



# 2026 GOVERNANCE SURVEY RESULTS

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BOARD GOVERNANCE TRENDS AND PERSPECTIVES FROM 51  
COMMERCIAL REAL ESTATE BOARD MEMBERS IN THE UNITED STATES



**Ferguson Partners**

## CRE BOARDS SEE ECONOMIC DOWNTURN AS THE DEFINING RISK OF 2026

55%

**BIGGEST ORGANIZATIONAL RISK:**  
U.S. ECONOMIC DOWNTURN

The 2026 Ferguson Partners Governance Survey, conducted in March-April of 2026, reflects the perspectives of 51 commercial real estate board members in the United States, and reveals a sector on high alert.

55%

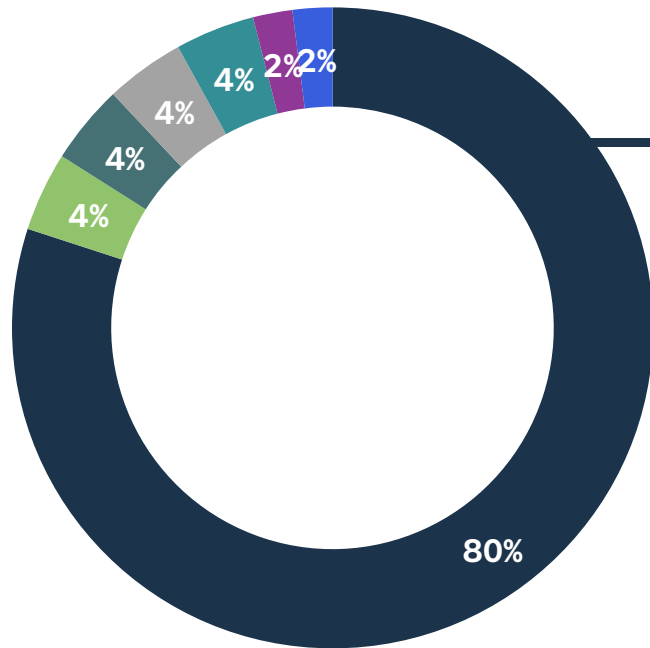
**TOP BOARD PRIORITY:**  
PERFORMANCE AMID DISRUPTIONS

A sharp downturn in the U.S. economy was named the **single biggest organizational risk** by 55% of respondents, dwarfing all other concerns. That unease is reflected in the board's strategic priorities as well: 55% cited **maintaining business performance amid disruptions** as their top priority, and 37% flagged navigating the **dynamic state of the U.S. economy** as a near-term focus. When asked about setting board agendas, **financial conditions and navigating macro shifts (including capital access)** was selected by 69% of participants. At the same time, **capital allocation** ranked as the second-greatest director challenge at 49%, underscoring the pressure boards face in deploying resources responsibly during a period of sustained uncertainty.

69%

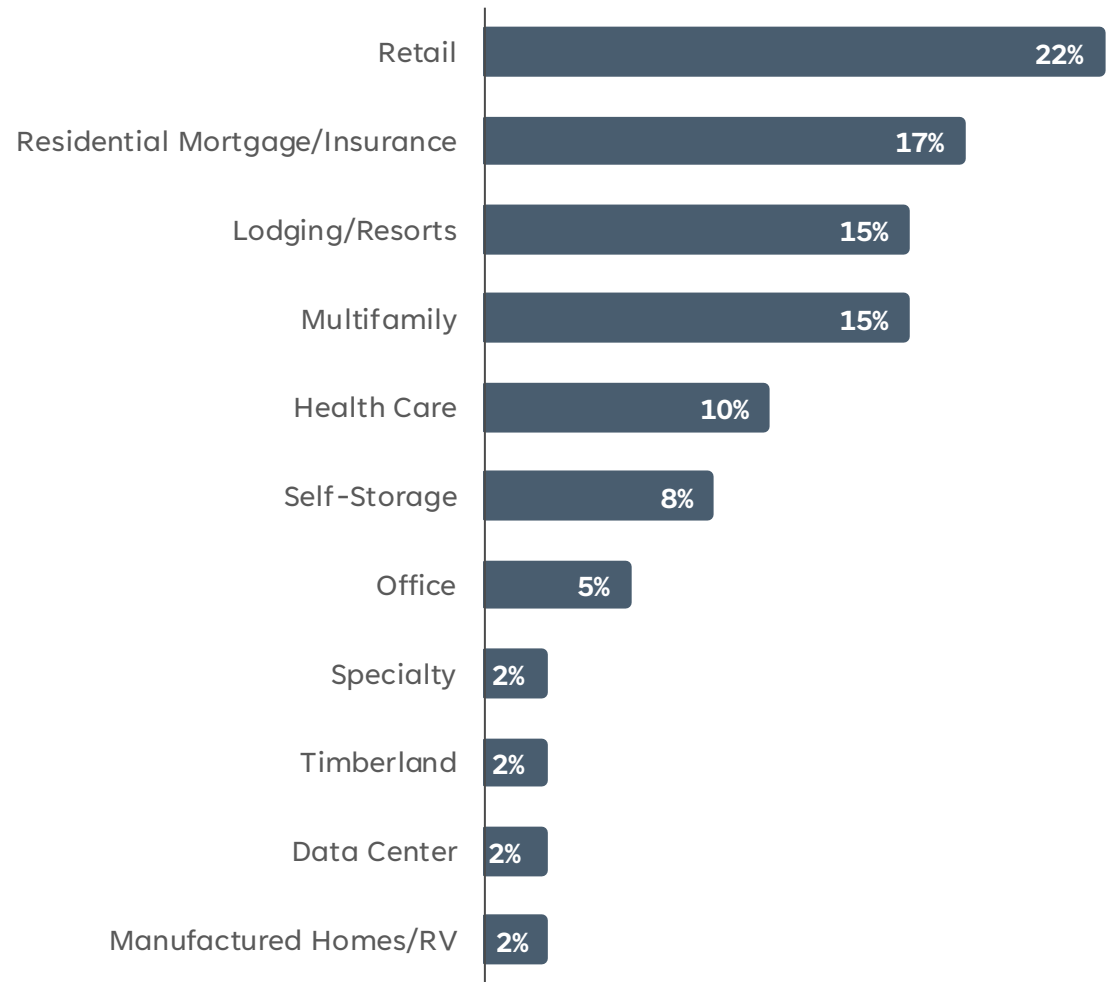
**TOP AGENDA ITEM:**  
NAVIGATING FINANCIAL CONDITIONS

PARTICIPANT ORGANIZATIONS' BUSINESS CLASSIFICATION



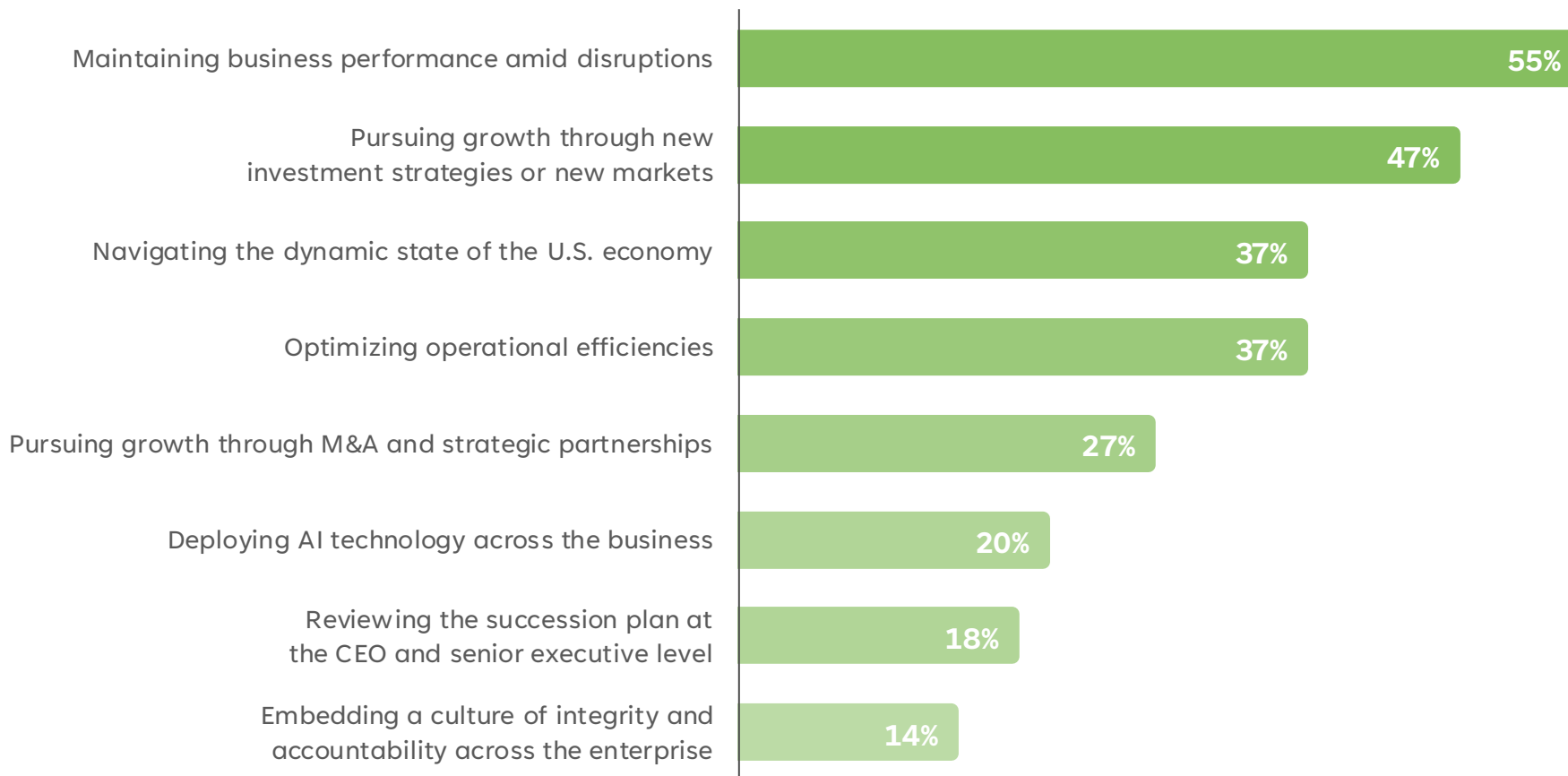
- Real Estate Investment Trust (REIT)
- Homebuilder
- Hospitality Brand
- Residential Mortgage/Insurance
- Senior Living
- Gaming
- Real Estate Investment Management (REIM)

TYPE OF REIT



## TOP BOARD PRIORITIES FOR 2026 *Participants selected up to three*

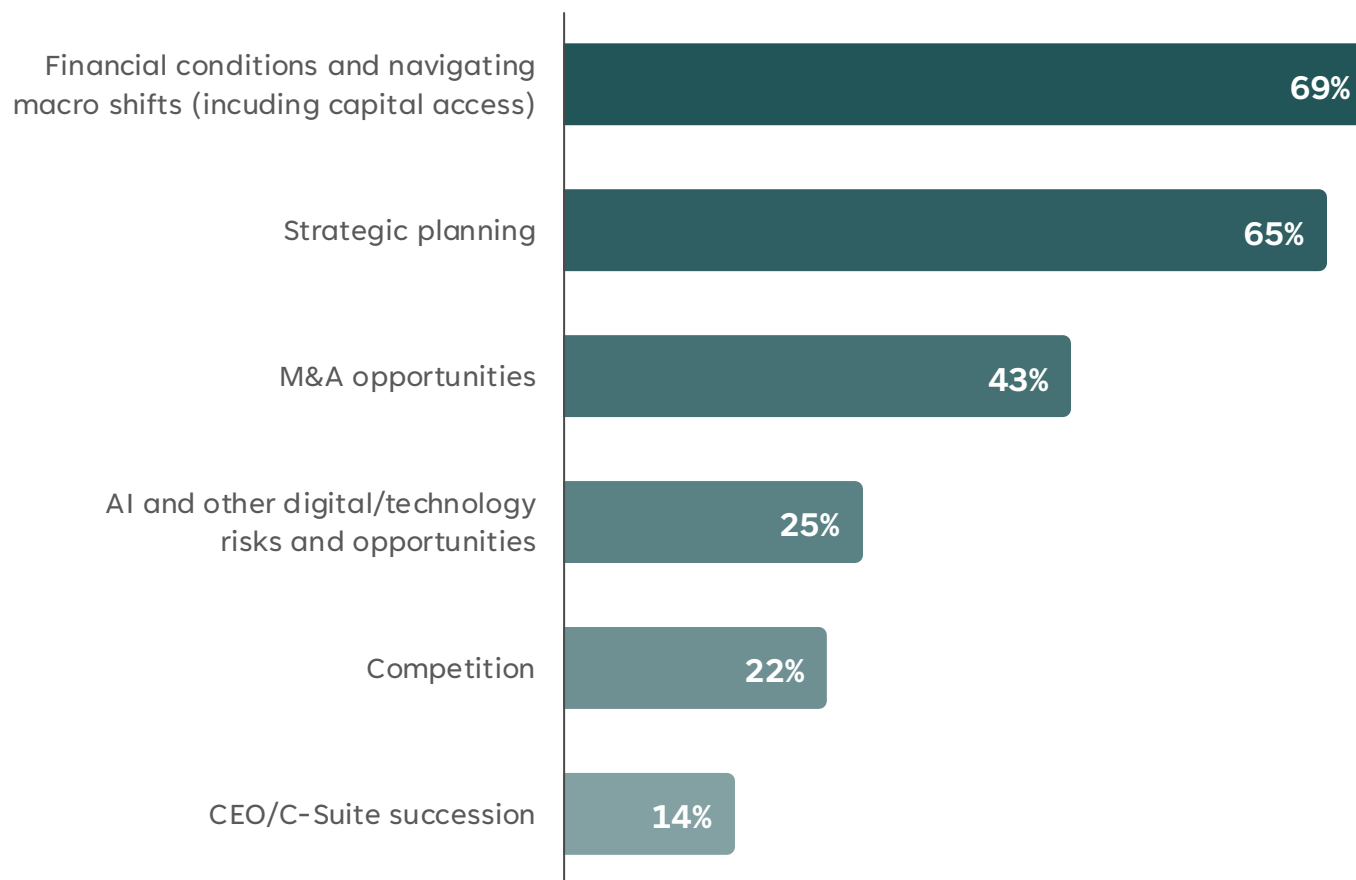
BOARDS ARE PLACING HIGH IMPORTANCE ON BOTH **MAINTAINING BUSINESS PERFORMANCE AMID DISRUPTIONS** AND **PURSUING GROWTH THROUGH NEW INVESTMENT STRATEGIES AND MARKETS**. WHILE THESE MAY SEEM TO BE DIAMETRICALLY OPPOSED VALUES, BOARDS NEED TO BE PREPARED TO **PLAY OFFENSE AND DEFENSE**. RESILIENCE IS CRITICAL; OPPORTUNITIES ALWAYS ARISE, BUT YOU HAVE TO BE LOOKING FOR THEM.



**Categories under 10%:** *Improving the company's crisis preparedness, agility, and resilience (8%), Maximizing shareholder value (6%), Reinforcing the company's brand image and reputation (6%), Strengthening our entire ERM program (6%), Mitigating geographic exposure risks (4%), Optimizing the Board of Directors (4%), Workforce planning below the C-Suite (4%), Strengthening cybersecurity and data privacy defenses and incidence response (2%)*

## TOP BOARD AGENDA ITEMS FOR 2026 *Participants selected up to three*

FINANCIAL CONDITIONS ARE A DOMINANT AGENDA CONSIDERATION FOR 2026. EVEN THOUGH THERE ARE **ECONOMIC CHALLENGES** FACING THE INDUSTRY, THESE CAN PRESENT **GROWTH OPPORTUNITIES** FOR THOSE REITS THAT CAN **LEVERAGE A STRONG BALANCE SHEET**. FOR YOUR BOARD AGENDA, CONSIDER FOCUSING DISCUSSIONS ON HOW TO LEVERAGE YOUR BALANCE SHEET STRENGTH AS A COMPETITIVE ADVANTAGE. FRAME THE CURRENT FINANCIAL ENVIRONMENT NOT JUST AS A HEADWIND TO MANAGE, BUT AS **STRATEGIC OPPORTUNITY TO GAIN GROUND**.



**Categories under 10%:** Board succession planning (8%), Shareholder engagement/activism (8%), Cultural integrity and employee trust (6%), Talent strategy/Workforce planning (6%), Cybersecurity/Data privacy (4%), Product/service innovation and R&D (4%), Business continuity/crisis planning (2%), Executive compensation (2%), Regulatory compliance (2%), Third-party risk (2%)

## HUMAN CAPITAL PRIORITIES FOR 2026

### SUCCESSION PLANNING STRATEGY:

- Maintain robust succession plans for **key leadership roles**, including CEO, CIO, CFO, Head of Asset Management, Development, and Leasing, with **clear readiness assessments**.
- **Assess bench strength** against the organization's portfolio mix, geographic exposure, and strategy (e.g., development-heavy vs. stabilized portfolios).
- Ensure succession planning **reflects expected capital allocation priorities** and strategic pivots, including M&A, deleveraging, or portfolio repositioning.

Succession  
planning  
35%

Skills redevelopment  
for emerging  
technologies  
25%

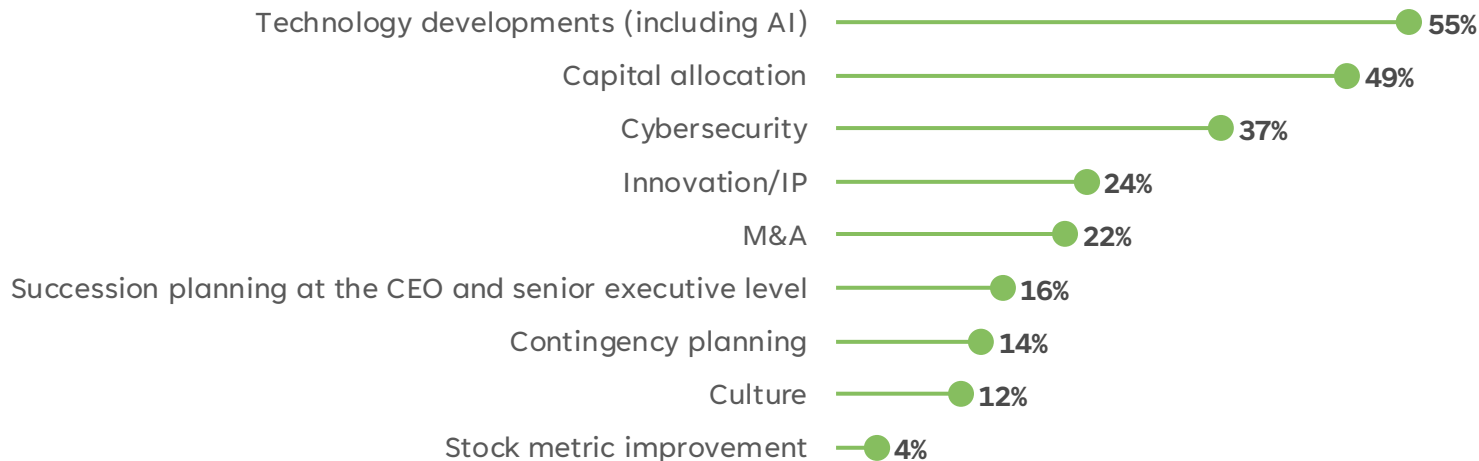
Employee  
engagement,  
culture, and well-  
being  
17%

Workforce recruitment and  
retention  
13%

Executive compensation  
8%

Executive turnover  
2%

**DIRECTORS' BIGGEST CHALLENGES** *Participants selected up to three*



DESPITE THE CHALLENGES, BOARDS HAVE A RESPONSIBILITY TO ACTIVELY CHALLENGE THEIR LEADERSHIP TEAMS ON HOW **ARTIFICIAL INTELLIGENCE CAN BE STRATEGICALLY LEVERAGED** TO STRENGTHEN AND GROW THE BUSINESS. THOUGHTFUL IMPLEMENTATION REQUIRES BOARDS TO LOOK BEYOND THE INTERNAL OPPORTUNITY AND CAREFULLY CONSIDER HOW AI WILL **RESHAPE THE CUSTOMER EXPERIENCE**, ENSURING THAT ADOPTION IS PURPOSEFUL, ETHICAL, AND **ALIGNED WITH THE LONG-TERM INTERESTS** OF THOSE THE BUSINESS SERVES.

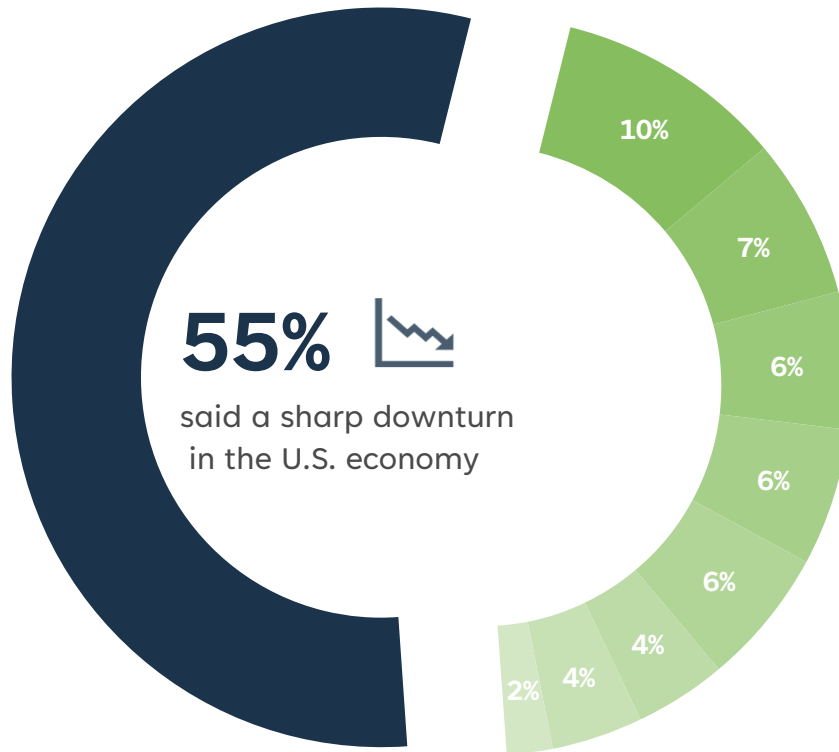
**IMPROVEMENTS TO BOARD RISK OVERSIGHT**



- More frequent and structured risk discussions at the full-board level
- Clearer linkage between risk oversight and strategy setting
- Enhanced use of AI-powered data and technology tools
- Improved management reporting
- Deeper integration of risk into committee agendas
- Opening risk discussion to broader points of view



## BIGGEST RISK TO THE ORGANIZATION

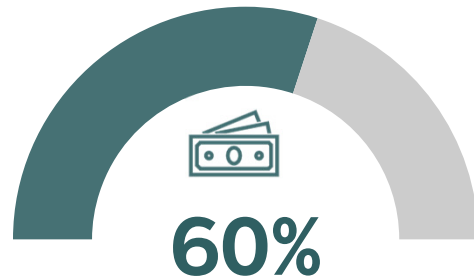


- A black swan event we have not scenario planned
- Unplanned CEO or key executive departure
- Deteriorating labor market
- Emergence of disruptive technology
- Macroeconomic conditions/factors
- Breakdown in organizational culture, ethics, or employee voice
- Large-scale cybersecurity breach
- Competition

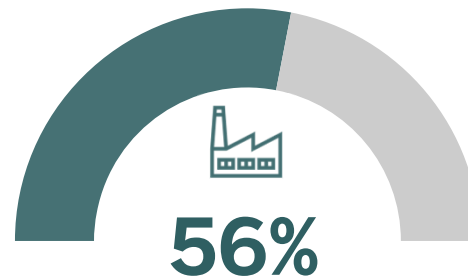
IN TIMES OF ECONOMIC UNCERTAINTY, THE MOST IMPORTANT THING BOARDS CAN DO IS **STAY PREPARED TO ACT**. WAITING FOR PERFECT INFORMATION OR COMPLETE CLARITY BEFORE MAKING DECISIONS IS A LUXURY THAT THE CURRENT ENVIRONMENT SIMPLY DOESN'T ALLOW. BOARDS THAT ARE POSITIONED TO MOVE DECISIVELY, EVEN WHEN THE FULL PICTURE ISN'T YET CLEAR, WILL BE THE ONES BEST EQUIPPED TO CAPITALIZE ON WHAT THE MARKET PRESENTS. **AGILITY AND PREPAREDNESS MATTER MORE THAN CERTAINTY**. BUILD YOUR BOARD AGENDA AND DECISION-MAKING PROCESSES AROUND THE ABILITY TO RESPOND **QUICKLY AND CONFIDENTLY, EVEN IN AMBIGUOUS CONDITIONS**.

## KEY ATTRIBUTES FOR NEXT APPOINTED DIRECTOR

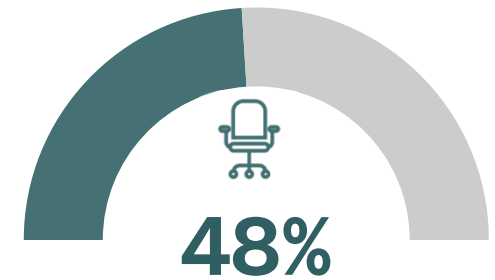
Participants selected up to three



said financial or overall  
business expertise



said industry-specific  
expertise



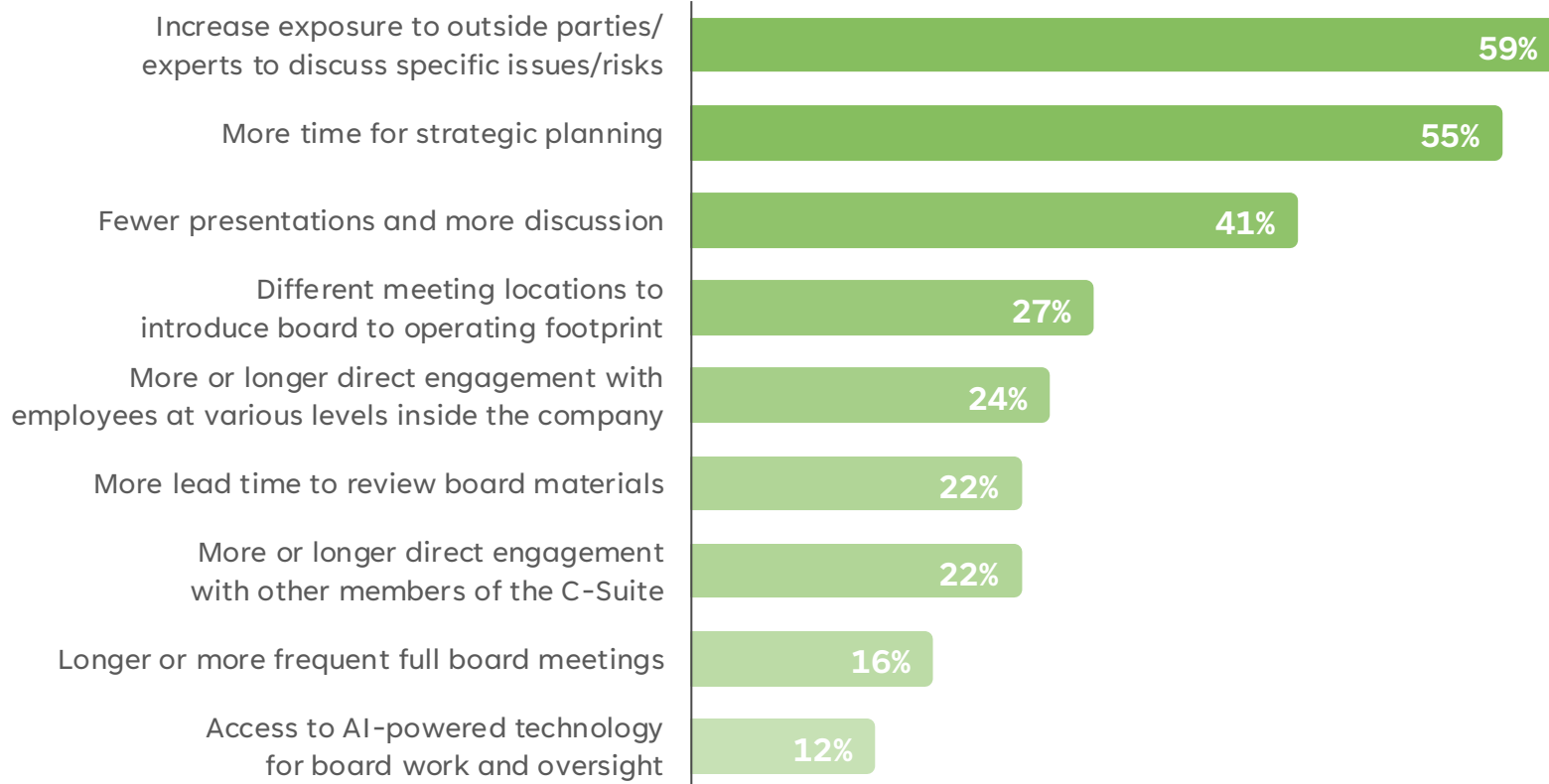
said CEO or C-Suite  
expertise

### OTHER IMPORTANT ATTRIBUTES



## HOW TO OPTIMIZE THE GOVERNANCE OVERSIGHT PROCESS

IN CHALLENGING ECONOMIC TIMES, OUTSIDE EXPERTISE AND **DIVERSE EXTERNAL PERSPECTIVES** ARE ESSENTIAL. BRINGING ECONOMISTS, INDUSTRY SPECIALISTS, RISK ADVISORS, AND OTHER THIRD-PARTY EXPERTS INTO THE CONVERSATION ELEVATES BOARD DISCUSSIONS BEYOND THE INTERNAL VIEW, INTRODUCING **FRESH THINKING AND SHARPER INSIGHT** AT EXACTLY THE MOMENT IT'S NEEDED MOST. CARVING OUT DEDICATED TIME ON THE AGENDA FOR THESE TARGETED EXTERNAL VOICES ALLOWS BOARDS **TO STRESS-TEST ASSUMPTIONS, CHALLENGE CONVENTIONAL WISDOM**, AND ARRIVE AT **STRONGER, MORE CONFIDENT DECISIONS**. IT IS THIS KIND OF INTENTIONAL, FORWARD-LOOKING PREPARATION THAT POSITIONS BOARDS NOT JUST TO WEATHER THE UNEXPECTED, BUT TO BE **READY WHEN THE RIGHT MOMENT TO ACT PRESENTS ITSELF**.



**Categories with less than 10%:** Overhaul of board/director evaluations (10%), Make annual or more frequent on-site visits by the full board mandatory (10%), Mandatory director training/continuing education (10%), More/better structured agenda (8%), Frequency of committee rotations (6%)



# Ferguson Partners

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Ferguson Partners is a global talent management boutique that orchestrates the essential disciplines impacting human capital — Executive and Board Recruitment, Compensation Consulting, Leadership Consulting, and Management Consulting — to deliver trustworthy solutions that help clients capitalize on the advantages of great leadership.

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