



Thought Leader Interviews

Craig Gillespie
CEO, Manhattan Software, Inc.



In our “Thought Leader Interviews” series iwmsnews.com interviews all important Thought Leaders from the IWMS industry.

In our fourth interview we have interviewed Craig Gillespie, President & CEO of Manhattan Software, Inc.

You can also read the interview on our website by visiting:
<http://www.iwmsnews.com/2009/03/thought-leader-interviews-craig-gillespie/>

1. Please introduce yourself to our readers

Hello, my name is Craig Gillespie, I am the North America CEO of Manhattan Software, Inc., the leading global provider of IWMS as rated by Gartner in 2008.

2. Can you explain a bit about your background and your career?

I have been with Manhattan for over 5 years, most recently serving as the company's CFO for the last 2 years. Prior to joining Manhattan Software I was the lead financial executive of 2 venture capital backed businesses which I helped lead to successful exits. Before that I had spent time with publicly traded companies in various financial and operational roles after earning my CPA by working in public accounting for 3 years.

3. Can you elaborate a bit more about your company? What makes your company unique?

The Manhattan Integrated Workplace Management System (IWMS) is a leader in Gartner's IWMS Magic Quadrant. It is designed for the organization that requires an enterprise system to provide accurate and complete information about the entire real estate infrastructure.

Facility and Corporate Real Estate professionals all over the world are using Manhattan's tools to help them make informed business decisions, provide required transparency, reduce the total cost of occupancy and release capital back to the business.

Applications in this rich suite of products include software for planning and managing real estate, facilities, operations and maintenance and projects.

Manhattan provides a new way to work with real estate and facility management information with its ability to link to other systems more efficiently, transparently and effectively.

The reasons for Manhattan's leadership position are:

- Manhattan's long-term commitment to the market. The company is completely management owned and we have been for 26 years. Being management owned, we are not focused on an exit, nor are we forced to focus on short term results.
- Manhattan's commitment to product innovation. As believers that this market has yet to reach its potential, we continue to invest at least 25% of our annual revenues back into the product.
- The unique global nature of our business with offices in 18 cities around the world.
- The fact that Manhattan Software was designed from the beginning for large complex portfolios.
- Manhattan has the most functional depth and breadth in the market.
- Manhattan has a strong customer reference base.
- Manhattan has a proven successful implementation methodology and execution.
- The leadership position Manhattan has taken for standards development such as the work we have been doing with the Open Standards Consortium for Real Estate (OSCRE).
- The active role our management takes in the thought leadership of the real estate and facility management professions.

4. What motivates you as a person?

One thing – winning.

5. How do you want to be seen by your employees, the competition and independent business analysts?

Manhattan wants to be known as:

- A winning organization that attracts the top talent in the market. Positive morale follows organization performance.
- The toughest vendor to go up against in a competitive situation.
- The innovation leader and visionary for global IWMS in design, sales and implementation.

6. What does the term Integrated Workplace Management System (IWMS) mean to you?

Manhattan embraces the concept of IWMS as defined by IWMSConnect: An Integrated Workplace Management System (IWMS) is an enterprise platform technology enabling organizations to better align their Corporate Real Estate function to their broader organizational strategy by improving the performance of physical assets and associated business processes.

IWMS applications are currently characterized by 5 common features:

1. Centralized database;
2. Horizontal functionality consisting of Real Estate Portfolio Management (Transaction and Lease Management), Project Management, Space Management, Facility Management, and Manhattan adds Financial Management and Sustainable Life-cycle Management;
3. Platform verticals including performance management and analytics, workflow engine and executive dashboard reporting;
4. Interoperability with other enterprise applications such as Enterprise Resource Planning (ERP), .i.e., SAP and Oracle systems and Human Capital Management (HCM) i.e., PeopleSoft;
5. Flexible platform to accommodate scalability and customization. As the physical asset management life cycle continues to develop, largely due to expanding technology enablement capabilities, IWMS functionality is expected to continue to evolve.

7. What do you think of the Credit Crunch? What impact does it have on FM and RE?

Obviously the entire world is suffering in this toxic economic crisis, and client and prospective client organizations are being hit with layoffs at all levels. However, Manhattan is off to our best year ever with just 2 months behind us. On the surface, it may seem illogical, but one of our strengths as a company is facility management, and it is the one area of IWMS that can lead to the quickest returns.

The needs for facility management software is ubiquitous across all sectors of the market weather companies are consolidating space, looking to shed leased space, are pushing for efficiencies through recent or planned M&A activity, or just trying to weather the storm they are implementing systems at an unprecedented pace. This is the area of our recent sales success and the strongest segment of our pipeline as companies from all sectors are searching for cost savings.

The other area where we are seeing a lot of traction in the market is the importance organizations are placing on their ability to calculate the Total Cost of Occupancy and having the ability to do so from all different angles – business unit, division, region, building, etc. Being built on a strong financial engine, we are seeing increased demand for our solutions within existing client organizations looking to further increase visibility within the systems and data they already possess, which is a common thread in the latest RFPs we have been receiving.

Next, the public sector globally is seeing large infusions of capital coming from the government stimulus packages for infrastructure improvements, energy efficiency and school and facility upgrades. We see IWMS as instrumental in budgeting and planning for these projects.

In summary, due to reduction in real estate and FM staffing, now is the time to rethink existing work processes and use IWMS technology to maximize the productivity of the workforce. There has never been a better time for cost justification of a modular application that can lead to immediate cost savings. It is a great way to get started down the path of a full IWMS solution starting out with an easy to implement market leading solution that has the expandability to be a leading IWMS solution, particularly with an embedded business intelligence capability like Manhattan.

8. What is your opinion about Sustainability and IWMS?

Today more than ever, an organization's program for sustainability has to be deeply embedded in the strategy of the business, widely embraced by every employee and reflective of the local conditions within which they operate. Therefore, since buildings account for almost half of energy consumption and greenhouse gas emissions, IWMS is the key system to collect environmental performance of these buildings.

While Manhattan has added functionality to calculate the carbon footprint and store and analyze performance metrics, some of our current client work revolves around having building systems feed IWMS real time automatic monitoring data for immediate analysis and electronic reactive maintenance correction.

9. How do you see IWMS in the year 2015?

As I gaze into my rather murky crystal ball, I see that the economy is back on a growth spiral and it is now finally the age of the intelligent building. Not only new construction, but existing buildings will have been retrofitted so that the building materials, services and networked IT systems respond in the most efficient way to the initial and changing demands of the workers, owners and environment. Communities and workplaces will have begun to be transformed to reflect new ways of working and living. Office buildings will be transformed to become ecosystems of fluid and dynamically changing spaces for mostly teaming activities reducing move costs to almost nothing.

IWMS now becomes more focused on the mobility of the worker and bringing them the right workspace, at the right time at the right cost as they move around and schedule places based on their specific needs. FM and CRE costs are charged real time.

IWMS becomes more visual and easy to use with OSCRE standards now allowing interoperability to occur across the life-cycle of the building from GIS and IWMS (forecasting and budgeting, site location, acquisition) to BIM (3-5D design and construction; environmental modeling) to CAD (2D floor plans) back to IWMS (electronic O&M, environmental modeling, scheduling, change management, disposition).

10. What would be your Million Dollar Tip for our readers?

As you are going into the process of selecting an IWMS solution, do so with a company that has a proven track record of successful implementations that you feel will be around for years to come so that you can realize the benefits of a long-term partnership. These systems are not implemented overnight, but the benefits of a successful implementation will yield incredible results for years to come.

Thank you very much for participating in our Thought Leader Interview Series Craig!

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Yours Sincerely,

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