

Raising the Bar

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The Journey

- Raising the Bar I- Enhancing the Strategic Role of Facilities Management- ***RICS, 2012***
- Raising the Bar II- City Roundtables Report- ***RICS, 2014***
- Raising the Bar III- From Operational Excellence to Strategic Impact in FM- ***RICS & IFMA, 2017***



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Raising the Bar I- Recommendations for Action

- Think strategically- *“heads of facilities should focus on helping their companies establish competitive advantage”*
- Act strategically- *“when FM takes actions with business strategy in mind, it can have a measurable business impact.”*
- Rebuild the FM organisation and its role in the business- *“Heads of FM (and their direct reports) should strive to spend at least 50% of their time working with their peers in front- line business units.”*



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Raising the Bar I- Recommendations for Action

- ❖ Outsource operational activities- *“Among the organisations we interviewed, those that were clearly operating more strategically had outsourced far more of their operational activities than the organisations in which FM was struggling to get resources and recognition.”*
- ❖ Teach the business how to ask for FM support- *“FM is most successful when business leaders know how to define their FM requirements, how to establish FM performance goals beyond simple financial measures, how to assess FM outcomes, and how to plan ahead to ensure that their facilities do in fact help create strategic advantage.”*



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Raising the Bar II- Roundtables

- Amsterdam/ Netherlands- 6th November 2013
- Chicago/ USA- 27th March 2013
- Guangzhou/ China- 22th March 2013
- Honk Kong/ China- 7th March 2013
- London/ UK- 13th June 2013
- Los Angeles/ USA- 26th March 2013
- New York City/ USA- 28th March 2013
- Sao Paulo/ Brazil- 12th September 2013
- Singapore/ Singapore- 10th May 2013
- Sydney/ Australia- 12th September 2013**
- Washington DC/ USA- 30th July 2013
- Zurich/ USA- 3rd September 2013



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Raising the Bar II- Roundtable

- What issues and challenges are facility managers facing in 2013?
- How should FM performance be measured and evaluated?
- What does it mean for FM to be ‘strategic?’
- What are the barriers to more effective alignment between FM and other functional areas? How can FM achieve strategic alignment?
- What to facilities managers have to do differently to make FM a more valued and strategic resource?



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Raising the Bar II- Roundtable- Sydney

- FM is still seen as a distraction for commercial management.
- Organisations are happy to promote the brand externally, but not internally. FM is usually left in the latter category.
- FM's biggest challenge is determining how to move from being a distractor to being part of the core business of the organisation.
- Unfortunately, there is no sound definition as to what FM is. Many people know the definition of HR, but not of FM. A job description for FM can run for many pages. There is no clear concise understanding of the role.
- FM needs to have better executive representation within organisations.



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Raising the Bar II- Roundtable- Sydney

- There are serious misconceptions about the role of FM. Some view it as a purely maintenance/ custodial function, thereby hindering the ability of FM to think strategically. Others within the organisation misunderstand the role and then interfere with the administrative aspects of FM.
- FM is a service that people only notice when it's not working well in their organisation. FM needs to emphasise a greater level of proactivity and promote the necessity of the function for maintaining the continuity of business.
- FM has the continual challenge of establishing and rebuilding relationships as senior executives move on. The level of stability among senior executives varies from one organisation to another.



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Raising the Bar II- Roundtable- Sydney

- There is no singular or consistent path to becoming an FM professional. Australia lags in appropriate tertiary education for the FM discipline.
- FM is personality driven; it focuses on servicing the client. But some people within the sector have poor people skills.
- FM needs to be more communicative with clients. It needs to say “Help us to help you”.



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Raising the Bar II- Roundtable- A Dozen Challenges

- ❖ **Separate Worlds.** Business organisational leadership is too often divorced from, and, disinterested in, FM.
- ❖ **FM Immaturity.** FM organisations and markets are often too immature to build effective bridges across the business functions.
- ❖ **FM's 'Brand'.** The image of FM is widely perceived across all geographies as that of a lowly job, and not strategically orientated. FM leadership is generally not strategically orientated, and the function is not attracting the future talent it needs to thrive.
- ❖ **Measurement.** There is an urgent need for FM to develop more effective metrics and to support premium FM services, not just promote lowest- cost commodity- like offerings.



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Raising the Bar II- Roundtable- A Dozen Challenges

- ❖ **Corporate Real Estate.** FM is the poor step- child of corporate real estate; it is generally led from above by transaction- focussed real estate (property) professionals, who all too often do not understand the soft (people) side of FM.
- ❖ **New Ways of Working.** There is a continuous need to better understand how people actually work today, and how that is likely to keep changing quickly for the foreseeable future. This has major implications for workplace design and strategy, including average densities and location commitments.
- ❖ **Workforce Productivity.** FM must enhance its knowledge of what makes people productive, creative and generally effective; the profession remains overly focussed on the efficiency of buildings while not focussing enough on workforce productivity.



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Raising the Bar II- Roundtable- A Dozen Challenges

- **Technology.** FM continues to be ‘bombed’ by new technologies- ‘green’ technologies, the ‘Cloud”, wireless power; BIM, building sensors, and more. What next? How can FM keep up, or , better, stay ahead and leverage these new capabilities?
- **Cultural Expectations.** There continue to be social and cultural demands for ‘cool, trendy places’ nearer to where people live. Wireless cloud- based technologies are becoming ubiquitous. And the demand to ‘work smarter, not harder’ is becoming common. All these developments have a direct effect on FM.
- **Politics.** The common restriction on foreign workers causes shortages of qualified people- especially, but not exclusively, in places like Singapore. There is a recognised but unmet need for globally recognised standards, training and qualifications: so that ‘local’ people can do the jobs they are needed to do.



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Raising the Bar II- Roundtable- A Dozen Challenges

- ❖ **Education.** Formal management education for FM professional is inadequate, hindering understanding of the 'core business' and the roles of their functions such as HR, IT and Procurement, and even Finance. Post- school educations is also inadequate. There is a distinct lack of apprenticeships and in- service training programmes to attract people into FM, preventing FM professional from working their way up through a well- structured career path.
- ❖ **Education of C- Suite.** There is also broad recognition that the mirror image of FM's inadequate opportunities for business- orientated education is the need to educate senior executives in other functional areas about FM and its strategic impact and potential. Whilst most MBA programmes, for example, offer courses in marketing, finance, production operations and, and logistics to all students, there are few if any examples of general MBA programmes even mentioning FM as an important resource and function



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Raising the Bar III- From Operational Excellence to Strategic Impact in FM

🛡 Workplace Professionals

“the emerging workplace management profession is typically led by senior professionals who often remain within ever-smaller in-house teams.”



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🛡 Facility Professionals

“The ‘supply side’ of the FM industry sector has grown rapidly over the past five years, and is increasingly dominated by large, global providers, who are equipped to use their deep appreciation and understanding of the built environment, including design, construction and emerging technologies, to deliver services that enable FM to offer integrated strategic life cycle solutions.”

Raising the Bar III- Big Six Strategic Challenges

- 🛡 Budgeting & Cost Management (16%)
- 🛡 Organisational Factors (12%)
- 🛡 HR & Talent Management (11%)
- 🛡 Workplace & Space Management (9%)
- 🛡 Asset Management/ Aging Assets (8%)
- 🛡 Technology (4%)



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Raising the Bar III- Soundbites

- *“Facility Management must deliver an experience, not just a process.”*
- *“Facility Management performance metrics still focus largely on resource efficiency and cost control measures, and most Facility Management organisations report through to the Finance function.”*



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Raising the Bar III- Soundbites

- *“...more of RICS’ Facility Management professional members are over 70 than under 30, and less than 15% of them are under 40 years of age. IFMA faces a similar challenge; based on a 30% sample of its 24,000-plus members, the average IFMA member is 50.9 years old”*
- *“FM must also adopt technology more quickly and far more deeply. It must move beyond using technology to monitor space utilisation and energy consumption, to a focus on using technology, data, and analytics to underpin and enhance the workplace experience”*



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Raising the Bar III- General Recommendations

- 🛡 In addition to recommendations in Raising the Bar I:
 - 🛡 Think strategically
 - 🛡 Act strategically
 - 🛡 Rebuild the FM organisation and its role in the business
 - 🛡 Outsource operational activities
 - 🛡 Teach the business how to ask for FM support



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Raising the Bar III- General Recommendations

- Enhance the career opportunities of FM professionals
- Enhance and evolve the definition of workplace
- Lead FM professionals in driving adoption and understanding of a new definition of a workplace.
- Make significant investments in technology to understand and leverage its impact on the built environment and the workforce.



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Raising the Bar III- Recommendations for In House FM Leaders

- Continue to move operational activities to contracted service providers
- Build a workplace/workplace strategy capability.
- Re-brand this in-house function as ‘Workplace Management’.
- Demonstrate how the ever-present focus on cost reduction should be balanced with a value focus.



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Raising the Bar III- Recommendations for In House FM Leaders

- Insist that Facility Management performance metrics focus on outcomes.
- Develop FM Operations contracts with service providers that have clear and explicit performance guarantees aligned with strategic imperatives,
- Engage with senior business leaders to build explicit linkages between business strategy and workplace strategy/design
- Concentrate the professional development of in-house staff on the 'soft' skills



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Raising the Bar III- Recommendations for Service Providers

- Support RICS and IFMA initiatives designed to brand Facility Management as a 'career of choice' [capability statement.pdf](#) [staff development matrix.xlsx](#)
- Support research programmes designed to enrich Facility Management performance metrics
- Explore newly emerging technologies
- Support the development of data and metrics to measure performance and outcomes
- Focus on client relationship skills and practices for senior Facility Management professionals



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Questions



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