is valued!

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors.

BOTTOMLINE IN 2024

- Taking care of HIPOS must be a top priority.
- Elevating compensation to a core competency of one's firm will result in a more efficient and effective talent management plan.
- Downsizing, offshoring, use of ICs, recruitment, retention, and meeting compensation expectations will continue to create a whirlwind of challenges during a year of disruption.
- WFH and WLB will continue to drive CEOs to address those challenges in order to produce the best results in a rewarding and engaging environment.
- More and more real estates firms are discovering that values, culture, and an alignment of shared purpose are the foundations of a great Talent Management Plan.
- There will be no “Normal” or “New Normal” in 2024... just... “Stay Alive To 2025!”

Source: CEL & Associates, Inc. and RCLCO | CEL Compensation Advisors.



Talent & Compensation Trends

Presented by **SELECTLEADERS**

Ryan Neale, Managing Director

CRE Talent & Compensation Trends

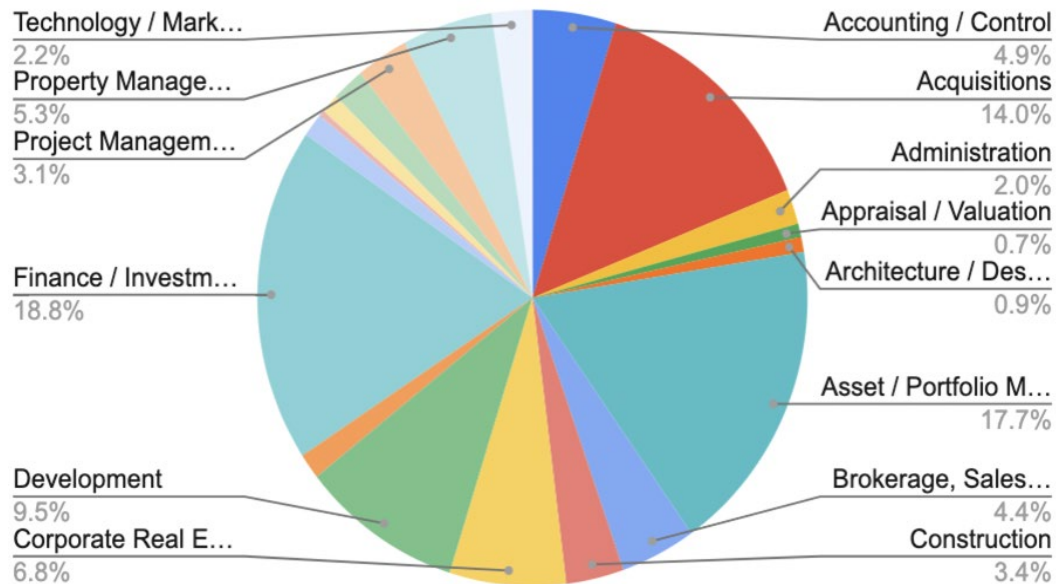
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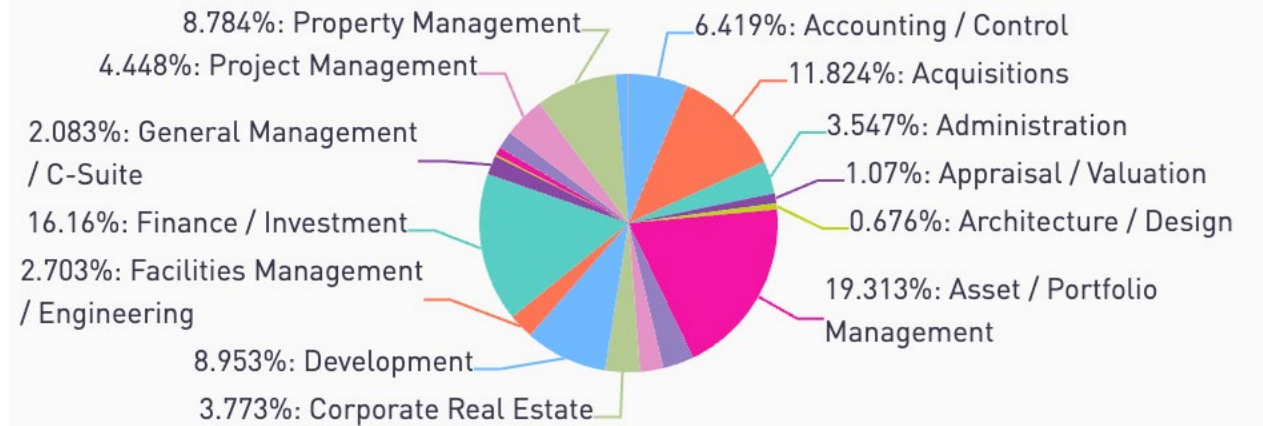
- Job Category Trends
- Compensation Trends
- Geographic Trends
- Return to Office Trends
- Skill & Qualification Trends
- 2024 Outlook

CRE Job Categories

2022 Job Categories



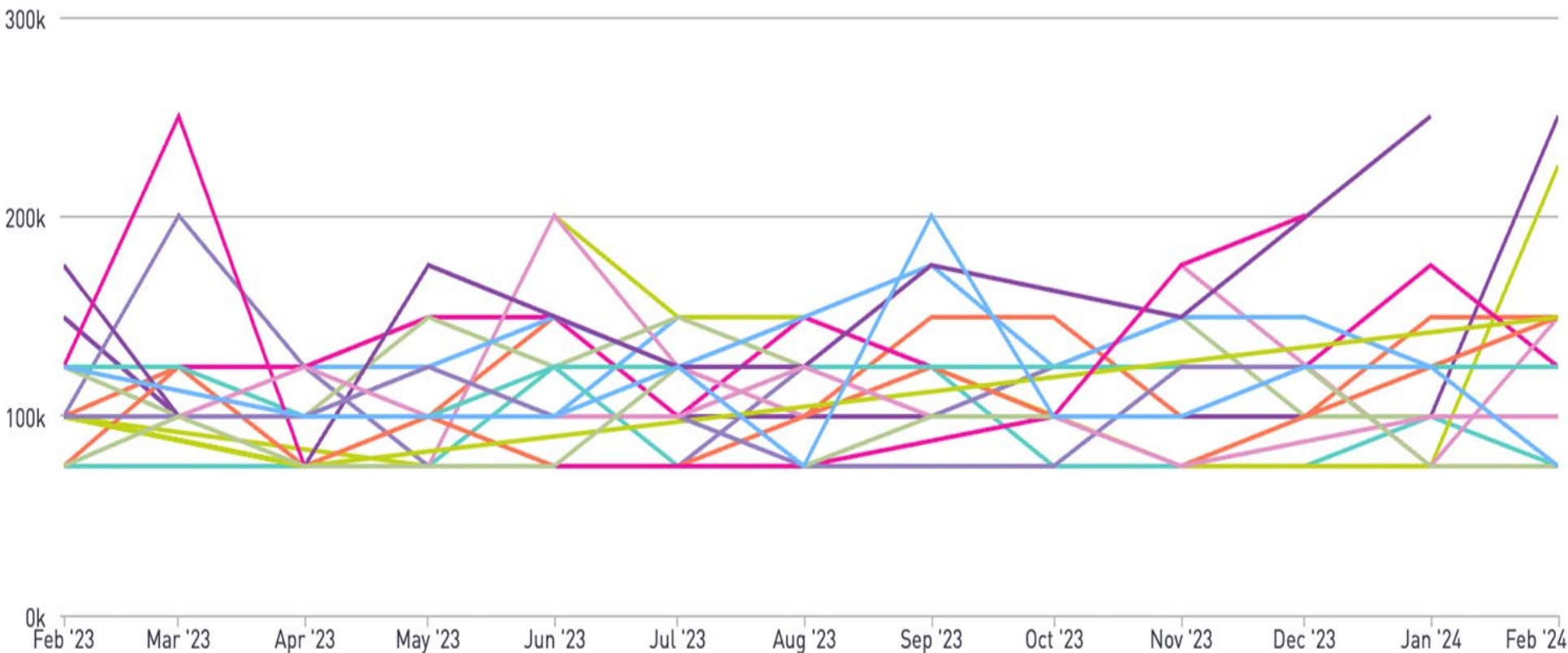
Jobs By Category 2023



Up: Property Management - Asset Management - C Suite - Accounting
Down: Investment & Capital Markets - Acquisitions - Development

Compensation Trends

Average Compensation by CRE



- Accounting / Control
- Acquisitions
- Administration
- Appraisal / Valuation
- Architecture / Design
- Asset / Portfolio Management
- Brokerage, Sales / Leasing
- Construction
- Corporate Real Estate
- Development
- Facilities Management / Engineering
- Finance / Investment
- General Management / C-Suite
- Insurance / Risk Management
- Legal / Transactions
- Marketing / Communications
- Project Management
- Property Management
- Technology / Market Research

Asset Manager



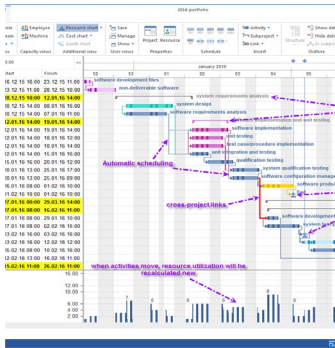
2018: \$109,027
2019: \$110,093
2020: \$111,799
2021: \$118,944
2022: \$134,274
2023: \$140,948

Acquisitions



2018: \$104,013
2019: \$100,898
2020: \$112,714
2021: \$110,643
2022: \$121,354
2023: \$125,490

Financial Analyst



2018: \$52,008
2019: \$45,299
2020: \$52,360
2021: \$74,574
2022: \$83,584
2023: \$87,500



Geographic Trends by Region:

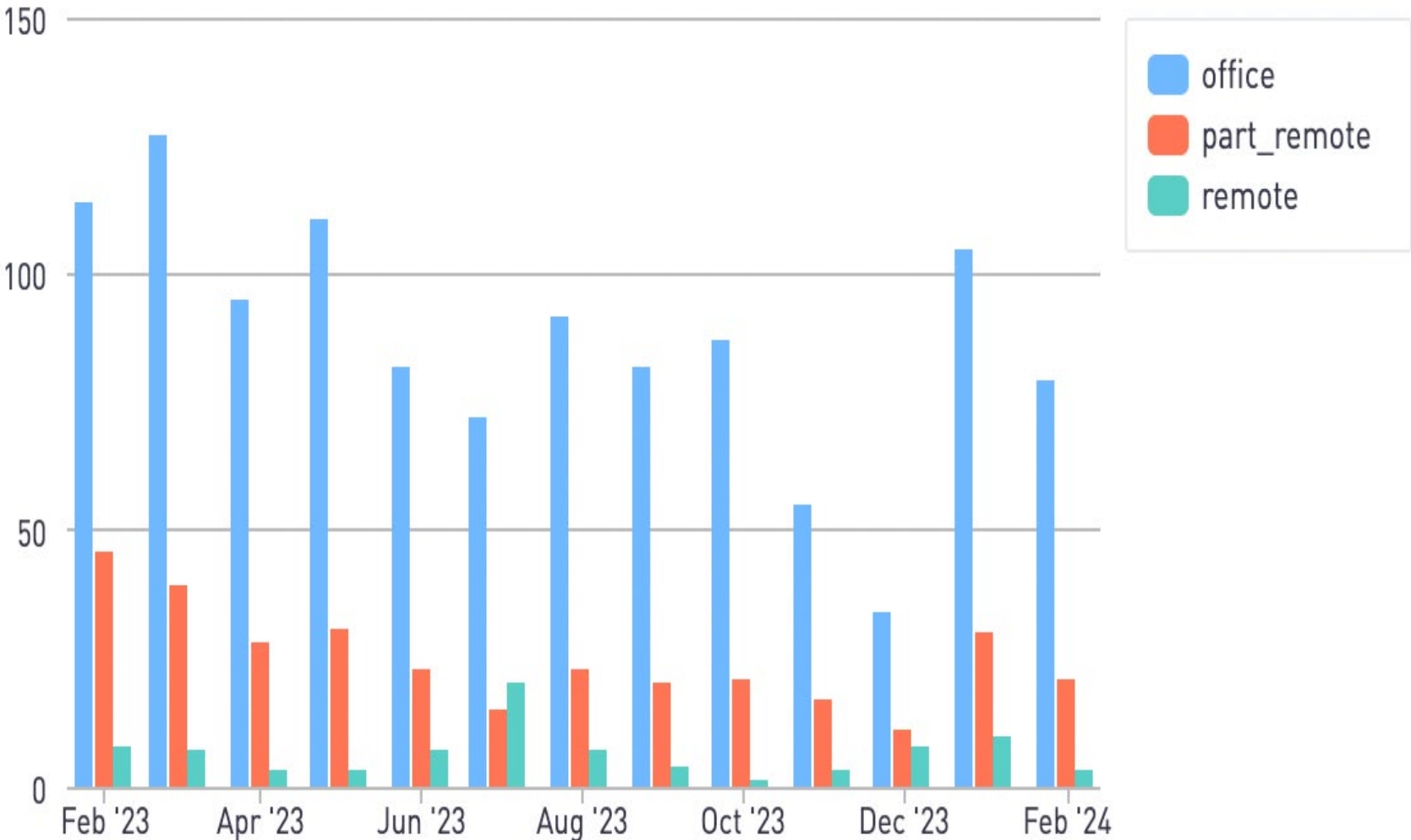
Northeast Region: Greater New York roles surged by 103.26%, suggesting strong market tailwinds that may continue to grow into 2024.

West Coast Region: Los Angeles showed stability, while San Francisco faced a 68.6% decline.

South Central Region: Houston's 14.9% decline could signal a cooling market with Dallas maintain stability

Midwest Region: Detroit's 10.5% increase in roles points to a burgeoning CRE market while Chicago faces a decline

Hybrid vs Remote By Year and Category



Return to Office

- **Steady increase FT office**
- **Role Dependent**
- **Organizational Strategy**
- **Asset Class Specific**



Skill & Qualification Trends

Digital Proficiency: Across all sectors, there is a growing emphasis on digital skills, especially in data analysis, AI, and machine learning, reflecting the industry's shift towards more data-driven decision-making processes.

Sustainability Expertise: With a growing focus on sustainable development, qualifications in green building and ESG compliance have become increasingly valuable.

Adaptability and Resilience: Given the unpredictability of the market, professionals who demonstrate adaptability and resilience are highly sought after.

SELECTLEADERS 2024 CRE Hiring Outlook

-CRE Offshoring: financial modeling, market research, lease abstraction, property management, etc.

-Rates, Transaction Volume & Hiring

-Multihyphinate Role Proliferation

-Employee Outlook: Patience

-Employer Outlook: Preparedness



Panel Discussion



Q&A



Thank You!

Revised - Essentials of the Development Process

Essentials of the Development Process examines the seven stages of real estate development, incorporating new case studies and the latest industry best practices.

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