

Fostering an Open and Inclusive Environment

An Interview with Mitchell E. Rudin, Chairman & Chief Executive Officer, Savills North America

EDITORS' NOTE *Mitch Rudin joined Savills as President of its North America region in 2019, bringing more than 30 years of leadership in the commercial real estate industry, and was promoted to Chairman and CEO on June 30, 2020. Over his distinguished career, he has served in a CEO capacity at three major real estate firms – Mack-Cali Realty Corporation, Brookfield Office Properties, and CBRE. Rudin sits on the boards of the NYU Schack Institute, NYC Police Foundation, Police Athletic League, and St. Francis Friends of the Poor, and is a member of the U.S. Trust Advisory Committee and Governor of the Urban Land Institute. He has also been awarded Person of the Year honors from multiple organizations.*



Mitchell E. Rudin

COMPANY BRIEF *Established in 1855, Savills (savills.us) is one of the leading real estate advisors in the world. Savills helps organizations find the right real estate solutions that ensure employee success. With services in tenant representation, workforce and incentives strategy, workplace strategy and occupant experience, project management, and capital markets, Savills has elevated the potential of workplaces around the corner, and around the world, for 165 years and counting.*

How do you describe Savills' culture and how important has culture been during this uncertain and unprecedented time?

Several things excited me about joining Savills, but chief among them was the firm's culture. Savills has always had and continues to have an entrepreneurial ethos where camaraderie, innovations and ideas are forged through consistent collaboration and integration. Many of our colleagues have been with the company for more than 30 years, which I attribute to the firm's strong sense of community and emphasis on partnership. However, this past year has been unlike any other in recent history. Commercial real estate companies were required to evolve countless practices and implement new policies for continued success.

Our culture has been key in keeping our teams connected, informed and optimistic. When our competitors went through significant cost-reduction, we actively expanded our platform. In addition, through selective intervention

programs, especially those that support diverse employees and vulnerable internal groups, we mitigated attrition. Savills remains one of a few, if not the only, companies in our peer group with no net debt, which enabled us to retain staff, keep our momentum, and increase market share in select regions as the industry recovers from the pandemic.

Not only has the pandemic challenged business operations globally, but also how people engage with one another. Savills maintains an office-centric approach to work, but the transition to working from home was smooth. We quickly adapted technologies and leveraged internal platforms and thought leaders to keep employees apprised and engaged. However, we are looking forward to getting our professionals and staff fully back in the physical office safely this July.

Will you provide an overview of Savills' diversity and inclusion strategy?

Today, more than ever before, CEOs are being held accountable for the diversity, equity and inclusion within their organizations – as we should. Our responsibility is to champion a corporate culture that enables colleagues to authentically engage with one another and learn and grow from each other's lived experiences. The internal community drives operations, innovation and brand, and leading organizations thrive on open dialog, inclusive practices, and empowered teams. Diversity has been central to my career and a core tenet of my leadership strategy. Going back 15 years at other

companies, I was a co-founder of the African American Network Group (AANG). I also facilitated or have been the executive sponsor for several women's networks. AANG actually established a Mitchell E. Rudin Diversity Award.

In short, our strategy at Savills is to focus on the systemic challenges within our industry and business that create obstacles for minorities and other marginalized groups. We are doubling down on our commitment to foster an increasingly diverse workforce by recruiting, retaining, and advancing women and multicultural talent. Our diversity team and employee resource groups (ERGs) facilitate programming, training, discussions and share written communications to build awareness of and appreciation for our differences and similarities. We are also working to impact diversity externally through partnerships, philanthropy and service in the communities in which we operate and beyond.

How engrained is diversity and inclusion in Savills' culture and values?

Diversity has been an essential value at Savills but we, like others, need to get significantly better. Savills was one of the first major commercial real estate firms to provide healthcare benefits to same-sex families and parental leave benefits to commissioned salespeople, which is now a more common practice in our industry. We pride ourselves on being a meritocracy, where excellence is prized and rewarded regardless of ethnicity, gender, race or any other personal characteristic. As our country and client teams have become more diverse, we believe we need to make a more explicit effort

“We pride ourselves on being a meritocracy, where excellence is prized and rewarded regardless of ethnicity, gender, race or any other personal characteristic.”

“Today, more than ever before, CEOs are being held accountable for the diversity, equity and inclusion within their organizations – as we should. Our responsibility is to champion a corporate culture that enables colleagues to authentically engage with one another and learn and grow from each other’s lived experiences.”

to recruit, retain and promote more diverse talent, and ensure we foster an open and inclusive environment in our offices. Since January 2019, approximately 90 percent of senior hires and promotions have been diverse.

Last year, we implemented two initiatives specifically designed to address the lack of racial diversity in commercial real estate: The Junior Broker Development Program and Black Excellence United (BeU), an internal ERG comprised of Black employees and allies. We initiated the recruitment for the Junior Broker Development Program, our entry-level rotational program for recent college graduates, in 2019 and launched the initiative in October of 2020. Ninety percent of the inaugural class is a minority or comes from a diverse background. Participants are paid a full salary throughout the 15-month program, and we have already begun recruiting the next class. We will be expanding the program to three additional Savills markets, providing minorities and women with every resource to establish successful careers within the commercial real estate industry.

In addition to BeU, Savills launched a second group, Women’s Initiatives Network (WIN), which provides a platform to promote mentorship and increase professional development opportunities for women throughout the company. More groups are planning to roll out over the next year.

How critical is it to have diverse perspectives and experiences at the table when making business decisions?

Having colleagues with diverse perspectives and lived experiences at the decision-making table is crucial to the vitality of any business with sustained success. A recent article

from *Built In* shared that diverse and inclusive teams are 87 percent better at making decisions and 120 percent more likely to hit their financial goals. Diverse organizations enjoy 2.3 times higher cash flow per employee. Racial and ethnically diverse companies are 35 percent more likely to perform better than peer institutions and are 1.7 times more innovative. Working with diverse teams helps any organization operate more creatively and optimally. Bringing people with unique backgrounds and varied experiences leads to a more thoughtful approach, unique insights and innovative ideas.

How is Savills reaching out to different organizations and institutions in order to make sure it is reaching a diverse talent pool?

Savills’ Human Resources team engages professional candidates and interns from diverse backgrounds through partnerships with organizations such as Parker Dewey. We have relationships with historically black colleges and universities and outreach programs at predominantly white institutions to identify the best qualified individuals. We also consult with our peers on best practices and have national and local partnerships with groups like the Real Estate Executive Council, African American Real Estate Professionals, Real Estate Board of New York, and Commercial Real Estate Women. In addition to creating inroads with diverse talent, these organizations give us access to resources that assist our team in taking measurable action in advancing Savills’ diversity and inclusion efforts.

However, we must also be concerned with retaining our recruits once they join the

organization. Savills was the first commercial real estate firm to join PwC’s CEO Action for Diversity & Inclusion – the largest CEO-driven business commitment to advance diversity and inclusion in the workplace – which now has nearly 2,000 signatories. The tools offered through the initiative help address the issues that challenge equitable workplaces, allowing organizations to achieve their diversity and inclusion goals, including recruitment and retention, faster than one could achieve on its own.

Is it critical to have metrics in place to track the impact of Savills’ diversity and inclusion initiatives?

Absolutely. Metrics hold us accountable and track our progress toward our tangible goals – and that is for any Savills initiative. This is especially the case for our Junior Broker Development Program and our strategies around recruitment, retention and promotions. When it comes to diversity and inclusion, achievable metrics and targets are more important because we are not aiming to fill quotas or waste resources on performative activities. That approach incentivizes the wrong behaviors and could facilitate reverse discrimination. We are working to create changes to the built environment, internally and externally, that may create obstacles for any minority group to enter the industry with equal and equitable chances for success.

What are your key priorities as you look to Savills’ continued efforts in regard to diversity and inclusion?

We continue to advance our commitment to diversity, inclusion and equity through our workforce, vendors, civic and social activism, internal events and proactive training. In 2020, Savills emphasized building a more robust diversity and inclusion platform to address the racial disparities within the commercial real estate industry. ERGs are an effective way to build community and keep a pulse on the issues that are affecting our colleagues. We will be rolling out additional groups in the coming months. Over the past year, the awful events and subsequent calls for real and meaningful change transcended the real estate industry. They forced businesses and individuals to question whether we were doing enough. I feel incredibly fortunate to be at Savills, and I look forward to what our team can accomplish in this area over the next several years. ●

“Working with diverse teams helps any organization operate more creatively and optimally. Bringing people with unique backgrounds and varied experiences leads to a more thoughtful approach, unique insights and innovative ideas.”