

# Real Estate Journal

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## Utilizing strength through efficiency



Jim Molloy

In a changing market, companies must look for ways to reduce expenses. Right now is the ideal time for managers to examine operations find ways to become more efficient.

One area businesses should examine is the office space they have and use (or perhaps don't use). If space is not used it may be time to consolidate or relocate to more efficient space. Consolidation of space can be accomplished by eliminating unused items including furniture, equipment, records or files or putting inventory into storage. Secure warehouse space is still much less expensive than commercial office space even in today's market.

Reconfiguration of space and using new types of furniture and storage units can also make space more efficient and it may also reduce the amount of space needed.

Businesses should also be aware that landlords may be open to modifying lease terms, reducing space or helping with subleases. In our market we are seeing more businesses renegotiating leases with landlords. Tenants are also working with landlords to reconfigure or discard unused space.

Difficult economic times require us to look at options and find solutions. Efficiently using the appropriate amount of space can lead to tremendous savings which will strengthen a company's ability to weather the current economic climate.

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