

WHICH COMPLEXITY HAS STOPPED EARNING ITS KEEP?

Executive Briefings

Key Takeaways

- **Preserve property-level differences that create value; question complexity that exists mainly because it was inherited.**
- **Pay particular attention to complexity that multiplies as the portfolio grows.**
- **Prioritize improvements by how far their value can travel while being equally deliberate about what should remain unchanged.**

Estimated Reading Time: 4 minutes

Complexity is not automatically a problem.

A commercial real estate portfolio contains different buildings, tenants, markets, equipment, vendors, lease structures, operating histories, and capital requirements. Some properties need to operate differently because the assets themselves are different.

Trying to eliminate every variation would make little sense.

But complexity should have a reason to exist.

As 2027 priorities take shape, the useful question isn't whether your portfolio could be simpler.

It's whether the complexity you're carrying still earns its keep.

Know the Difference Between Variation and Fragmentation

Standardization has obvious appeal across a portfolio.

Common processes can make training easier. Shared technology can improve visibility. Consistent information can simplify comparison and reporting.

But standardization for its own sake can be just as misguided as allowing every property to operate independently.

The objective isn't sameness.

It's usefulness.

A different process may be justified because a property has different operating requirements. A specialized system may perform an important function that a portfolio-wide platform cannot. A local vendor relationship may produce better results than a standardized alternative.

Keep what has a reason.

Question what exists primarily because nobody has revisited it.

Difference should be intentional, not inherited.

That distinction gives leadership a much better basis for deciding what deserves to change.

Find the Complexity That Multiplies

Some inefficiencies remain local.

Others multiply as the portfolio grows.

One additional manual report may be manageable at a single property. Requiring variations of that report across 20 properties creates a different burden.

One disconnected application may be tolerable. Multiple properties using different systems to perform similar functions can make portfolio-wide reporting, security, support, integration, and decision-making increasingly difficult.

This is where seemingly small operational choices become strategic.

Ask what happens when today's process is repeated across the portfolio.

Does the cost remain relatively fixed?

Or does every additional property, employee, vendor, system, or transaction add another layer of effort? Complexity that multiplies deserves particular attention because growth can make yesterday's manageable inconvenience tomorrow's constraint.

Ask What the Complexity Is Buying You

Every complication should produce something valuable enough to justify maintaining it.

What does this extra process protect?

What does this specialized application enable?

What does this manual step verify?

What does this property-specific approach accomplish that a common process could not?

Sometimes the answers will be compelling.

Good.

Leave those things alone.

But sometimes the answer will be less satisfying: nobody's quite sure. The process predates the current team. The application arrived with an acquisition. The spreadsheet was created to solve a temporary problem. The additional approval was added after an incident years ago and never reconsidered.

Those aren't automatically reasons to eliminate something.

They're reasons to examine it.

The burden of complexity is easy to underestimate because organizations usually measure the cost of changing something more carefully than the cost of continuing it.

Doing nothing has a price, too.

Look for the Portfolio-Level Return

When several potential improvements are competing for 2027 attention, look beyond the immediate problem each one solves.

Ask how far the benefit travels.

Would simplifying this process save time at one property or across the portfolio?

Would connecting these systems improve one workflow or make information more useful to several teams?

Would greater consistency reduce support demands, make onboarding easier, strengthen security, or improve reporting in addition to solving the original problem?

An improvement that creates value in several places may deserve greater attention than one with a larger but isolated benefit.

This is particularly important when resources are limited.

You aren't simply choosing which problem is most frustrating.

You're choosing where improvement can have the greatest reach.

Closing Thought

Some complexity will remain in 2027.

It should.

The goal isn't a perfectly standardized portfolio or an operating environment with no exceptions.

The goal is to make those exceptions deliberate.

As priorities narrow, decide which complexity continues to serve the business, and which has become expensive enough — in time, visibility, risk, scalability, or management attention — to challenge.

Then be equally deliberate about what you don't change.

A system that works doesn't need replacement simply because something newer exists. A property-specific process does not need standardization if its differences create value. A manual step does not need automation if automating it costs more than performing it.

Choosing wisely sometimes means deciding not to modernize.

That isn't resistance to change.

It is clarity about where change matters.

As 2027 approaches, your portfolio will carry some of 2026 forward with it.

Make sure you know why.

Finish strong by questioning the complexity you've inherited. Start stronger by carrying forward only the complexity that still earns its keep.

Start the Conversation

- Every successful modernization initiative begins with a shared understanding of where you are today and where you want to go next.
- If your leadership team is evaluating modernization priorities, Anchor Bridge Innovations would welcome the opportunity to start that conversation.