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Doing More with Less – Leveraging the FM Value Proposition for your Customers.

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Abstract

As interesting as it is to be living through historic economic drama, Facilities Managers (FMers) can't just stand by and watch. You have to act – yet you have no script. So much of today's turmoil is unprecedented that you can't find guidance by looking to the past. The organisational pressure to reduce the Total Cost of Ownership (TCO) is overwhelming for most FMers – but this should not be at the expense of facilities user comfort, control and productivity.

This paper examines the impact of the current economic crises on facilities management and defines an optimistic response designed to amplify the value of FM and centre the profession as a true business enabler and custodian of value through lowering the total cost of ownership, for all organisations. A practical summary list of FM cost savings is also included to ensure you can start today in reducing your TCO.

Introduction

The establishment and main stream recognition of Facilities Management (FM) gained real traction in the last period of economic turmoil; the 8 years between 1987 – 1995. These years are acknowledged as the last recession period and herein lies a great opportunity. The economic crises of the late 1980's created an environment where landlords and tenants demanded a tight focus on facility operating costs, improved facilities performance and greater attention to the facilities occupier. In short, FM became a priority whilst new building growth, construction and development receded.

Out of these demands arose the professional FM organisations (International Facilities Management Association (1987) Facilities Management Australia (1989) and British Institute of Facilities Management (1993)), facilities centric processes, technology development and much greater identity and recognition of the facilities profession. During the 1980's and 1990's, facilities users also developed a much better understanding and appreciation of the value and role of FM in enabling businesses.

These same global economic drivers that shaped the last intense wave for FM are now even greater and those facilities managers that can take advantage of them will require fast reflexes, an aggressive attitude, and serious changes to the status quo.

Now, more than ever, facilities managers need to refine, hone and focus their FM value proposition. Savvy FMers deeply understand their customers businesses (either internal or external businesses) are adept at translating organisational need into facilities processes, owning and implementing those processes and demonstrating the FM value that arises.

Everybody everywhere is impacted in some way from the economic turmoil prevalent across the globe. From the Bangladeshi construction labourers working on the Burj Dubai, to the in house facilities services operations within New Zealand's international airports undergoing an outsourcing process in response to a declining Return on Investment on airport facilities - FMers everywhere are redefining and re-establishing their value proposition through better alignment and support for FM service.

What do our Customers Really Need, Now!

The current focus on 'lowest cost' provision is understandable. Nearly every organisation is facing a squeeze on revenues and funding streams. FMers are under intense pressure to benchmark their service offering in fiscal terms only. In isolation, this serves to focus on the competitive position of the FM supplier neglecting the unique needs of the customer. By adopting this cost-only approach, FM remains in danger of becoming a commodity service bought at the lowest price from a range of non-differentiated suppliers.

FMers need to look beyond simple cost comparison and towards developing models that are more sensitive to the needs of the customer. Only then can the perception of FM begin to change from that of an expensive overhead towards a customer-focused, essential business component and able to add real value and support the customer in meeting their core objectives.

Most customer centric organisations would agree that good customer service should be viewed as an overall attitude held by the customer towards the delivered service. As a result, measurement instruments have generally taken the form of customer questionnaires which when structured well; provide particularly useful and relevant feedback on both current service performance and perceptions of what the customer really wants from FM services.

Many service organisations use customer questionnaires to measure the effectiveness and service quality of FM services, as delivered by both internal and external service providers.

Based on the many FM customer satisfaction surveys we have completed and the research into FM customer service by other authors (see Shaw & Haynes 2004), we have arrived at a robust tabulated list of service attributes or dimensions that give a good indication of what our FM service customers really want. The order represents perceived importance (by the customer).

Service Attribute Most Favoured by FM Customers	Service Attribute Dimensions
1 - Professionalism	<ul style="list-style-type: none"> ▪ Meeting legislative requirements ▪ People treated as valued customer ▪ Culture of urgency, always ▪ Staff act in a professional manner ▪ Accurate specifications and levels of service produced ▪ Customer disruption minimized ▪ People treated as valued customers ▪ Seamless Project Handover
2 - Customer Empathy	<ul style="list-style-type: none"> ▪ Willingness to adapt to requirement changes ▪ Customers business drivers understood ▪ Project options offered ▪ Appreciation for the value FM plays in their lives
3 – Communication	<ul style="list-style-type: none"> ▪ Uses two ears and one mouth, in that order! ▪ Always communicates as to the status of the job ▪ Quick response given to help requests ▪ Friendly and courteous staff ▪ Will always follow up to any issue, as fast as possible ▪ Responsive and willing to react to unforeseen or forecasted business disruption
4 - Provision of Competent Staff	<ul style="list-style-type: none"> ▪ Previous staff experience. Has some idea of what the problem might be (anticipation) and where it originates from. ▪ Technical <i>and</i> business savvy ▪ Speed to allocate project managers ▪ Accurate specifications, drawings, processes and operating policies available and utilised ▪ Competent and reliable team of broad skilled, passionate individuals collaborating for the greater good of the business
5 – Reliability	<ul style="list-style-type: none"> ▪ Agreed deadlines always met ▪ High quality workmanship ▪ Specific and realistic times set ▪ Dependable team
6 – Demonstrating Value	<ul style="list-style-type: none"> ▪ Transparent costs made available ▪ Suppliers costs challenged and tested ▪ Customer allowed to evaluate suppliers ▪ Partnering and alliancing embraced where all parties can concentrate on 'total cost of ownership'.

Figure 1: FM Customer Attributes (Rogers 2009)

Our observation of great FM customer service, using all of the above attributes in a collaborative optimised mix, culminates in what we call *Customer Focus*.

Deep customer focus is about an attitude that lies at the core of the FM business unit. It is a team that knows this and does it well. Facilities service providers that differentiate their service offerings through deep customer focus are constantly thinking about better, quicker and easier ways of doing things that customers need, they ultimately become indispensable. They create compelling reason for their service and have positioned themselves to deliver well on it. They can do this even in today's crowded market where price more than ever is the prevalent determinant of purchase.

The company with deep customer focus excels at offering what each customer wants. Through constant innovation, harnessing the mutual clarity of purpose, customer feedback, tight business processes and the use of knowledge, the service provider becomes indispensable.

And as the relationship intensifies, sustainable gains for both parties result. No service attribute on its own can accomplish that. The service provider's activities become so interwoven with its customer's activities that customers end up spending more money with the company on a greater variety of offerings generally over a much longer period. Thus customers reward the service provider, giving it many opportunities for profitable growth.

Achieving Deep Customer Focus – A Guide for Facilities Management Business Units (FMBU)

In our experience, regardless of their specific areas of facilities expertise, every FMBU is set up to deliver across four key domains. To greater or lesser extents, they possess four core competencies in *delivery, clarity of purpose, efficacy, and relationships*.

1. *Delivery Competency* – encompasses how well the FMBU can respond to the customer's requirement for day to day operational and tactical services. It reflects the FMBU's scope and complexity of services. What levels of cost, quality, robustness and flexibility is the FMBU able to meet?
2. Focus by definition demands clarity, in particular, clarity of purpose. *Clarity of purpose*, in a FM service provider relationship can only be formed through alignment and deep understanding of each others, roles and responsibilities. For the FMBU, this often means engaging in a formal 'partnering process' with their clients, facilitated by a skilled independent session leader determining the key business processes. The process activities and tasks are then assigned to owners and supporting roles and responsibilities are agreed.

Partnering becomes the process style in which parties engage in mutually beneficial activities.

3. *Efficacy* is the FMBU's ability to best leverage productivity. Productivity is generated by many means, but facilities managers who achieve deep customer focus are always proficient in tuning, balancing and optimising their financial capital, people, processes and technology to determine the most effective blend of capacity and capability.
4. Many FMBU's charge a service fee through either formal or informal service level agreements or contracts, which separate the price the customer, pays from the costs the service provider incurs in providing the services. his seemingly straightforward arrangement can lead to serious conflicts, especially when the contracts extend for many years, when service providers take control, once the contract is signed and seek to exploit the relationship or lower the service for short term profit gain. For this reason, savvy customers attempt to gauge the FMBU's *relationship competency* – the extent to which the facilities manager is willing and able to cultivate a “win-win” relationship that will align and leverage client and service provider goals and incentives over time.

Facilities managers who make the effort to articulate and quantify the real benefits of their service offering prior to commencement (through perhaps a Business Plan, Service Level Agreement or Contract), and then engage in deep customer focus through clear alignment of their core competencies with their customer's most pressing needs, are well rewarded with positive and loyal feedback, higher margins and longer, more profitable relationships through these difficult times.

With remarkable consistency, facilities managers whose customers rate them highly credit the benefits they get from their deep customer focus as a key source of their motivation to do their best. This closer business relationship helps both parties implement more effective practices through being co-dependent and reliant upon each other.

At every step of the facilities management, customers are seeking alignment of demonstrated capability, professionalism and experience. Successful facilities managers intuitively understand the demands of their customers and anticipate in advance, opportunities for continuously adding value to their customers bottom line. They will sacrifice short term gain for long term value benefits based on strong, positive relationships.

That is because the linkages between the facilities manager and their customers are so tightly bound that they withstand the usual internal politics, market variables, staff changes, and other pitfalls and, continuously deliver enhanced value through collaborative service delivery processes that drive the organisations TCO down, and value up.

Positioning FM in the Organisations Value Chain

Now, more than ever, service suppliers need to be very clear about their points of differentiation or unique selling proposition. With a mature market place sensitive to price, those service suppliers who can position on a combination of demonstrated ability to reduce TCO as well as enhance revenue or organizational productivity, shift from being price takers to price makers. The same holds true for internal FMBU's. Their shift is more 'cost centre' to 'profit centre' underpinned by a clear demonstration of increasing revenue and profitability within their organization. Figure 2 below emphasis a range of areas where FMers have influence and can become 'value generators'.

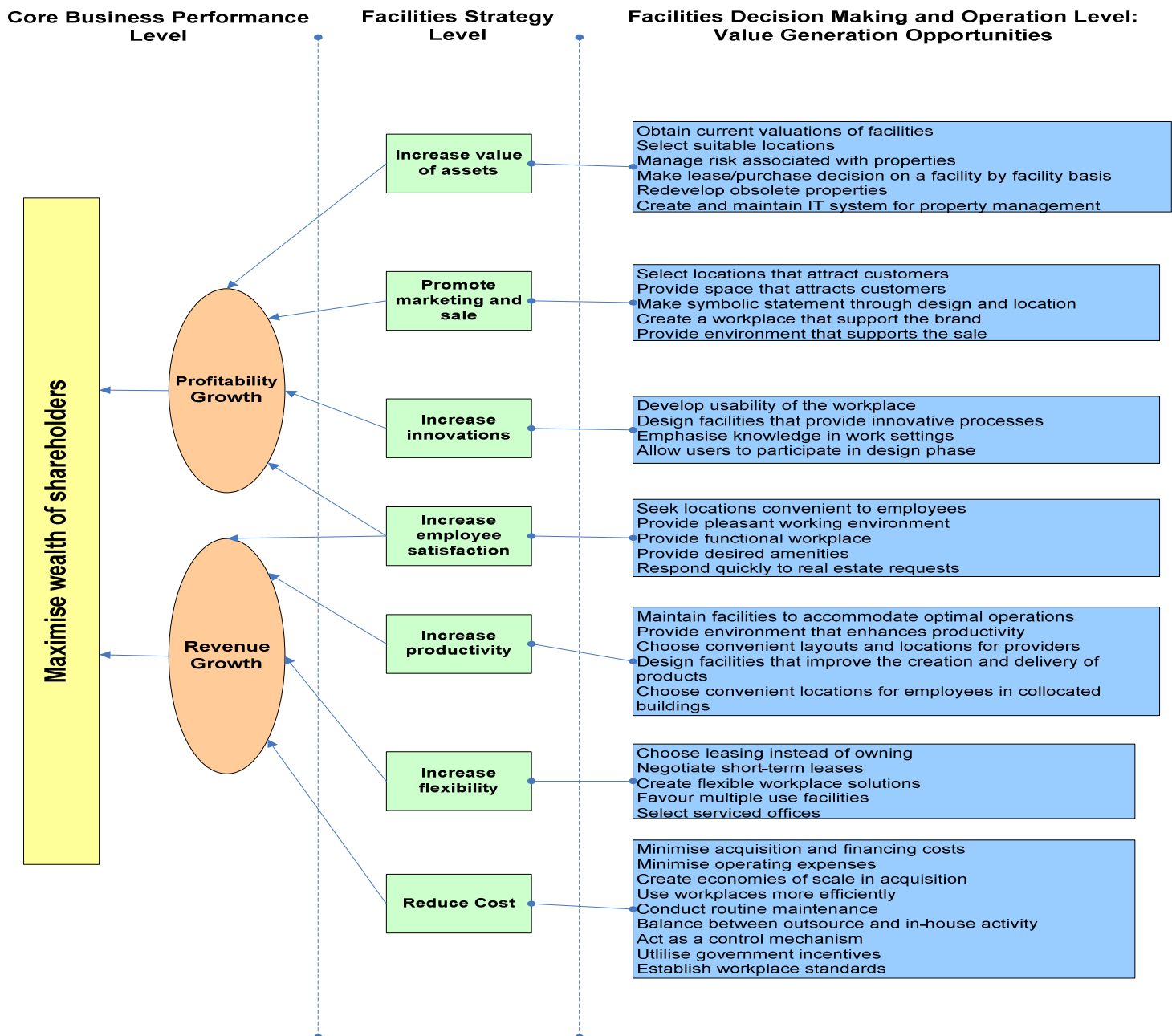


Figure 2: Value Add Leverage for FMers (Rogers 2009)

In support of Figure 2, the list below also provides opportunities for FMers to transform their reactive operation to a stronger value add model.

1. Become 'Value Generators'. Rather than a 'fix when fail' mentality– focus on adding value to the facility and its productivity.
2. Optimise the use of technology and Asset Management Planning. Understand the potential, utility, functionality, capacity and productivity of the facility. Aim for service delivery strategies that go beyond *just* 'maintain' to maintain **and** enhance – adding 'life' to the lifecycle and enhancing asset productivity.
3. Create case study profiles, suitable for distribution to clients, unit managers or as use as marketing media. FM suffers from the invisible tag – until things go wrong. Be proactive – demonstrate the value on an ongoing basis. Whether its dollars saved, mean-time between failure increasing, or facility uptime ensuring your organisation knows the value goes a long way to lifting your profile and making FM much more than just 'bogs and basins'.

Focus on where and how to add tangible value to facilities, assets and infrastructure ownership structures. Understand just how the facilities provide value - serviceability, productivity, functionality, availability, aesthetic, operability, etc.

Making your Role Indispensable. Be distinct, or Extinct!

Putting FM first starts with you consistently demonstrating your value.

- Don't underestimate the amount of pressure your managers are under. Show how your direct FM contribution saves money off the bottom line, defers capital expenditure whilst maintaining service levels, makes it easier for tenants and facility occupiers to do their business or creates additional revenue. Everything you do needs to either make a dollar or save a dollar.
- You have to motivate the troops. FMBU's under threat of outsourcing need to demonstrate why the internal delivery is more responsive, more effective and adds more value than an external service provider. Now is the time for recognition. Introduce an 'Employee of the Month' scheme or some similar method for recognising good work done above and beyond the norm.
- Act like a survivor. During these times, you have to act like a survivor if you hope to avoid the axe. Research shows that being fun to be around really matters.

While everybody prefers working with a personable superstar to an incompetent jerk, when people need help getting a job done, they'll choose a congenial colleague over one who is more capable but less lovable. I'm not suggesting you morph into Jerry Seinfeld; being congenial and fun isn't about bringing down the house. Just don't be the person who's always in a bad mood, reminding colleagues how vulnerable everyone is.

- Turn up early and stay late. Those that make a distinctly positive impact in the workplace, are visible, are great planners, are always available for solving problems and seem to always be available and accessible. Become the real 'go to' person. Being indispensable is good insurance in these times.
- Add formal qualifications. Up-skilling through training and formal tertiary education is a great way to enhance your CV and positions you well when the job tide turns. Historically, FM has lacked professional associations but this is changing and now is a good time to be involved in lifting the profession from its technical operational obsession, to a more strategic long term view.

Below are the six most important things that I think a world class facilities manager does exceedingly well:

1. They know where time goes. They work systematically at managing the little of their time that can be brought under their control.
2. They focus on outward contribution. They gear their efforts to results rather than work. They start out with the question, "What results are expected of me?" rather than with the work to be done, let alone with its techniques and tools.
3. They build on strengths – their own strengths, the strengths of their staff, their bosses, their suppliers; and on the strengths of the situation. They do not build on weaknesses. They do not start out with the things they cannot do.
4. They concentrate on the few major areas where superior performance will produce outstanding results. They force themselves to set priorities and stay with their priority decisions. They know they have no choice but to do first things first – and second things not at all. The alternative is to get nothing done.
5. They make effective decisions. They know they must identify business needs, then translate strategy into workplaces, own the processes of providing those workplaces and demonstrate their impact on organisational outcomes.
6. They must create clarity of purpose and ensure their staff shares collective responsibility for FM success.

Summary

Many forces are beyond your control in a recession, but if you direct your energy toward developing a facilities plan that concentrates on creating, generating and delivering additional value, as well as keeping a close eye on the expenditure, and driving costs down in a sustainable manner, will mean FM becomes a value generator rather than a painful cost overhead.

Now is a good time to do a self review. Imagine your boss, your boss's boss, and the HR director all sitting in a room, categorising people and the teams they work within. What are they going to be saying about FM, what are they going to say about you? How much do they value FM and your contribution to the organisation?

The supplement table below gives you nearly 40 specific opportunities to consider in stretching the FM dollar. Use it as a check list and work your way through the items testing, provoking and challenging old school methods for fresh savings.

The economy will bounce back; your job is to make sure that you do, and your facilities team does too. Act on the ideas tabulated below, demonstrate the value you deliver and not only will you see this recession out but you'll be in a much stronger position to prosper from the new opportunities that sit beyond this current economic drama.

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Options and Ideas – (Nearly) 50 Ways to Stretch that Dollar.

FM Option Category	Opportunities	Your Action & Notes
<p>1. Services</p>	<p>Service Level Reviews. Test, ascertain and validate all your service levels. One of the biggest wastes in FM is an over supply of service when the demand just doesn't exist. Whether it be energy, fresh air volumes, cleaning frequencies or unrealistic response times, make sure you understand very clearly the demand profile, occupancy utilisation, what is needed, when its needed and precisely where it's needed.</p> <p>Barter . Local Government, Universities and Polytechnics, as well as District Health Boards are very good at collaborating and syndicating their FM volume demands. By aggregating service demand, energy and consumables - allows syndicates to collectively aggregate volume to negotiate substantial discounts. Define the volumes and negotiate the discount accordingly.</p> <p>Squeeze your Supply Chain. Suppliers are acutely aware of the current circumstances. Bargaining and negotiation is expected. Don't accept a price increase without a challenge and without a review of alternatives. Any increase must be supported by proof of supply chain cost or legislation impact beyond the control of the supplier and not just a blow out in the suppliers operating expenses.</p> <p>Get Procurement Expertise. Bring in procurement experts on 'at risk' engagement terms and conditions. No savings or productivity gains found – no payment. When done well - reorganising and optimising your supply chain will just about guarantee a substantial reduction in transaction costs. Spire Consulting has achieved six figure cost savings for national businesses such as Banks and State Owned Enterprises through aggregation, and rationalisation of suppliers, coupled with improved, targeted and consistent levels of services.</p> <p>Outsourcing. Organisations that may have resisted outsourcing until now are thinking twice about the potential benefits in such a competitive market place. The internal FMBU response needs to demonstrate the value, both cost and non cost of retaining any non-core FM business operation. Suppliers tendering for outsourced FM opportunities need to demonstrate their value propositions and why an external service offering might represent a (much) better service than a status quo solution.</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>2. Space</p>	<p>Find Cheaper Space. The biggest cost after the staff payroll is almost certainly your accommodation costs. If you lease, then negotiate with your landlord. Most landlords would rather they retained tenants at a lesser rate, over a longer period of time – than lose them completely at review time. Challenge all rent costs.</p> <p>Manage your Churn. Shifting occupants is an expensive use of time and effort. Liaise with your strategic planners; understand the space demands on the business and how that impacts on all the business units and what that means for space demand allocation and location. If possible, use flexible modular furniture systems that allow you quickly swap out and change configuration. Make sure your technology platform supports, and better still enables your staff to work anywhere, anytime with less reliance on desk bound locations.</p> <p>Reduce and Rent out Space. Benchmark your space consumption as well as where occupants time is spent. Many corporate only need half the space. When American Express shifted to their new Auckland Greenlane premises they halved their space (and significantly reduced their accommodation costs) and adopted user friendly smart hot-desking type facilities, after intensive benchmarking and measurement.</p> <p>Adopt more Flexible Working Practices. Technology provides the opportunity for facility occupants to break from their desks, cubicles and work, where they need to, when they need to. Be aware of the latest ICT trends. Understand the impact and value from unified communication technologies, wireless broadband mobility and Web 2.0 applications that make collaborative work practices the norm, rather than the exception. You need to know more than just ‘buildings’. You need to provide smart advice around how to get the most out of a blended workplace that leverages technology options <i>as well as</i> bricks and mortar. Do this well and you become a very valuable organisational optimiser.</p> <p>‘Sweat the Asset’. Before you build, refurbish or relocate – be sure you can’t squeeze anymore life out of what you already have. Look at ways to better utilise what you already have through better utilisation, alternative working practices, flexible refurbishment options and consideration around better capital investment in sustainable and longer life materials. Better still; seek at non-asset solutions for business requirements first.</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>3. Systems</p>	<p>Leverage Technology. Technology is a great enabler and compliment for FM. New technologies that support mobile workforces, remote data capture, unified communication and collaborative web tools make our jobs easier. Embedded RFID tags can optimise asset location management and wireless broadband enables connectivity between field workers and facilities management systems. Web 2.0 tools ('Software as a Service') allow us to manage workflow, optimise task management, manage contract controls at a much cheaper cost than applications loaded on your organisations creaking IT infrastructure platforms.</p> <p>Better Fiscal Control. Make sure you have robust budgets established and track carefully all related FM expenditure. If you deliver services internally to your business units, ensure you have internal service level agreements that stipulate clearly what FM is responsible for and what the business units is responsible for. Issue purchase or order numbers for every job request and ensure suppliers include the order or purchase number on their invoices with a clear outline of what services were delivered, when, and to whom. Make sure the person who pays the invoice has it approved by someone who knew what the job related to initially. Better still; automate the account payable process with approvals on line.</p> <p>Utilise Management Information. Know how your FM budgets are compiled, track expenditure and let your FMBU know what they can spend, where, how much they have spent year to date and exactly how much is left in the budget pot. If expenditure is tracking above budget, work with your team to look at reduction opportunities. Treat the FM budget as though it was coming out of your own pocket. Business Units that can't seem to manage to budget are prominent targets for head count reduction and outsourcing.</p> <p>Maintenance Management. Shift your maintenance and facilities operations approach from fire fighting to a better planned more proactive regime. Remember, maintenance management is both about maintaining asset availability, utility and uptime as well as prolonging the asset lifecycle as long as possible. Find the balance between inspection, planned and reactive maintenance to best optimise the lifecycle of your equipment. There is nothing smart about over maintaining – even worse, under maintaining.</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>4. Performance Management</p>	<p>Create Clarity of Purpose. One of the biggest wastes in most organisations is the paralysis of activity and information through poorly defined work flow process. It is staggering just how many people turn up for work, lacking the visibility of explicit workflows and aren't completely certain what they are supposed to do, by when, for whom and they certainly aren't sure how they contribute to the bottom line. Be certain your FMBU is crystal clear about what they do, how they contribute to making the facility operate efficiently, effectively, and when it's needed. By creating clarity of purpose for all your staff, ensures they have the tools and resources to do what it is they need to do, in the least possible time. Make sure you align the organisations strategic plans, into your facilities business plans, and into the FM staff position descriptions. Using 'Cascade' Plans or 'Plans on a Page' concepts should make it evident to all the FM staff just how they contribute to the organisations success.</p> <p>Serve your Customers. Seems obvious in these times but FMers are notorious at being poor communicators and sloppy at customer relations. Successful service providers intuitively understand the demands of their customers and anticipate in advance, opportunities for continuously adding value to their customers bottom line. They will sacrifice short term gain for long term value benefits based on such a strong relationship that nothing short of catastrophic failure will see it terminated. That is because the linkages between the service provider and their customer, forged even before the commercial contract was formed are so tightly bound that they withstand the usual market variables, staff changes, and other pitfalls and, continuously deliver enhanced value through collaborative service delivery processes that drive TCO down, and value up.</p> <p>Manage by Fact. Creating clarity of purpose for your FMBU means managing by fact. Create meaningful and robust Key Performance Indicators (KPI's) aligned to the strategic and facilities plans (and into the Position Descriptions). Your KPI's must be relevant to the team and measurable. Put them up on the wall (even better on the back of the toilet door – no excuse for not paying attention to performance tracking then!). Mutually review results monthly, work on continuous improvement and report upwards on just how well FM is performing.</p> <p>Collaborative Workshops. If you're facing too many hurdles and finding it hard to make time to prioritise – then take some time out with those closest to the issues and workshop the issues.</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>5. Continuous Improvement</p>	<p>Process Improvement & Mapping. FM is 90% operational effectiveness. Day in, day out, we operate in a mostly tactical and operational environment – linking up and aligning to the strategic regions of the business. Everyday organisational constraint is typically characterised by a set of bloated, slow or replicated tasks that build an activity (think; job response process). Recognising that tasks and activities are often joined together as part of a networked system focuses examination of improvement and enhancement around the linkages between each set of tasks, as well as the actual utilisation of the collective activities. Mapping the current state ('as is'), examining the bottlenecks, constraints and duplication and creating a future state ('to be') process, with roles and responsibilities clearly identified goes a long way to improving your clarity of purpose.</p> <p>Share the Savings. Incentivise. Incentivizing staff and supplier, through sharing savings is a great way to identify and reclaim excessive costs that might otherwise go unnoticed. Suppliers who enjoy some 'skin in the game' are far more motivated to go the extra distance to uncover the fat that sits in the transaction costs. It also puts you into a closer, more co-dependent relationship which by its nature is far more likely to generate improvements and savings to both you and the supplier.</p> <p>Post Implementation Reviews. Learning from your past gain and pain is a great to replicate what works well and eliminate or change what didn't perform for you. Very few organisations bother with Post Occupancy Evaluations or Post Project Reviews yet both methodologies offer invaluable feedback on what performs or delivers and what doesn't. It shows a rare proactive stance in an industry that makes an art form out of fire fighting!</p> <p>Performance Based Contract models. PBC's have evolved as a mature procurement tool that allows risk to be shared. The risk is shared between parties in a way that is consistent with the service supplier's primary role of ensuring the delivery of certain outcomes (rather than just services). PBC's are ideal for strategic alliances. They ensure that payment is made only for services that meet the required levels of service and places the whole contractual emphasis on the <i>purpose</i> of the service to be performed, rather than the <i>manner</i> by which work is to be performed. PBC's sharpen supplier performance and force them to adopt smarter service processes that lift asset uptime and availability and make for a better, more productive facility.</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>6. Right Sizing</p>	<p>Pay the Going Wage. It's a fact; people are <i>not</i> your greatest asset. The RIGHT people are, and the right people are well worth paying the going wage. Nothing clever about under paying savvy FMers. There are plenty of employers who will pay good dollar for the best people. Over paying and big pay rises in these times also, don't make any sense. Check with recruiters and established remuneration advisors as to the right wage points.</p> <p>Cutting out Margin on Margin. Transaction costs represent the fiscal enemy of the facilities management supply chain. Multiple suppliers add margin on margin and so do large so-called 'total facilities management' suppliers who insist on all their business silo's making an inflated market return on large integrated FM contracts. The whole point of moving to integrated total FM suppliers was to contain and shrink the margin on margin in the first place. Watch the enemy. If you are using an integrated total FM supplier ensure they demonstrate, through their rates the advantage of a consolidated supply chain that has the 'margin on margin' mostly stripped out.</p> <p>Partnering & Alliances and Single Suppliers. Strategic relationships or alliances work better when an organisation reduces the number of suppliers to a select few. This creates scale economies, gives each remaining supplier a better chance to win more of the customers business, and facilitates closer working relationships. Moving towards a single supplier strategy leverages cost, performance and operational effectiveness opportunities. Single supplier sourcing promotes greater commitment to forming an alliance. This fosters best practice initiatives and innovative developments that assist both parties. With remarkable consistency, suppliers whose (recipient) organisations rate them highly credit the benefits they get from alliances as a key source of their motivation to do their best. The closer business relationship helps both parties implement more effective practices through being co-dependent and reliant upon each other.</p> <p>Effective Contract Management. Many organisations do a reasonable job of establishing their contracts and putting suppliers into the supply chain, and then somehow think they'll operate best in an arm's length, stand alone master –slave model. Wrong. The best contracts are like the best personal relationship, that is both parties need investment, nourishment, equality and trust to flourish and deliver above and beyond basic expectations and transactions.</p>	

FM Option Category	Opportunities	Your Action & Notes
7. Investment	<p>TCO & Whole of Life Planning. Consider the bigger picture. Short term cost savings often end up costing more in the long run. Understanding and knowing the lifecycle profile allows you to evaluate all the costs of ownership. Balance capital expenditure with ongoing operational costs and calculate the total cost of ownership over the life of the plant, equipment or facility.</p> <p>Create Compelling Reason, Consistently. Want effectiveness and efficiency from staff, plant, buildings and equipment? Start with some compelling reason. Giving staff clarity of purpose and meaning moves staff from being simply 'present' in the workplace too being actively engaged. Staff know why they do what they do, and how it contributes to the greater organisational good. Great staff don't need motivating, but they do need you to remove the roadblocks and bureaucracy that slows them down in doing what they need to, when they need to do it.</p> <p>Training and Development. Now is an ideal time to invest in training and development. The last few years have been hectic for most FMers. With the slow down comes an opportunity to invest in you. As a profession we haven't done a great job in investing in professional development and education and the new FMANZ is designed to address this issue. Don't confine your study to technical interest either. Remember 'Facilities Management' comprises two words and the 'Management' is usually our weakest strength. Sure, it's interesting knowing the difference in the coefficient of performance for screw versus reciprocating chillers, but do your tenants really care? I bet they would rather listen to you telling them how much energy you have saved this month, the nil air-conditioning complaints and a reduction in Operational Expense. Know the 'business' of your organisation and how FM enables it, better.</p> <p>Adaptability. Being a great FMer means being aware about how your role enables your organisation. Being adaptable, flexible and delivering when you promised, makes you and the FMBU indispensable. Arrive early and stay late. Now is the time to be seen, doing great facilities stuff. As FMers we know and deal with people, process and technology – these are the resources we have to work with and the scope of our reach is significant. We are ideally placed to bring together these resources to solve complex organisational issues. Volunteer for the hard problem solving tasks. Use your knowledge to participate in problem solving teams.</p>	

FM Option Category	Opportunities	Your Action & Notes
8. People	<p>Right Person in the Right Seat, Going in the Right Direction. Great managers start with getting the right people on the bus (and the wrong people off the bus) and then figuring out where to drive it. It's not just the idea of getting the right people on the team. The key point is that the "who" questions come before the "what" decisions – before vision, before strategy, before organisation structure, before tactics. First who, then what – as a rigorous discipline, consistently applied.</p> <p>Succession Planning. Being too busy to codify all that clever stuff in your head is not going to help the FMBU when you decide to move to Dubai, or worse get run over by bus! Start now by updating the policies, business rules and operating procedures. One of the hallmarks of great managers is having a smart 2IC (second in charge) who can continue keeping the FMBU engaged and delivering to budget and customer expectation. Means you can take a break knowing the place will continue to function in your absence.</p> <p>Job Satisfaction. If you have the clarity of purpose model underway, with a clear line of sight between the strategic plan – business plan and into the position descriptions, and you manage your staff and operation 'by fact' – then its highly likely you have moved your staff from merely being present to an engaged model, where job satisfaction is mostly based on you removing the obstacles, and setting challenging and fulfilling tasks for them. Set stretch targets and reward for achieving them. Praise people for doing well; ensure consequences for those that don't. Make sure there is plenty of upside for staff who deliver above their station.</p> <p>Communication (and Clarity of Purpose!). Communication is easily the most important and most powerful of all management skills. That is doubly true for FMs who need to be expert listeners, speakers and writers. The large number of stakeholders involved in a facilities operation is further complicated by the breadth of the discipline and the variety of communication transactions required to succeed at both strategic and operational levels. Remember these three things; <i>listen vigorously</i> (two ears and one mouth, use in that ratio), <i>presentation is vital</i> (nothing has greater potential for building the reputation of a great facilities manager than the ability to deliver a powerful, persuasive and professional presentation, and <i>actions speak louder than words</i> (many a wizard with words has had their credibility destroyed by a failure to deliver).</p>	

FM Option Category	Opportunities	Your Action & Notes
<p>9. Teamwork</p>	<p>High Performance Business Unit (HPBU). A FM HPBU is a number of people with complementary skills who are committed to a common purpose, set of performance goals, and approach for which they hold themselves mutually accountable” For facilities managers, the common purpose approach starts with the acknowledgement that the essence of the facilities management role is as a business resource that enables the organisations core business. This purpose forms the crux of a FM HPBU. By applying operational effectiveness attributes, within a performance framework reinforces service delivery value. FM as a business resource frames the HPBU performance expectation. FM HPBU invests in a tremendous amount of time and effort exploring, shaping, and agreeing on a purpose that belongs to them both collectively and individually. This “purposing” activity continues throughout the life of the HPBU.</p> <p>Demonstration and Reporting. Historically, FMers have been poor at demonstrating what it is they do and more importantly, just how well they do it and contribute to the greater good of the organisation. If you are doing more with less, saving money and enhancing your occupants well being then prove it, demonstrate it and report on the value delivered! Be seen and known for doing great FM.</p> <p>Self Belief. FM matters. But, it’s largely the silent occupation. Difficult to see the facilities buried in the buildings bowels, we just don’t value the role FMers play. Actually, we can do as much for our organisations through clarity of purpose and demonstrating the value attributes we deliver, than any other corporate support functions within the organisation. As a profession we need to grow the recognition and worth, become subject matter experts in what we do, raise the general levels of professional education and communicate clearly the value derived from our profession.</p> <p>Clear Expectations for All. Strong performance frameworks and managing by fact allow FMBU’s to operate from a clear purpose base. Ensuring your suppliers have clear scope and specification parameters means a service supplied that meets the demand required. Customers who know the timeframes for a FM response, the unit costs and the level of service they can expect are unlikely to be unreasonable so long as you deliver to those levels. Customers who have no idea what to expect from FM are almost always crying for a faster, gold plated service – especially those who don’t pay directly where FM is a centralised overhead cost.</p>	

