Chapter 4: Implementation of the Management Triad by Real Estate Investment Firms in Zimbabwe

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4.1 CHAPTER SUMMARY

This chapter examines and discusses challenges and prospects in implementing the management triad (property management, asset management and portfolio management) in Africa. It provides a motley review of professional roles and responsibilities of management triad for the regions under consideration, taking lessons from other African countries. The overall aim is to obtain an intimate appreciation of professional roles, responsibilities and interests of the management triad when working with investor organisations. Overall, missing in literature is an understanding of the link, and dynamics thereto, between real estate investment firms and portfolio management, asset management and the property managers' responsibilities for the investment firms to achieve their financial goals. To provide a vivid picture of the story, a case study of Zimbabwe is engaged. The study engaged interview and case approaches to collect data and review experiences. Evidence emanating from the study shows that, indeed, real estate investment firms are aiming at safeguarding their

investments, maximising capital gains and increased returns However, they do not have a friendly way of making use of the management triad to help achieve their objectives. Under results, three major private players listed on Zimbabwe Stock Exchange (ZSE) and the largest pension fund were thoroughly investigated and results noted. It is concluded that the effectiveness of real estate investment firms is at stake if the current approach of managing the assets is perpetuated. Through sharing and adoption of knowledge created in successful global institutions, local real estate investment firms stand to benefit from adopting best international practices in the use of management triad.

4.2 INTRODUCTION

Investments and returns are the main issues frequently used in modern-day business. Each party in an investment has its checklist. The Modern Portfolio Theory (MPT) suggests that investors base their allocation decisions on the expected return and risk of the investments, and diversification benefits, measured through the correlation of returns with other assets in the portfolio (Markowitz, 1952). In international investments, the risk comprises of the variance of expected returns and currency risk. Real estate is amongst some of the commonly favoured investments as it can increase in value over time and is an effective hedge against inflation. As a catalyst in management of real estate, a management triad is used by international institutional investors to control and monitor real estate investments. On its own, the management triad experiences some challenges and prospects in implementing the full operation in Africa. The chapter attempts to provide a motley review of the professional roles and responsibilities of management triad for Africa, taking a macroscopic investigation on experiences in Zimbabwe.

4.3 Theoretical Framework

Various concepts can apply in this chapter. However, the most important one adopted in the chapter is the MPT, illustrating the importance of diversification in the reduction of portfolio risk (*ibid.*). The MPT is based on the adage that "one ought not to put his/her eggs in one basket" (Dubben and Sayce, 1991). The benefits of diversification and further quantifying it in terms of portfolio risk and return are explained by the theory. In broad terms, assets within a portfolio that do not move in the same direction in terms of returns, provide greater diversification benefit in comparison to those that move in the same direction. The decision on that assets are to be invested in, how they will be managed and the actual people who will manage them is the core purpose of this enquiry. However, even with many assets within a portfolio, such as commercial property portfolio, there is no way one can completely avoid all risk through diversification. All four asset or property classes, i.e. retail, office, industrial and hotels are affected by common macro-economic factors that cannot eliminate their exposure to general economic risk.

4.4 Literature Review

Scarret (1995) defines property management as a distinct field that seeks to recommend the establishment of an appropriate plan within which to oversee the portfolio to achieve the agreed short and long-term objectives of the investor and mainly to have concern on the return on investment. Property management is often referred to as real estate management. The Institute of Real Estate Management (IREM, 2011) provides the most important functions involved in management of properties that involves site management, personnel management (onsite and offsite staff), management of trust accounts, leasing services and tenants' service provision. Facilities management is more of physical aspects of the building, whilst property management is more of maintaining or increasing the property value, management of leases, statutory obligations and financial administration of the property (RICS, 2011).

Facility management is a term that entails the development and control of non-core, support services of an organisation with buildings, their systems, their information technology equipment and fittings (Wiggins, 2014). The concept is, therefore, an emerging issue that originated from the real estate management function but, as a result, increased its scope and incorporates various disciplines. Facility management has been, in recent times, engulfing various departments in an organisation and managing them to support the main objectives of the organisation. However, Alexander (2004) has argued that a proper definition of facilities management is a support function for core business objectives. He further opines that it is difficult to differentiate facility management from core business because some companies' facility management is their core business. The term has been traditionally recognised as the old-fashioned caretaking, cleaning and maintenance of buildings (Atkins and Brooks, 2009). Nonetheless, it is now a multiple profession ensuring functionality of the built environment by integrating people, place, process and technology (*ibid.*).

Urban Land Institute (2007) defines real estate development as the continual reconfiguration of the built environment to meet society's needs like construction of roads, water reticulation plants, housing, office buildings and lifestyle centres. Every country on the globe has these society's needs. Real estate development is a process that transforms an idea into bricks and mortar (Miles, Berens, Eppli and Weiss, 2007). Once real estate investment construction is completed, it is the responsibility of the management triad to take over and deliver the cash flows envisioned in the feasibility study and to maintain the physical structure and site to protect the project's long-term profitability (Miles *et al*., 2007).

The management triad is the management of property, asset and portfolio. Property management is the operation, control and oversight of real estate as used in its broadest terms (Urban Land Institute, 2007). Management indicates a need to be cared for, monitored and accountability given for its useful life and condition. According to the *Real Estate Dictionary* (Davies and Jokiniemi, 2008), property management is the job of upkeeps, maintenance and servicing of a building or property. It is also the management of personal property, equipment, tooling and physical capital assets that are acquired and used to build, repair and maintain each item's deliverables. Property management involves processes, systems and manpower required to manage the life cycle of all acquired property as defined, including acquisition, control, accountability, responsibility, maintenance, utilisation and disposition. Property management is located on site and is the primary link with the tenant. It is a role that is far more complex than simply showing space, signing leases and collecting rentals. Property managers seek to generate the greatest possible net income for the owners of an investment property over the economic life of that property. If the goals of the owner are reasonable, ethical and lawful, essentially, the property manager seeks to achieve the objectives of the owners, generate incomes for the owners and preserve and/or increase the value of the investment property (Kyle, Baird and Spodek, 2000). The managers and leasing teams get commission as payments for their special services rendered. Institutional investors can choose to manage their real estate investments in-house or by outsourcing or combining the two (Gurajena, Chaeruka and Dumba, 2018).

Asset management is defined as the coordinated activity of an organisation to realise value from assets (Institute of Asset Management, 2010). In general, asset management companies have been used to address overhang of bad debt in a country's financial system (Klingebiel, 2000). Assets are defined as an item, thing or entity that has potential or actual value to an organisation. Asset management is located offsite, and it is done for several different properties (Institute of Asset Management, 2010). It assumes a broader perspective that property management does not, and they specialise on property type, size and location.

An asset manager manages the property on behalf of its owner (Miles *et al.,* 2007). The manager participates directly in critical property management activities, for example, significant lease negotiations, major capital projects and annual budgeting. Asset management is a systematic process of deploying, operating, maintaining, upgrading of real estate properties (Urban Land Institute, 2007). Amongst other duties, the asset manager oversees the activities of property managers and is also responsible for some more duties as discussed herein. Asset managers are responsible for measuring performance of the property. They also enable an organisation to examine the need for, and performance of, assets and asset systems at different levels. It is their duty to evaluate property managers by comparing property performance with peer properties in the same submarket.

Further, asset management also work in assisting in tenant relations, that is, helping to facilitate and ensure good relations between real estate investors, government and tenants of the property. The asset management department can include professionals like economists who are quick and able to detect and analyse market conditions. Professionals can detect the best time it is profitable and beneficial to buy or dispose of a property. Professionals will help the global investor to access the states they are considering investing in prior to making huge financial commitments. Having a positive corporate perception on corporate real estate asset management, a separate corporate real estate unit and a real estate inventory record, are primary to the success of the asset management (Teoh, 1993).

Portfolio management refers to a combination of securities, such as bonds, stocks, wine, real estate and other instruments. In the context of real estate, it defines and implements its strategy considering mainly its goals and long-term objectives.

Overall corporate real estate management must move toward developing a strategic approach involving principles and practices of general management to develop a proactive, comprehensive and portfolio-wide decision-making process (Veale, 1989).

At the top of the hierarchy of the management triad is the portfolio manager responsible for defining and implementing its strategies considering mainly its goals and long-term objectives. Portfolio management oversees asset management, acquisitions, disposals and investment decisions and supervises cash management financial performance. The portfolio manager reports to the owners of the properties. Other functions of the portfolio manager include receiving feedbacks from the asset managers. The portfolio manager can also bring other investments criteria that one would need to be considered. By bringing in many ideas, it is likely that the operations will be efficient, hence leading to the maximisation of value to the investor. Portfolio management also oversees acquisitions of new investments or decisions of venturing in countries in many regions of the world. They also decide when to leave. When disposing of or acquiring new properties, they play a pivotal role in facilitating the process after critically analysing the implications and possible challenges likely to be faced because of the action. Asset managers are presented with tasks and at some point, they need to report to the portfolio management about their progress towards achieving their set goals. Property, asset and portfolio management is, therefore, there to facilitate and help global investors and global citizens with their professional expertise to help own and manage properties from various locations.

4.5 METHODOLOGY

The authors engaged a case study of Zimbabwe to provide a vivid picture of the story. The study carried out interviews with senior real estate managers. Further case analysis reviews were used to collect data and review experiences. Interviews were held with various property professionals until a data saturation point was reached and results recorded. Due to the long processes of obtaining approvals to name real estate companies listed on the Zimbabwe Stock Exchange (ZSE) that participated in the collection of data, the study resolved not to disclose the names, except for three and one pension fund, the biggest. although many informants from various organisations were engaged in giving data. The qualitative data were analysed through thematic content analysis. The data analysis focused on themes and sub themes that emerged from the study. Some of the issues that emerged from the study included shortage of human resources, influence of illegal sanctions that Zimbabwe has been battling with, inconsistency of the public policy, high corruption levels, inconsistency in the policies introduced by the central bank and corruption, among others, as some of the reasons causing failure in the implementation of the management triad. Thematic content analysis is very ideal in laying down results as it can help readers to track experiences as would have been laid out by the researchers.

4.6 RESULTS

National Railways of Zimbabwe Contributory Pension Fund

The National Railways of Zimbabwe Contributory Pension Fund (NRZCPF) is the second biggest real estate property owner in Zimbabwe after Old Mutual. Data obtained from the field showed that this organisation does not have a registered estate agent on their management team besides being the biggest occupational pension fund in Zimbabwe (Gurajena, Chaeruka and Dumba, 2018). The NRZCPF own real estate worth US$225 000 000 with a total leasable space of 274 000m^2. Commingled with other investments assets, the total value of the organisation is US$450 000 000. It in recent times, it has employed a mixed strategy to property management, whereby some single tenanted buildings are managed internally, and other multi-tenanted buildings are managed by estate agents. It outsources management services to renowned property managers, Dawn Properties, Knight Frank and John Peacock & Sons.

The property officer of this organisation admitted to having principal-agent problems with their estate agents. However, he pointed out that the need to cut on agent's commission perpetuated them to partially usurp the roles of their estate agents by introducing an internal property management department at their pension fund (*ibid.*). Normally this kind of decision is made by asset managers who would have noted that the property management division has potential to lower operating costs hence being beneficial to usurp roles of outsourced estate managers and introducing a real estate internal management department. The NRZCPF pays above an estimated US$500 000 annually as agents commission alone. This pension fund also invests in other assets for example bonds, capital market, money market, treasury bills, stocks and prescribed assets. All these other investments are normally detected by portfolio managers. On average, about 7 800 pensioners' salaries are paid out monthly by the NRZCPF. These pensioners represent the funders of the fund and are also entitled to receive monthly payments. This is a pressing commitment for the pension fund.

The NRZCPF wishes to expand their real estate base by investing in more office parks and shopping malls, given that they secure adequate finance for that endeavour (*ibid.*). The decision on expansion is made by the portfolio or asset managers in a management triad. However, although the structures are not determined within this organisation, it is important to note that the functions of a management triad are effectively conducted within this organisation. Further, the pension fund does not have the proper structures coordinated, the management of the entire pension fund are responsible for interchanging tasks and simultaneously carry out duties of property, asset, and portfolio management as they do their day-to-day management of the organisation. Just like many organisations in recent times, the economy seems to be setting back the performance. The NRZCPF is underperforming in rental collections and increasing bad debts and rental reduction requests. In delivering facilities management and service provision in their real estate investments, the property officer of the NRZCPF highlighted that their pension fund's current plan is responsive and effective. From the interviews held with the NRZCPF, the main basis for their decisions is about income maximisation, implying loss minimisation and containing operating expenses. Generally, the strategy for this organisation, in relation to management triad, is undefined as everyone in the organisation is responsible for carrying out all the duties in a proper management triad.

Zimre Property Investments

Previously known as Zimre Holdings Limited (ZHL) Group, Zimre Properties was incorporated on 27 January 2003, following the successful disposal of National Real Estate (Pvt) Limited (Chirisa, 2013). Zimre Property Investments (ZPI) commercial property portfolio, in terms of size, indicates that it dominantly holds office in the central business district (CBD), consisting of 70% of its total commercial property portfolio and a few retail and industrial properties having 19% and 11%, respectively (Mhandu, 2015). It has neither office parks nor hotels within its commercial property portfolio. Thus, ZPI is not well diversified in terms of commercial property class or type. For this company to have made such decisions with regards to how their portfolio investment is diversified, clearly shows the active involvement of a property management and portfolio management division within their structures. This poses a serious risk within its portfolio, since a major downturn within the office sector will weigh down on its rental income since the CBD office sector is a major component of the company's commercial property portfolio (*ibid.*).

Furthermore, this organisation consists of a board of directors that, on many occasions, detect on how the organisation should be diversified. The management has responsibility for effectively managing the real estate portfolio on a day-to-day basis. The board of directors is generally a team of at least eight highly qualified professionals that consists of Chartered Financial Analysts, Chief Executive Officers, Managers, Directors, Politicians, Lawyers and renowned businesspeople, amongst other prominent professionals. who, in the main, form boards of huge investment companies. The highly qualified team on the board of directors are normally the ones that perform the duties of portfolio managers in the investment firms, hence supervising the asset and property management functions. Furthermore, ZPI has developed more than 2 000 residential stands in Ruwa both medium and low density. It has spearheaded the servicing of land in Ruwa and assisted the town with money to improve refuse collection (Chirisa, 2013).

This can be some quick examples that can show existence of proper management but very difficult to track whether the management triad’s involvement is clear enough.

Mashonaland Holdings

In July 1966, the Mashonaland & Provincial Trust Company (Pvt) Ltd and Mashonaland Real Estate (Pvt) Ltd merged into Mashonaland Holdings (MH). MH commercial property portfolio in terms of lettable area shows that MH has an almost equal mix of office and industrial properties of 45% and 43%, respectively. However, retail and office parks contribute the least percentage with 9% and 3%, respectively, of the total commercial property portfolio (*ibid.*). In comparison with Zimre Property Investments, MH is better in terms of diversification, since it has a balance between industrial and office investments in the CBD. However, the benefits of these types diversification are very limited since the two sectors are seemingly the worst hit due to lack of formal activity and industrial capacity that is below 40%. Thus, this diversification within the Zimbabwean context is not efficient since both sectors are the most hit in terms of income return and performance (*ibid.*).

MH was the first in real estate to be listed on the Rhodesia Stock Exchange now the ZSE. This company greatly contributed in the establishment and development of Ruwa. Chirisa (2013) noted that the company bought land in Ruwa in 1987 and transformed the land into the Ruwa Growth Point. This was the brainchild of the then chairman, T.C. Hardy. A satellite town east of Harare was then established, incorporating industrial, commercial and residential stands (*ibid.*). The entire infrastructure and many of the factories and houses were then built by MH. This involvement of the Chairman of the Board of Directors for the company clearly supports the notion that in Zimbabwe, the board of directors who are responsible for shaping the strategy of the organisation, actually also work as asset and portfolio managers of the real estate companies. The mixed approach over the years has managed to achieve good results, though it is extremely difficult to trace the functions of each stakeholder in a company.

Pearl Properties

Pearl Properties has a more diversified portfolio since it has a considerable mix of four types of commercial property classes. Its portfolio predominantly consists of CBD office and the industrial property types, with 35% and 33%, respectively. The office parks property class has a significant percentage of 22% within its commercial property portfolio. Therefore, given the Harare expansion trend, where office parks have become more attractive to high class tenants, like accounting firms such as Price Waterhouse Coopers, the sector has become the company's cash cow (Mhandu, 2015). As one of the giant property companies on the market, the company also has a board of directors and management team that perform similar roles hence it is also difficult to trace specific responsibilities within these large real estate corporations.

A data saturation point was reached, hence it is not worthwhile to repeat the same observations since all the cases used in this study directed the same findings. A different approach had to be used on this organisation and the results are given herein. The approach involved investigating how the organisation has been growing, for example, dwelling on its experiences when it carried out an initial public offering (IPO) on the ZSE.

For this organisation, the researchers enquired on the experiences postured by Pearl Properties when they listed on the ZSE. This was initiated by the need to investigate roles played by portfolio, asset and property managers in carrying on the process. As results, it was noted that extensive time, high expenses and high returns were all incurred and achieved by management at Pearl Properties. Finding the right investors for a company is a complicated task that often takes a significant amount of time, effort and money. This involves the use of underwriters and brokers to make that activity effective and efficient. The cost of issuance includes fees a corporation pays to the syndicate of investment banks and brokers that underwrite the new issue. For example, when Pearl Properties issued its IPO to raise $1.1 billion in 2007, it incurred $72 million as expenses paying its co-underwriters who included Ecobank, ZABG, FBC Bank and Stanbic Bank sub-underwriters and brokers. To persuade investors to invest, the organisation had to promise to pay higher returns than the rates it could reasonably pay to a bank or other debtor. Taking on such high returns can cripple the organisation that can leave some loopholes in considering equity funding as a superior method of financing real estate projects. An analysis of the events and strategies that were conducted shows existence of strategists from functions in a management triad.

Decisions on expansion of operations are made by asset managers. They consider various options when expanding their operations. To expand, it is necessary for business owners to tap financial resources. Business owners can utilise a variety of financing resources, initially broken into two categories: debt, and equity. "Debt" involves borrowing money to be repaid, plus interest. "Equity" involves raising money by selling interests in the company. This was the same decision that had to be made by management at Pearl Properties. For example, the break perhaps came around 2007 when they successfully listed on the ZSE, raising capital close to 30% of their Net Asset Value. ZPI went on to list after that and since then, there has been isolated cases of real estate development, some involving joint ventures with foreign investors. Banks and building societies have recently resumed giving out mortgages but the amounts they can advance seem more suited to aspiring homeowners, rather than for large scale property projects. It can be equated to the board of directors, who are non-executive, administering their functions as asset and portfolio managers in determining the timing of issuing on the ZSE.

Daily, portfolio management decisions are being made by asset managers and/or even property managers. Further examples include a report by Nyakazeya *(Financial Gazettes,* 16 April, 2015), where some property companies such as Pearl Properties, were planning to transform offices in its CBD properties into residential apartments and converting industrial properties to retail rental space. In another report by Makoshori (*Financial Gazette,* 2 April, 2015), ZIMRE Property Investments (ZPI) was also targeting to offload a number of commercial properties across major CBDs in response to deteriorating margins triggered by difficult a economic environment. The most common cause for management personnel frequently acting in manners that are like usurping the other's function and role can, arguably, be of a lot of market and economic inconsistence.

The market and economic inconsistencies favour a reactive response management whereby the managers are forced to implement strategies that always safeguard their companies. For example, recently, the introduction of the Real Time Gross Settlement (RTGS) dollars by the Reserve Bank of Zimbabwe as the new medium of exchange, has seen the currency losing value against the United States of America Dollar. As a result, many property companies have been struggling in adjusting rentals changes to stay afloat. This has been the main challenge facing the management triad in effective distribution of their duties. They are forced to give special powers to lower management so that they can immediately convey special decisions in cases of inconsistencies in the economy.

Finally, large and small real estate corporations in Zimbabwe have been taking strategic moves, sometimes basing on the state of economic affairs and in reaction to the market forces. Many companies are rushing to venture into residential real estate development, for example, the NICOZ Diamond housing project in Hatfield, Pearl Properties has completed Kamfinsa Housing Development, CBZ has also rolled out serviced stands in Chikanga, Mutare, and Nehosho, Gweru, FBC`s Masotsha Ndlovu Phase 2, Greendale Cluster Housing Project, 51 Princess Drive, Elizabeth Windsor Gardens, Pokugara Residential Estate, and Glaudina Housing Project, are at advanced levels of construction and are already selling while Mashonaland Holdings have also purchased land in Ruwa, earmarked for medium density housing development. Existing evidence has also shown that these decisions of late have been made by all the players in the equation. Property managers do research and check on the feasibility. They advance their findings to the asset managers who check whether it will be viable to consider the option. When they agree, the portfolio managers will then be presented with an opportunity to contribute. It can, therefore, be confirmed that although there is a structural hierarchy in making the decision in many property firms in Zimbabwe, all the players participate in making decisions.

4.7 Discussion and Conclusion

The study initially enquired and understood the challenges in implementing the management triad in real estate companies operating in an African setup by identifying the problems involved in the smooth running of a management triad for real estate companies in Zimbabwe. Results showed that 75% of real estate companies re listed on the Zimbabwe Stock Exchange do not have a noticeably clear structure in approaching their management triad. It was discovered that real estate investments are made as alternative options and the investors are interested mainly in the income earning ability and security of the investment. The remaining 25% of real estate companies have structures for their management triad but are failing to fully harness the benefit. This could be attributed to several factors such as the economic sanctions that Zimbabwe is battling with, inconsistency of the public policy, high corruption levels and inconsistency in the policies introduced by the central bank.

It can be probably agreed that global asset management companies that invested in property have experienced some stiff resistance from government policies in recouping their initial investment outlay outside the country. As a result, global asset management companies have just given up in following their investments in Zimbabwe. The adverse effect of the economic sanctions against the country is making the country an unfavourable investment destination in real estate. The dark history of land redistribution that was carried out in the country is also making it difficult for other potential investors to prioritise investing in the country as they fear that since politics seems to be above everything and politicians introduce policies against foreign investments it may be difficult for them to recoup investment. Challenges involved in implementing management triad are mainly operational in that there has been very little foreign direct investment over the last two decades. Property managers are, however, not sure whether they can identify the challenge to be because of their track record or could simply be a mere issue beyond their influence as it can be causally linked to politics.

Further, the study also identified the prospects/hopes/forecasts views of implementing the management triad in real estate companies operating in Zimbabwe. The study managed to establish how the Zimbabwean real estate companies can implement the management triad. It was also discovered that if it could be proved beyond reasonable doubt that introducing a clear management triad in a company can increase the income earning ability of the entire investment company, the directors would certainly prioritise the latter. Forty percent (40%) of employees in major real estate players in Zimbabwe are adamant that one of the reasons their employers seem to be sitting comfortably without a clear structure on management is simply because of ignorance of the potential benefits that can accrue to the organisation.

Furthermore, the study enquired on the options available in implementing the management triad in real estate companies operating in an African set-up. Suggestions on alternative ways of implementing the management triad were made. A fifth (20%) of respondents from property investments indicated that there is a huge possibility that all the companies do have a management triad but with simply different structures and responsibilities shared across the functions within the company. The observation is very valid. One of the respondents stressed by giving an example that everything depends on the jurisdiction in which one is in, “a monarch is ruled by a King or a Queen while a democratic state is ruled by a President or Prime Minister”. The respondent further highlighted that this is also the same situation that investment firms experience; they can have a special way of coordinating and managing their real estate assets. The specific management ways are normally not similar and can vary from organisation to organisation, depending on the differences in cultures and beliefs. The respondents hence concluded that they believed that all the organisations that invest in real estate have a noticeably clear management structure but are not always referred to as the management triad and can be different from the latter though it could perform the same functions.

Moreover, the study enquired on the challenges in implementing the management triad in real estate companies operating in an African setup and possible problems involved in introducing an effective management triad in a real estate organisation. The analysis conducted after the study involved comparisons of responses by key informants who are property managers in the property companies listed on the ZSE. One of the major findings involved the assertion that some property companies have sound structures in their portfolio, asset and property management, though they use different wording and titles in assigning the duties. Against that finding, it was further discovered that it can be exceedingly difficult and challenging to monitor or track the implementation of a management triad in real estate companies since they have different backgrounds, vision, values and ways of carrying on business. Therefore, investigating around the subject can be topical since there is a possibility that people are doing the same things that have a potential of being interpreted or referred separately. The actual work conducted by structures could be used as a yardstick against which the functions are measured.

Finally, the study also established other ways real estate investments in Africa can be made lucrative for international investors by enquiring on how the nation can make its real estate become a good investment destination to institutional investors. The basic finding highly pointed to accountability and governance. If high standards are upheld in accountability and governance by the host country, foreign direct investment improves. The positive externality will also flow to the investment firms within the country and property management structures will be introduced by the financiers. This has given adequate evidence in showing how the organisations are being managed. Evidence, emanating from the study shows that, indeed, real estate investment firms are aiming at safeguarding their investments, maximising capital gains and increased returns. However, they do not have a friendly way of making use of the management triad to help achieve their objectives. Since the country is a potential good investment destination, there is a potential that the study can be used in helping investor organisations on understanding the current state of the particular investment destination.

It is concluded that the effectiveness of real estate investment firms is at stake if the current approach of managing assets is perpetuated. Through sharing and adoption of knowledge created in successful global institutions, local real estate investment firms stand to benefit from adopting policy recommendations used in successful global companies. This can apply if there is no strategy in management of the real estate assets. In cases where there are strategies, the study uncovered that there are instances where naming and responsibilities vary, depending on culture, tradition and values of a particular organisation.