

Introduction to Facility Management



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Hester van Sprang & Bernard Drion

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Hester van Sprang

Bernard Drion

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Preface

If you ask ten experienced facility managers what facility management entails and what their priorities are, there is a good chance that you will get ten different answers, especially if those facility managers come from different industries, countries or continents.

Facility management contributes to the success of organisations, but to quote the late world-famous soccer player and coach Johan Cruijff: 'you only see it after you've figured it out'.

Therefore, this book explains the subject of facility management in all its diversity in understandable language, with quotes, cases and many practical examples. First and foremost, to students but also to everybody else with interest in this professional domain.

The field of facility management is changing. That is why this book devotes a great deal of attention to trends and developments in society and the effect they will have on the work environment and thus on the work of facility professionals. An example of such a trend is the integration of facility management (FM) with human resource management (HRM) and information management (IT). Because of these developments, we have devoted a separate chapter to the future of facility management.

As we hope that we, too, will continue to learn, we invite you to send us your comments, discussion points or suggestions by e-mail.

We wish you much pleasure in reading.

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Hester van Sprang, Deventer (The Netherlands),

hester@meerwaardehuisvestingsadvies.nl

Bernard Drion, Meer (Belgium), b.drion@telenet.be



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Last but not least, we like to thank Merel de Ruijter, Nynke Visser, Thom Wernke and Michel Tobé for their contribution to 'A day in the life' in Chapter 6.

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good
vibes
only

1

What is Facility Management?

- What is facility management?
- What are the responsibilities of the facility manager?
- What is the position of facility management within an organisation?
- What are the roles of the facility professional?
- How has the profession developed over time?
- What is the added value of facility management?
- What determines the added value of facility management?

◀ **Through the eyes of the facility manager:**
'You couldn't tell, but this is an office. Furnished as a meeting place, where, naturally, you can also work individually. As a facility manager, you serve the organisation by stimulating the community spirit with a hospitality-like concept.'

Expert Column

1



Facility management, meeting the demands of a continually changing environment

Facility management is the integration of people and business processes of an organisation with its physical workspace impacting the triple bottom line of economy, equity, and environment. Meeting this demand is critical to the energy efficiency of the built environment, reducing greenhouse gas emissions, increasing the economic productivity of buildings, and providing efficient workplaces.

Business activity and the workplace infrastructure available greatly influence organisational workplace strategies. How people interact with their physical work environment can offer insights into what is happening within organisations through spatial and resource allocation and the interrelationships of staff and visitors within a facility.

The world of work is changing and so too is the nature of the workplace and the field of facility management. The function, design, location and operations of facilities have undergone a significant transformation in recent years. This process is continuing as the world of work is increasingly global, networked, distributed and virtual due to exponential advances in

technology, a more integrated global economy, and requirements for sustainability solutions. Such change requires the facility manager to react quickly and decisively to the demands of a shifting environment.

We know that the workplace of the future will be much different than it is today, just as we can easily observe the radical changes in how and where we worked in recent decades. But how much different will work be is the big question, and how do we deal with such change? Seeking these answers will require different ways of thinking, new tools and openness to new ideas. This includes the design of the workplace to reflect the impact of emerging technologies like artificial intelligence, the internet of everything, robotics, and a cultural revolution in the way we work. With the increase in facility management degree programs around the world, this book shows students how facility managers support business leaders who are constantly challenged to delivering higher value more efficiently.

Diane Levine, MCR
Executive Director, IFMA Foundation

1.1 Introduction

Describing clearly what a dentist or a bicycle mechanic does is much easier than explaining what the work of a facility manager involves because all over the world, a dentist and a bicycle mechanic do more or less the same things. The latter cannot be said of facility managers. Facility management occurs in all kinds of forms and all sorts of ranks and positions: from a concierge at a secondary school to vice president Real Estate at a multinational. Moreover, the term facility management is far from being commonplace in all countries. In Switzerland, for example, the discipline is called object management. In the United States, in addition to the term facility management, the terms property management and operations and maintenance management are used. In France and the United Kingdom, the discipline has undergone a name change. The British Institute of Facilities Management has changed its name to The Institute of Workplace and Facilities Management because it believes that workplace management better indicates the scope of the discipline. The French professional association ARSEG has replaced the term facility manager (director/responsible des Services Généraux) with work environment manager (director de l'Environnement de Travail). In this book, we use the terms facility management, facility manager and facility professionals.

What the facility manager is responsible for, and how the business unit facility management is set up differs per country, per industry and even per company. You can be a facility manager in the service of an organisation, but you may also work as such through a hired commercial service provider. Others work as consultants, specialists or independent entrepreneurs. Moreover, the term, let alone the profession, is far from universally known. Just ask facility managers if they recognise that they always have to explain what their job entails at parties and other occasions.

The so-called elevator pitch is an excellent way to simplify this explanation. Suppose you meet a very important person, from whom you would like to receive a rewarding assignment, in the elevator. You only have thirty seconds to get that person interested in what you can deliver before the elevator arrives at its destination. What you say in that short time can also serve as an answer to the question of what you are studying or which profession you are in:

'I make sure you can do your job better.'

You bet that'll spark the interest. Try it if you like.

A well-known anecdote showing the importance of supporting processes is the following. In 1962, President Kennedy announced that the United States would put people on the moon and bring them back safely. Not long after that, Kennedy went on a work visit to NASA, where he saw a cleaner walking with a broom. He interrupted the tour, walked up to the man and said, "Hello, I'm John Kennedy. What are you doing?" The cleaner replied, "I'm helping to get a man on the moon, Mr President."

And he was right. After all, whereas in the past the facilities department was mainly seen as a cost driver, it is now clear that the facilities function has a significant impact on employee satisfaction, the organisation's image and the degree of sustainability of its operations, to name but a few. More and more studies are showing the effect of workplace designs on employee productivity. For example, the layout of the work environment can stimulate informal knowledge sharing in organisations. Visibility and proximity lead to spontaneous encounters and spontaneous encounters lead to knowledge exchange. From this point of view, coffee, tea and lunch facilities can contribute to the productivity of employees. The quality and the location of these facilities then become new issues.

Until the 1980s, every size organisation had a technical, housekeeping or internal department. These departments were responsible for building installations, maintenance, cleaning and catering management. The organisational unit in question was supportive, almost submissive. At that time, the employees involved usually wore workwear, whereas nowadays this only occurs functionally, for example, for reasons of recognisability and hygiene (see section 3.10). Awareness grew slowly but surely that a relatively large amount of money was spent on these services, without the organisation having any control over them. Therefore, a need arose to combine the household, technical and internal services into one business unit. The underlying idea was that integration would allow for more control and thus would make the costs and quality of the services better manageable. This supportive organisational function became known as facility management.

The term facility management originates from the United States, where the first facilities association was founded in 1981: IFMA, International Facility Management Association. The multitude of definitions of facility management illustrate the comprehensiveness of the discipline.

(IFMA) Facility management is a profession that encompasses multiple disciplines to ensure functionality, comfort, safety and efficiency of the built environment by integrating people, place, process and technology.

(EN 15221) Facility management is an integration of processes within an organization to maintain and develop the agreed services which support and improve the effectiveness of its primary activities.

(EN-ISO 41011) Facility Management (FM): an organisational function which integrates people, place and process within the built environment with the purpose of improving the quality of life of people and the productivity of the core business.

These definitions show how diverse the view of facility management as a discipline is, as a reflection of the development of the profession over time. The IMFA's definition places the emphasis on maintaining the quality of the built environment through an integrated approach to facility support, at the lowest possible cost (efficiency). From this perspective, facility management is likely to be seen as a cost factor.

The definition in EN 15221 emphasizes supporting the effectiveness of the primary process, a first step in thinking about the added value of facility management in achieving organisational goals. However, it is so broad that this definition can also apply to the fields of human resource management (HRM) and information and communication technology (ICT) without modification.

The definition in the ISO 41011 is consistent with thinking in terms of the added value of facility management, as it makes the connection between the FM-process and the added value that this process provides, for people and the organisation, highlighting the contribution of facility management to the success of organisations. Furthermore, ISO 41011 does not distinguish between types of facility organisations. Whether you work for a facilities department of an organisation (under its management) or a commercial supplier, under this ISO standard all facilities parties are treated as providers. This definition is therefore the most suitable for this book.

1.2 Facility Management in the organisation

We distinguish between primary functions and support functions in a company. Facility management is often one of the support functions, as are Human Resource Management (HRM), Legal Affairs, Financial Affairs (FA), and Information and Communication Technology (ICT). In a hospital, performing surgery is one of the primary functions, but cleaning the operating room - sterilising it - is part of the support services. Facility management can also be one of the core activities of a company. For example, in the leisure industry (e.g. hotels, bungalow parks, amusement parks and aqua parks) as well as commercial facility providers (such as security companies, caterers, event agencies, and cleaning companies). In short, facility management is the business unit that is responsible for optimal work, accommodation and care environment - both physical and virtual. By physical, we are referring to the built environment (office building, hospital, bungalow park, factory, school, etc.), including its layout. In addition to these buildings, a different work environment is becoming increasingly important, that is any other place where people can work. Information technology (IT) enables us to work almost anywhere at any time: at home (the so-called 'second workplace'), at a coworking place, in the car and the train, even in the countryside. Employees can increasingly be productive in that 'other' work environment thanks to laptops, tablets and smartphones. This set of remote locations outside the company's core working environment is what we call the 'third workplace'.

Support
functions

1.2.1 Facility Management in the organisational structure

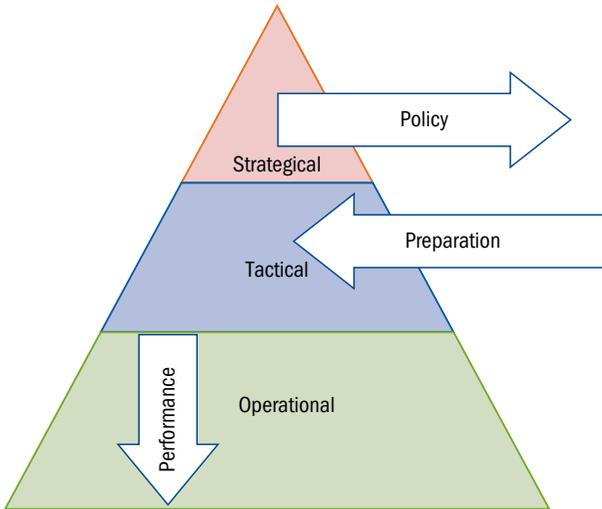
An organisational structure expresses the distribution of tasks, powers and responsibilities in an organisation, and the mutual relationships are regulated. Which structure suits an organisation depends on its strategy and environment. Mintzberg, an organisation scientist, distinguishes three levels in a company, which connect to the pyramid in figure 1.1: top management (strategic level), middle management and support functions (tactical level), and the executive core (operational level).

Organisational
structure

Three levels

An organisation is often depicted as a pyramid; this is also the approach taken in this book. Why a pyramid? A pyramid has the characteristic that it narrows towards the top. The base is vast and deep, while ultimately the top is reduced to a point, indicating that in general, there are far fewer people working at the strategic level than at the operational level. The arrows in figure 1.1 illustrate the direction of the focus. The top management mainly looks at the external environment, market trends and future developments, and decides upon the policy. Tactical management focuses primarily on the inside, on how the organisation should be structured. This level translates strategy into objectives (preparation). Operational management concentrates on implementation at the process level, on the actual provision of services and the provision of resources (performance). Facility professionals support all levels of an organisation. However, customers manifest themselves differently at every hierarchical level of the company. Therefore, different interests and areas of attention are at play at every level. Let's take a closer look.

FIGURE 1.1 The hierarchical levels in organisations



The strategic level of the organisation

The strategic organisation level is the highest level of the organisation: it includes the Board of Directors and similar functions, also referred to as the senior management or C-suite. Here, *policy* is determined, i.e. the strategy and objectives of the organisation are aligned with market developments. This level is responsible for all strategic decisions taken. Let's suppose that a leisure park company decides to increase its market share among the well-to-do elderly. Based on market research, it will then opt for a new park concept: very luxurious bungalows on estate-like grounds. The facilities policy must be consistent with this development, meaning, for example, that all services such as reception, security, green services, cleaning and maintenance of the bungalows have a quality level that corresponds to the expectations of the intended guest. And because the audience group

Strategic
organisation
level

consists of senior citizens, adjustments will also have to be made to the terrain and the bungalows to ensure that guests with a physical or mental disability can indulge in recreational activities. An elaboration of the facilities policy is to determine how luxurious or sober the service package should be, at what price and for which client. You could compare this with deciding the service level of a hotel, expressed in stars: one star indicates the lowest level and five stars the highest level of quality.

The tactical level of the organisation

The tactical organisation level represents the divisions that are one level below the strategic level. Here the policy - for example, the decision to develop a specific type of bungalow park - is translated into *actions to be taken* for the establishment of the estate park. This includes acquiring the site, conducting research into the applicable safety requirements, designing prototypes for the bungalows, the design of the services, the product mix, in-house or outsourced work, up to and including the design of the work processes and the deployment of personnel. It is at this level in the facilities organisation that the services are set-up.

Tactical
organisation
level

The operational level of the organisation

All activities, actions that are necessary for the actual running of the bungalow park belong to the operational level. The same applies to support activities. Activities on this organisational level involve the *performance* of activities such as handling the reception, maintaining the site, supervising the swimming pool and offering catering facilities. The operational management relates to the question of how the services are provided, by whom and when. The facility staff member, whether employed by the organisation itself or by a facility provider or a subcontractor, always has to deal with two stakeholders: the internal customer (or the (other) employees in the primary process of the company) and the external customer (patient, visitor or client of the organisation). The intensity of the direct contact between the facility staff, the internal customer and the external customer differs per industry.

Operational level

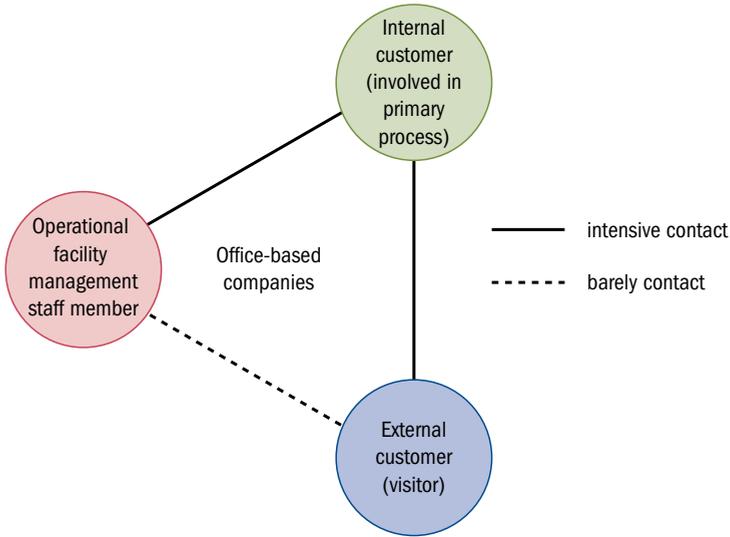
Stakeholders

Examples

In the average office-based organisation, the facility staff member mainly has contact with the internal client (colleague, the staff member involved with the primary process). For example, those at the facility service desk, in the company restaurant or during the cleaning process. The contact with the external customer (the visitor) is less intensive; it mainly takes place via the intercom at the gate, at the reception and during the serving of coffee or a meal. The employee in the primary process does have intensive contact with the visitor. Figure 1.2 depicts the nature of these relationships.

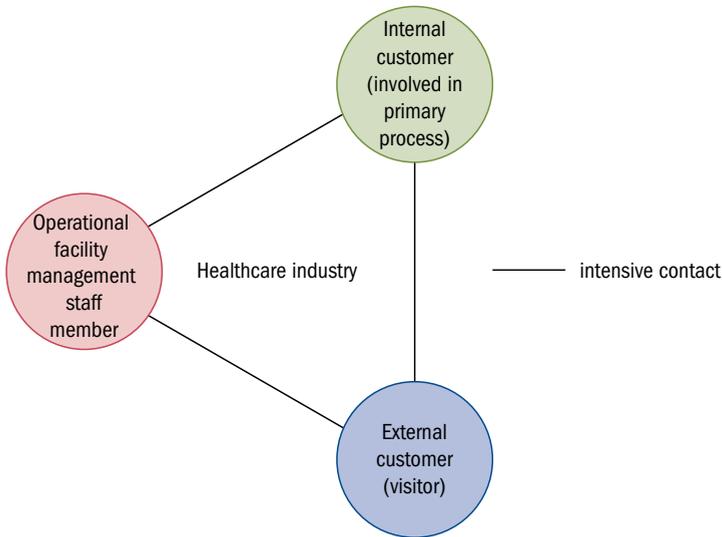
The healthcare industry provides a different setting. There, in addition to the employees in the primary process, FM-employees also has an intensive contact with the external client (Figure 1.3). Think of the patients and visitors that make use of a hospital's restaurant. At the information desk, too, there is a great deal of interaction between facility management staff, patients and visitors. Room service is also part of facility management, which involves contact with the patient when serving meals and drinks and keeping the patient's room clean. Moreover, volunteers who work as hosts who guide visitors or show them the way are, in most cases, managed by facility management.

FIGURE 1.2 The intensity of customer relationships of operational facility management staff in office-based organisations



The hospitality and leisure industries offer another variation. Although the name for the facility activities is different in this context (e.g. housekeeping or food & beverage), these are in fact, facility operations. In these

FIGURE 1.3 The intensity of customer relationships of operational facility management staff in healthcare



industries, the core activity is the provision of hospitality services to external clients. The number of internal clients is limited. For this reason, the executive (facility) staff is mainly in direct contact with the external client. The intensity of a contact in Figure 1.4 also applies to commercial providers of facilities services.

FIGURE 1.4 The intensity of customer relationships of operational facility management staff in the hospitality and leisure industries

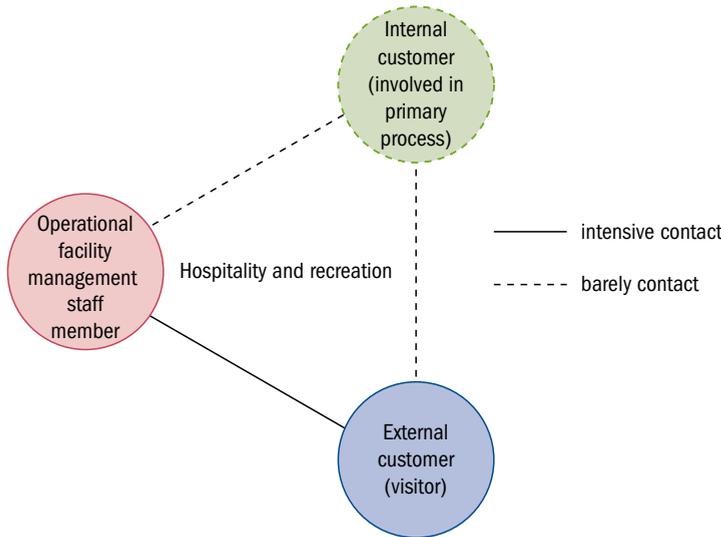


Table 1.1 summarises the levels of an organisation and the associated FM-focus and activities.

TABLE 1.1 Organisational levels in relation to activities

Organisational level	Focus	Activity	Underlying issues
Strategic level	Policy	Defining the facilities and the services	What does the market/client want, and how do we respond to it?
Tactical level	Preparation	Specification of the product range, the offer, the staffing, sourcing and procurement.	What is achievable at what price? Who is responsible for it, when and where?
Operational level	Performance	Execution of services and supply of resources (e.g. office supplies)	How do we carry out the offer at the required service level for the agreed price with a high level of customer satisfaction?

In this context, policy involves aligning the organisation with external developments, setting the course and is long-term in nature. Strategic facility management determines how to translate the strategy into a strategic plan for the facility management organisation and how to add value for the organisation.

Policy



Preparation

Preparation is the translation of the agreed strategy for the benefit of the internal organisation. This can also mean the outsourcing of activities. In that case, the provider determines how it organises the services within the set conditions.

Performance

Finally, the performance is the execution of activities needed to implement the agreed strategy. The responsibilities for execution may be outsourced.

Mintzberg divides the support functions into operational and organisational support (see figure 1.5). These functions directly or indirectly serve the functional core. Mintzberg calls this the 'technical staff'; responsible for making the necessary preparations and for controlling the core process, i.e. the production of the company. Think of financial control, planning, training and research & development. Facility management is part of organisation-oriented support. Similar departments that fall into this category are among others: HRM (or human resources), legal affairs, marketing and public relations (PR). This classification is a general classification, which does not apply everywhere in the same way. For example, IT will be a company-wide activity that is both a support function for the operational core support and a support function for the organisation.

FIGURE 1.5 The position of supporting functions in the organisation - inspired by Mintzberg

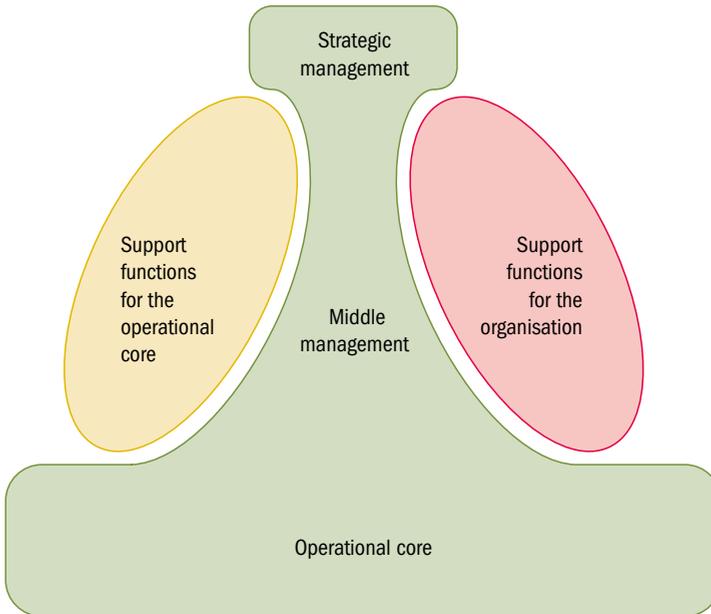
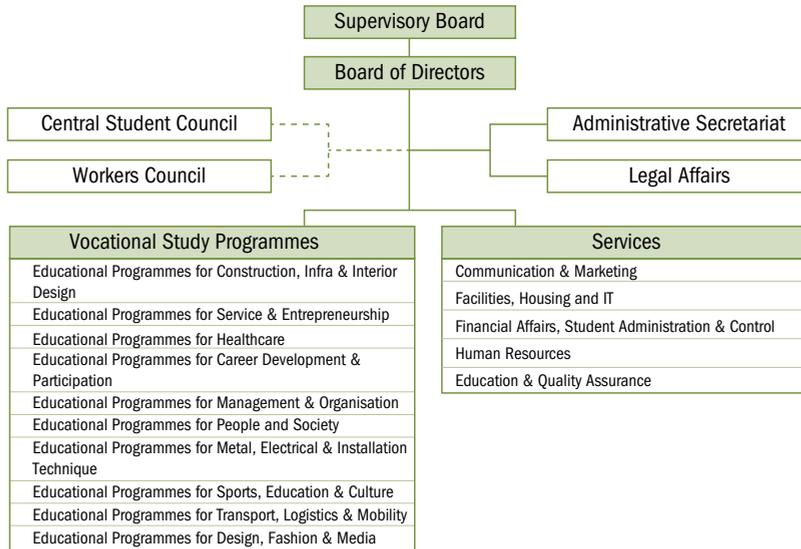


Figure 1.6 shows an example of an organisation chart from an educational institution. In this organisation chart, the executive core is divided into eleven Vocational Study Programmes. Supporting services are: Communication and Marketing; Facilities, Housing and IT; Financial Affairs, Student Administration & Control; Human Resources; Education and Quality Assurance. As can be deduced from these functions, the task of these

organisational support services is to create the conditions for the implementation of vocational education and training. The Board of Directors is also supported: by the Administrative Secretariat and Legal Affairs and its representative bodies (Central Student Council and the Workers Council).

FIGURE 1.6 ROC Twente organisational chart (2019)



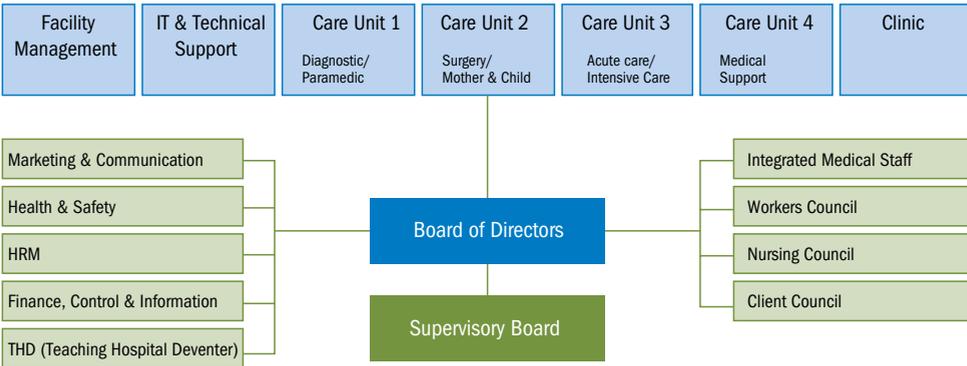
In large companies, it is customary for facility managers not to have direct access to the board of directors. The reason for this is usually that the board makes decisions about billions of euros, while facility costs amount to a fraction of this. Take Air France KLM, for example. Here, most of the costs are for aeroplanes and kerosine. In comparison, the facility costs are almost negligible. In such a case, it is logical for the facility manager to be accountable, for example, to the financial officer (Chief Financial Officer or CFO) or the person responsible for personnel and internal affairs (Chief Operating Officer or COO). Still, facility management issues will be scheduled regularly on the management agenda. After all, only if a facility manager is involved in organisational developments at an early stage, can s/he make an optimal contribution and create added value from a facility management perspective.

The challenge for facility professionals is to come up with creative solutions that contribute to the organisation's success. Above all, a good understanding of the core activities and stakeholder's needs is required. Only then can costs be balanced against customer satisfaction and quality. But keep in mind: the most appropriate decision is not always the cheapest solution.

In some organisations, the facilities department (often referred to as the facilities function) is structured as an executive core, as can be seen in the

organisation chart of the Deventer General Hospital (Figure 1.7). As Figure 1.3 illustrates, the intensity of the contact between facility staff and patients is high, and the influence of facility support on the quality of care is substantial. Therefore, facility staff have a significant impact on the perception of hospitality by patients and their families and hence on patient satisfaction. Also, cleaning is an essential service for the prevention of cross-contamination and the development of resistant hospital bacteria that can seriously threaten the health of patients. This is probably the underlying reason why the facilities department belongs to the executive core.

FIGURE 1.7 Deventer General Hospital organisational chart (2019)



1.2.2 The customer

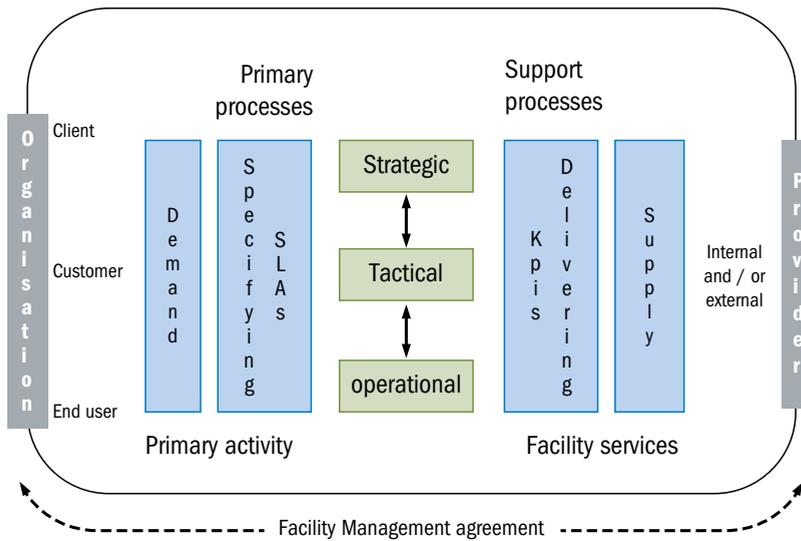
Like in society, in facility management, the customer ultimately determines what is to be delivered. At least, that is how it should be. It is also the customer who assesses the facility company, whether consciously or subconsciously. The customer, therefore, is essential to everyone active in the facilities industry. You could say that if the facility professional maintains a good relationship with the customer, then everything will be fine. But it's not that simple.

Figures 1.2 to 1.4 may give the impression that there is only a distinction between internal and external customers. However, as Figure 1.8 illustrates, reality is more complex with a diversity of (internal) customer groups. The centre of the model depicts the hierarchical layers in the organisation (comparable to Figure 1.1). To the left, you can find the organisation with its core activities. On the right side, the business-support processes are shown (see figure 1.5); with providers for the supply (part of) the facilities services on the far right.

What matters now is the enumeration 'client', 'customer' and 'consumer or end user'. These are also referred to as defining customer, paying customer and benefitting customer. A simple example shows the difference between these. Imagine that the employees of an organisation want to have a choice between freshly grounded coffee, Wiener melange, cappuccino and hot chocolate. These are the benefitting customers who use the coffee supply

Defining customer, paying customer and benefitting customer

FIGURE 1.8 EN 15221 Facility Management model



daily. However, the invoice is not settled by these users personally, but by the department managers (the paying customer). Logically, a more luxurious assortment is more expensive. Whether or not the organisation finds these costs acceptable can only be determined by the paying customer, not by the benefitting customer. The paying customer will base his decision on the guidelines set by the defining customer. It is therefore important for every facility professional to reach agreements at the right level in the organisation and with the right people: the paying customers. In Chapter 4, we will discuss this so-called 'stratification' of the customer in more detail.

1.2.3 Stages of development of the FM-organisation

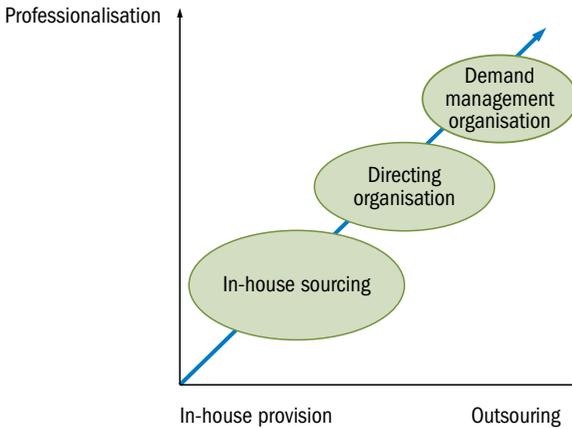
As you have already understood from section 1.2.1, there are various ways to design a facilities organisation. These are called the principal forms. There is no standard, no best or worst solution. By design, we mean the placing of functions in the organisational chart. The position of the facilities company in the organisational structure determines to whom the facility manager is accountable, which largely depends on the management philosophy of the entire organisation. Various layouts are possible, depending on what the organisation wants to emphasise.

The classification used in this section is in line with the development of many facility management companies (see Figure 1.9):

- in-house sourcing;
- the directing organisation;
- the demand management organisation.

The development stages are not a normative classification, in the sense that a demand management organisation would be better than in-house sourcing. It is about finding a suitable management model in the context of the organisation.

FIGURE 1.9 Development stages of the Facility Management function



In-house sourcing

With in-house sourcing, the operational services are carried out and managed by the facilities organisation. Non-profit organisations mainly use In-house sourcing. However, due to increasing market forces (and the associated need for flexibility) and the need to reduce costs, more and more attention is being paid to outsourcing in these industries as well. Organisations that prefer in-house sourcing mostly work with a budget set by the management, which may be charged to the users (departments). Characteristics of in-house sourcing are:

- extensive facilities organisation with low outsourcing rate;
- focus on operations;
- various (internal) contracts based on effort (see also section 3.3.9).

Directing organisation

When more attention is given to the quality, flexibility and cost of service provision, organisations will begin to wonder whether it is wise to continue with in-house sourcing of services. Market parties may have knowledge and expertise that the organisation does not have at its disposal. Another reason may be that external providers can provide the same service cheaper or with more flexibility. If so, outsourcing will not be limited to a single function but will encompass a fair share of the facilities services on offer. In this situation, operational services are no longer carried out and managed by the facilities organisation itself. Instead, external providers step in to take care of operational FM-activities. Subsequently, the question arises as to how a facility manager can keep a grip on the facilities organisation. S/he has to translate the customer's demand into an appropriate range of services, purchase these in the market, and implement and manage the contracts. The latter is particularly important. Attention needs to be paid to contract management, to ensure that the organisation will receive what has been agreed to, and at the agreed price. Characteristics of a directing FM-organisation are:

- a compact facility management organisation
- focus on matching supply and demand
- some contracts based on performance (or output) specifications (see also section 3.3.9)

Budget

Contract management

‘While service providers are ready to offer Total Facility Management, customers are still very hesitant.’

— FM-Trendreport Belgium 2019, p. 32

Demand management organisation

The more suppliers, the more contracts, contacts, invoices, overlaps and gaps. Managing contracts and consulting with contact persons is labour-intensive and demanding. Facilities providers have found the following answer to this issue: integrated facility management (IFM), also known as total facility management (TFM) or integrated facility services (IFS). In IFM, all services are outsourced to a single external supplier that acts as a partner in facility services delivery. An integrated contract with one supplier is easier to manage than the multitude of contracts that comes with working with single suppliers. However, the downside is the strong dependence on this one supplier. Another provider is not easily found and the impact of switching providers is very high, as it will be noticeable in the entire facilities organisation. Multinationals in particular have opted for this far-reaching form of outsourcing. This choice is often part of a global facilities strategy, whereby a provider is sought that can provide facilities services in all the countries in which the multinational is active.

In this service model, the management-operational split is high (see Figure 1.10). Processes are outsourced at the tactical level (structuring) and operational level (performing), and in some cases even partly at the strategic level. The supplier can determine *how* to organise the facility services, provided that it complies with the specifications. Characteristics of a demand management organisation are:

- minimal in-house facilities management organisation;
- focus on the definition of demand;
- cooperation with one or more partners in a long-term relationship (partnership).

Degree of outsourcing

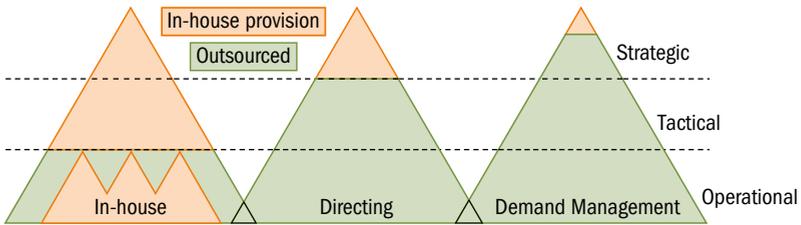
The preceding sections describe in-house sourcing, the directing organisation and the demand management organisation. Figure 1.10 shows an illustration of the management-operational split of these principal forms. The degree of outsourcing (shown in blue in the figure) is rather small for the first type of organisation. The in-house FM-organisation provides most services. In the second principal form - the word says it all - the facilities company directs the services outsourced. The degree of outsourcing is higher than with (predominantly) in-house provision. And in the case of the demand management organisation, the facilities company acts purely as a client - and it even leaves the control to the contracted facilities providers of services. The demand management organisation has the highest management-operational split.

The number of organisations with dominant in-house sourcing will most likely decrease in the coming years. The market trend of increasing outsourcing of services (which means that an organisation is shifting towards the direction

Integrated
facility
management
(IFM)

Multinationals

Management-
operational split

FIGURE 1.10 The relationship between sourcing and the principal forms

of demand) is a driver for this expected change. From the Global Facilities Market Report 2018, it appears that the average outsourcing percentage (measured among 41 countries) is more than 50. 11.5% of outsourcing takes place in the form of an IFM contract. In 2019, the average outsourcing ratio in the Netherlands was 64% (FMN/TG, 2019). A comparison of FMN/TG's periodic facilities market surveys shows that the average outsourcing rate in the Netherlands increases by approximately 1% per year. An opposite development is visible in Belgium, in 2018 48% of the FM-market was outsourced, which is a decline of 4% compared to 2016. However, this seems to be a temporary setback: in 2022, the expected average outsourcing rate in Belgium is 53% (IFMA/PROCOS Group, 2019).

1.3 The roles and responsibilities of the facility professional

Facility professional

Now that you know what the field relates to, we can look at the tasks and responsibilities of the facility professional. What exactly do facility professionals do?

Facility professionals create a fit-for-use environment. They do this by connecting space, technology, services, processes and people. Facility professionals offer an appropriate experience within the set means, to create added value for the organisation (LOOFD, 2018).

Areas of focus

This description contains several keywords that we will explain below.

Fit-for-use means suitable for the intended use, and tailored to the wishes and needs of the organisation and its users. Fit-for-use refers to:

- Environment. This book assumes that facility management always takes place in a physical or virtual environment that involves a form of organisation, and in which people provide professional services. Just about the only thing excluded is the private environment (people's homes and immediate surroundings). However, care homes, which are private domains for residents but are part of a healthcare environment facilitated by a professional organisation, are exceptions to this rule.
- Space; concerns the built, virtual and sometimes also temporary (work) environment and layout of space.
- Technology; concerns the whole of technical structures (building and facilities).

- Soft services; involves the complete range of facility products and services.
- Processes; facility management supports the core functions of a business or institution through the organisation and integration of space, technology and services in activities that add value.
- People; the (end)users and the various stakeholders of the organisation, as well as the facilities staff. People and their performance are the focus of facility management.
- Experience. The overall perception of the (end)user is always taken into account when developing a service or environment.
- Resources. The resources include the budget, but also space, knowledge and skills that are available to provide the service.
- Added value; refers to the impact of the FM-services on the performance of the organisation. For example: by creating a work environment that supports the productivity of employees or by a hospitality concept that strengthens the organisation's image. For a long time, the discipline revolved around cost savings. Now that we understand the impact of the workspace on the functioning and wellbeing of people, facility management is increasingly seen as a driver of success.
- Organisation; a person or group of persons who have their function with responsibilities, authorities and relationships to achieve its objectives (ISO 41011).

Added value

To achieve fit-for-use, the facility professional must take into account:

- the internal client (who performs professional activities, the worker);
- the external client (e.g. the visitor, patient, hotel guest);
- soft services;
- the physical environment (hard services);
- the third workplace and virtual environment;
- the matching of supply and demand and its sourcing; and
- procurement of facility resources.

The areas of attention briefly described above do not apply equally to all industries. Both the industry and the stage of development of the facilities function influence the main focus areas of facility management. Table 1.2 shows industry-specific examples of internal customers, external customers, services, physical environments and third/virtual workplaces.

Industries
Stage of
development

TABLE 1.2 Industry characteristics in terms of customers, services, the physical environment and third workplace

	Examples of internal customers	Examples of external customers	Examples of characteristic services	Physical environment	Third workplace
Hospital	Doctors Nurses Assistants Laboratory staff Volunteers	Patients Visitors	Nutritional service Hospital logistics Parking services Room service	Hospital Clinic Pharmacy Laboratory	Outpatient clinic
Bank	Board of Directors Management Investors Bank employees	Private accounts Business accounts	Property management Security Money transport Banqueting	Headquarters Affiliates ATMs	Home office Car Customer location

TABLE 1.2 Industry characteristics in terms of customers, services, the physical environment and third workplace (continued)

	Examples of internal customers	Examples of external customers	Examples of characteristic services	Physical environment	Third workplace
University	Board of Directors Deans and professors Researchers and teachers Student assistants	Students	Audio-visual service Catering Library	Campus Laboratory Auditorium Lecture hall	Home office
Industry	Head of a workshop Mechanics Assembly staff	Wholesale Consumers	Logistics Site maintenance Security	Production hall Warehouse Office building	
Ministry	Directors-General Policy officers Spokesmen	Citizens Business world	Driver service Banqueting Messenger service	Department building	Home office
Nursing home	Management Geriatrician Care staff Physiotherapist Volunteers	Patients (clients) Relatives Other visitors	Cleaning Meal supply Linen service Maintenance of auxiliaries Reception	Apartments Restaurant Therapy room Day-care Mortuary	Residential supported living
Municipality	Mayor Aldermen Municipal Secretariat Officials	Inhabitants of the municipality Local business	Public service desk Meeting service Greenkeeping	Town Hall Municipal Archive Council chamber Wedding venue Bungalows Swimming pool Playground Supermarket	Home office Customer location
Bungalow park	Reservation desk	Guests	Reception service Food & beverages Park management Pool maintenance	Porter service Lobby Meeting centre Hotel rooms	
Hotel	Hotel manager Administration Marketing	Leisure guests Business guests Event organisers	Porter service Valet parking Room service Banqueting Climate control	Halls Storage space Restoration workshop Coffeeshop Museum shop	
Museum	Conservators Museum Shop Education Department Marketing Fundraising Volunteers	Visitors (groups and individuals) Exhibitors Sponsors	Guards Security Transport Catering services		
Retail	Store Manager Shop staff	Shoppers	Security Stocking Cleaning Building management	Retail property Warehouse Headquarters	

Roles

Facility professionals have many roles within organisations. For example: facility manager, facility employee, purchaser, contract manager, project manager, service coordinator, supplier, entrepreneur and consultant, to name but a few. It is essential always to be aware of the current role. We distinguish between four main FM-professional roles:

1 Facility manager. Facility managers oversee hard and soft facility services (see Chapter 3). As a rule, this is an internal role. Still, organisations can also outsource this role, as you can read in the vacancy text for a facility manager in the box below.

Facility Manager for the Utrecht Region at Dolmans Group

Job description

Taking care of the customer is the thing for you. You like to motivate and enthuse a team, but at the same time, you dare to deliver criticism when necessary. You know better than anyone that you, as Facility Manager, are an extension of our client's core business.

You can work on a strategic, tactical and operational level. You are ultimately responsible for all services provided at different locations of our client in the Netherlands. Also, you are the point of contact for our client, all team members, and supply partners.

You are familiar with the trends and developments in the facilities market. You see commercial opportunities and respond to them by introducing innovations. Besides, you monitor the quality of the service and the corresponding budget and present clear reports. You lead and coach a team of Service Hosts and Service Desk employees spread across the various locations in the Netherlands and focus on personal development.

Despite the many distractions, you manage to create and maintain an overview. You are motivated to excel and take pride in exceeding expectations.

Experience and background required

- You have a degree in Facility Management from a university of applied sciences.
- You have at least 3 to 5 years of managerial experience in a similar role.
- You have substantial financial expertise and can compile reports.
- You have the communication skills to communicate with stakeholders at different levels easily.
- You have an in-house emergency response certificate or are willing to obtain one.
- You are proactive and have a great sense of responsibility.
- You have a driver's license.

2 Specialist. Facility professionals can operate as specialists for a specific (spatial or technical) facility or one or more services (such as internal communication). Specialists are either employed by the organisation or hired through an external party. It depends on the issue at hand and the activities of the organisation, whether specialist knowledge must be available at all times or whether there is an occasional need for it. An example of a facilities specialist is a senior buyer (see the job offer in the box below).

Senior Buyer Indirect categories, London, United Kingdom

A leading FMCG brand is seeking an ambitious, senior buyer following internal promotions in the procurement function. The procurement portfolio focuses on Indirect Categories, such as FMCG's Facilities Management category. You will be working across a range of categories such as Facilities Management, IT and HR, and across the full end to end procurement process - from request for quotation and tender negotiations, through to contract and post-contract supplier management. Your responsibilities include taking autonomous ownership of £Multi-Million spends and developing sourcing strategies across a range of indirect categories, particularly HR, Facilities Management and IT. You are also responsible for managing key suppliers, ensuring that they are continuously meeting service level agreements. We value building long-lasting, commercially successful relationships.

Experience and background required

- Experience of the end to end procurement process, including contract reviewal and supplier management;
- Strong facilities management procurement experience including sub-categories such as cleaning, chemicals, security, health & safety and pest control;
- A CV demonstrating outstanding cost savings achieved within one or more Indirect categories, with evidence of leading strategic tender activities;
- Excellent communication skills; a confident negotiator who can speak with stakeholders at all levels;
- Strong academics; degree educated (or equivalent) and Chartered Institute of Purchasing and Supply (CIPS) preferred.

3 Advisor. Advisors, or consultants, are often involved in the design and organisation of the overall facility management (tactical/strategical level). The consultant may do this work as an employee or as an external contractor. In general, the facility manager engages an advisor for projects that are complex in nature, require specific knowledge, or that occur so infrequently that the experience is lacking in the facilities organisation. Many consultants also offer (facility) auditing services, for example, as a mystery guest for checking reception or hospitality services. Next, we will show a job offer for a facility consultant. Advisors who deal with strategic issues, often have a master's degree.

Senior Workplace Consultant at CBRE Amsterdam

As a Senior Workplace Consultant, you will operate in an enthusiastic and professional team that deals with (strategic) housing advice for end-users. You are the point of contact for Dutch and international clients, most of whom are office-based. You advise them in making strategic housing decisions. In practice, this means that you translate your client's organisational goals and business processes into a specific housing need and suitable office concept. For this purpose, you have a wide range of knowledge at your disposal, from advice on workplace consultancy to change management. You are familiar with the latest innovations in your field and that you include them in your advice.

Experience and background required

- You have completed a university or higher vocational education.
- You have at least five years of experience in business-to-business consultancy in the field of office accommodation.
- You have a broad knowledge of office concepts and innovations.
- You have experience with change management concerning workplace innovation.
- You have a good understanding of numbers, an analytical mind, and are capable of developing strategies.
- You have excellent communication skills and can present yourself well.
- You can work both independently and in a team.
- You have (near) native Dutch and English language skills, both written and spoken.

4 Entrepreneur. The entrepreneur can take on all previous roles, but 'at one's own expense and risk'. This means that an entrepreneur runs a financial risk with the entrepreneurial activities s/he undertakes. Still, any profit is for him or her. We do not have a job notice for entrepreneurs since they are self-employed.

The division into these four main groups is not complete. One finds facility management graduates in a multitude of functions, such as project manager, account manager, policy officer, lecturer or researcher in facility management.

1.4 The development of the FM-domain

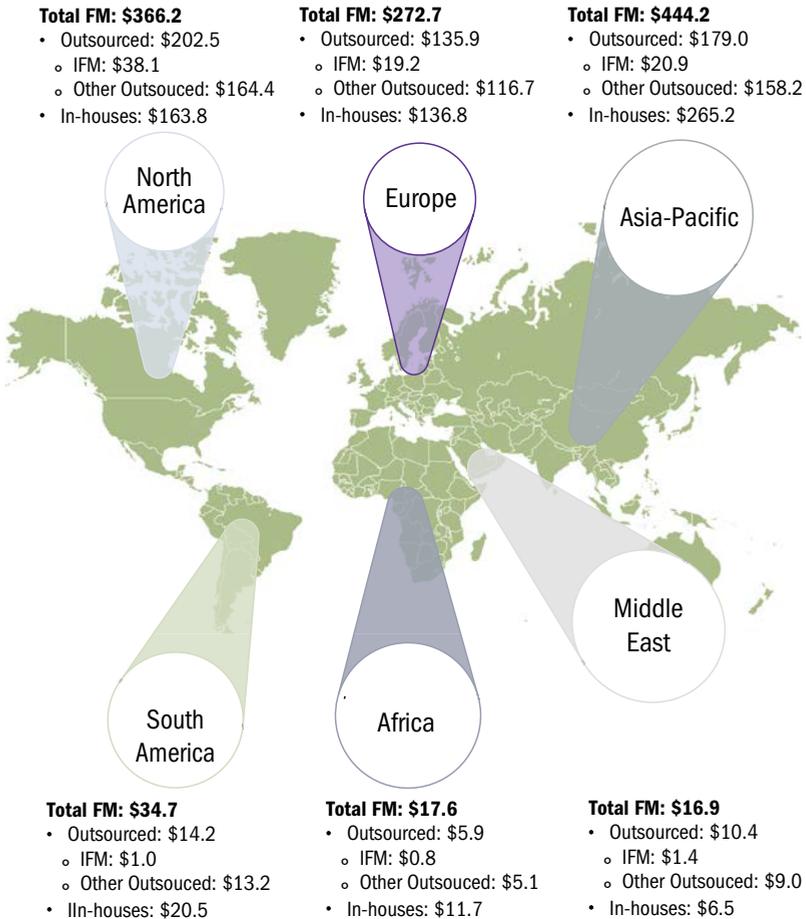
Facility management is a relatively young field that is continually evolving. How these developments take shape, vary from country to country and from region to region. For example, Figure 1.11 shows the considerable differences in the FM-market size per continent (Global FM market report, 2018). The markets of North America, Europe and Asia/Pacific are many times larger than those of South America, Africa and the Middle East. Over the past decade, we have seen substantial growth in the European market for facility management. Research shows that the size of the facilities market (including real estate) amounts to an average of 5 to 8% of gross domestic product (GDP) (depending on the country and the maturity of the discipline in that country).

European market

Various sources from both Europe and the United States indicate that the average workplace costs around 10,000 euros per year in facilities support. Based on these figures, the European facility management industry (including real estate management) employs approximately 40 million FTEs per year (EuroFM, 2017).

Another indication of the maturity of the market is the outsourcing rate (see section 1.2.3). In general, the outsourcing percentage increases as the market matures. Moreover, the share of integrated facility management (IFM) increases with the professionalisation of the discipline. More and more providers of real estate management also offer facility services, and

FIGURE 1.11 The global FM-market (in billion dollars)



facility service providers from origin add real estate management to their package. This results in a blurring demarcation of the fields of facility management and real estate management in several countries.

In addition to the differences in the development phase or the degree of professionalisation of the discipline, differences can be identified in the approach to facility management. These differences have a cultural origin but are also related to the genesis of the facility management profession in the country concerned. In the United States of America, some areas (like the West coast, especially Silicon Valley and the Bay area) are leading the market in both hard and soft services. At the same time, in other areas, the profession is lagging behind somewhat. In the general opinion, the USA is slightly ahead of Europe when it comes to hard FM-services (the building and the building-related infrastructure). In the USA, facility management has developed as a specialisation in the field of architecture. Europe is said to be leading in FM-soft services. However, here too, the development of the profession significantly differs per country. Some examples are that in

Approach

Germany, the emphasis is on building management and technology, while in the Netherlands, soft services with a strong focus on the customer or user experiences characterise the profession. The United Kingdom is one of the frontrunners in innovative forms of outsourcing, such as Public-Private-Partnerships. In the Scandinavian countries and the Netherlands, there is still a great deal of focus on location- and time-independent working ('new ways of working') and related workplace concepts such as coworking spaces. In this context, a user-centred approach to the further development of services is common. The underlying assumption is that if a person's well-being is cared for, he or she performs well. The focus on 'healthy buildings' and the development of the WELL Building Standard also fit in with this trend.

TABLE 1.3 The focus in Facility Management in the Netherlands, from approximately 1990 to the present day

	Focal point	Characteristic
1	Building	Until 1990, building managers and janitors were mainly responsible for the accommodation. The household department took care of, amongst others, the canteen and cleaning.
2	Building installations	Companies realised that by efficiently and automatically managing their climate installations (HVAC); they could save energy and reduce costs.
3	Outsourcing	Companies increasingly focused their attention on their core business activities. The common understanding was that outsourcing services to specialised external companies would lead to cost savings.
4	Computer-Aided Facility Management	A starting point for improving efficiency is gaining insight into quantities (such as square metres of office space and the number of workplaces) and occupancy rates, to generate management information. CAFM enabled this.
5	Procurement	Because much money was involved in outsourcing services, and European tendering came obligatory for (semi)public institutions, specialised buyers became in demand.
6	Ratios	One of the ways to assess the costs incurred for services is to compare them with those of other companies. To be able to compare apples to apples, standardised ratios were developed.
7	Quality	However, costs do not exist in isolation but relate to the service level. Quality was increasingly being considered as part of the focus.
8	Ergonomics in the workplace	There was a growing awareness that working conditions (ergonomics) have an impact on absenteeism rates.
9	Experience	In addition to costs and quality, customer satisfaction became an important indicator in the assessment of the service provider.
10	Office innovation	Powered by advanced IT and stimulated by the increase in traffic congestions, employees started working from home. Private offices were replaced by interchangeable and shared workstations. This change in functionality often leads to a reduction of floor space.
11	Marketing	The image of the organisation became important, as a result of the emerging 'experience economy'. Companies aimed to create a work environment that matched their corporate branding.
12	Hospitality	At its heart, it's all about people. If employees and visitors feel well treated, they will also perform better or give an order sooner. Hospitality became a spearhead.
13	Added value	Facility processes should add value to the processes they support. Slowly but surely, the question 'What does facility management cost?' shifted to: 'What does it yield?'
14	Healthy offices	More and more attention is being paid to the effect of the physical environment on the well-being of people. The healing environment concept is permeating the office environment in the form of healthy offices, with the underlying goal of increasing productivity.

TABLE 1.3 The focus in Facility Management in the Netherlands, from approximately 1990 to the present day (continued)

	Focal point	Characteristic
15	Sustainability	Together, building and construction are responsible for 39% of all carbon emissions in the world, with operational emissions (from energy used to heat, cool and light buildings) accounting for 28%. [en](World Green Building Council, 2019). Facility management plays a pivotal role in making business operations more sustainable, both in terms of buildings and installations and in terms of reduced energy consumption and waste.
16	Smart facility management	More and more buildings are generating enormous amounts of data. Linking data within a building (smart building) or between buildings (smart city) offers many new possibilities for data-driven facility management. Internet-of-things also creates challenges, for example, in the field of (cyber) security and privacy.
17	Risk management and business continuity management	Climate change increases the risk of extreme weather and thus, the risk of damage to or disruption of the business process. In addition, companies have to operate at a time of geopolitical instability with an increased threat of attacks and new technology creates new risks for business operations. The facility manager is responsible for safety and security on-site and for taking measures to be able to continue the organisation in the event of calamities.

Table 1.3 illustrates the shift in focus in the Dutch facilities market over time - however, it is indicative and only intends to give an impression of the influence of trends and developments in the field.

Inter-nationalisation

It is expected that the facilities market will become increasingly standardised. One of the drivers of standardisation is globalisation. The internationalisation of facility management is progressing rapidly. No more than five globally operating real estate consultancy companies advise many multinationals about all their subsidiaries all over the world. These consultancy companies use a limited number of office design concepts that are very similar. This creates a worldwide 'standard' for office design. Like fashion, office concepts are rapidly adopted by others.

The facility multi-service provider ISS is active in almost fifty countries around the globe. As a multi-service provider, Sodexo is also a global player - active in 72 countries. The Compass Group should also be mentioned here, albeit as a single service provider in the foodservice industry: present in around thirty countries. More and more of these (formerly) single service suppliers (providers of one type of service: either cleaning or catering or security) are focusing on the cross-border provision of integrated facility management (IFM). Among IFM's customers are many multinationals that are active in many countries. The European tendering procedures (mandatory in public procurement), also contribute to the internationalisation of facility management.

Norm

Another factor that contributes to harmonisation is the development of standards or norms. A standard is a document that provides requirements, specifications, guidelines or characteristics to ensure that materials, products, processes and services are fit-for-purpose. A norm thus ensures (inter-)national standardisation. There are two types of standards: technical standards and management system standards.

Technical standards

Technical standards provide support for the organisation to define and administratively organise components at various levels in the same way. Examples are the ISO 41011 and ISO 41013 (that replace the EN 15221-1)

on facility terms and definitions. Another example is the ISO 41012 Facility management - Guide for sourcing and drawing up agreements replacing the EN 15221-2. The purpose of this type of standards is an unambiguous definition of all aspects of the field of study, which, for example, makes benchmarking and professionalisation possible.

A management system is the set of interrelated or mutually influencing elements of an organisation to establish a policy and objectives, plus the processes to achieve those objectives. The components of a management system include the organisational structure, roles and responsibilities, planning and execution. The scope of a management system may consist of the whole organisation or sub-areas in the organisation. The system can also relate to one or more disciplines. Management system standards provide a methodology to structure and optimise the management system of the organisation. A fundamental management system standard for facility management is the ISO 41001, which was published in 2018.

The ISO 41001 describes the structure of a facility management system. Before the introduction of ISO 41001, there was no management system standard for facility management. This standard applies to all types of facility organisations, as it does not distinguish between internal facility organisations and external facility providers. Moreover, the standard is independent of culture, legislation and regulations, profit, non-profit or not-for-profit, public or private. For the standard, there is only one facility management organisation and one client organisation (the demand organisation). As a result, every facility management organisation, by definition, is seen as a provider organisation and is subject to the same rules. However, the standard only applies to facility management organisations that are a separate entity (organisation, business unit or department). Small organisations, where the management or the secretary performs the facility role, are not covered by the standard.

Management
system

1

ISO 41001

In addition to the ISO 41001, other standards are decisive for facility management, such as:

- EN 15221-3 Facility Management - Part 3: Guidance on quality in Facility Management (European standard)
- EN 15441-4 Facility Management - Part 4: Taxonomy, Classification and Structures in Facility Management (European standard)
- EN 15221-5 Facility Management - Part 5: Guidance on Facility Management processes (European standard)
- NEN-EN 15221-6 Facility Management - Part 6: Area and Space Measurement in Facility Management (European standard)
- EN 15221-7 Facility Management - Part 7: Guidelines for Performance Benchmarking (European standard)
- ISO 22001 Food Safety, Hazard Analysis Critical Control Point (HACCP) (global standard)
- ISO 22301 Business Continuity Management (BCM) (global standard)
- ISO 26000 Guideline for corporate social responsibility (global standard)
- ISO 31000 Risk management - Guidelines (global standard)
- ISO 90001 Quality management systems - Requirements (global standard)

It goes without saying that it is still essential to adapt services to local customs, for example, concerning working hours, eating habits and manners. On the other hand, social and economic mobility has been greatly enhanced by the free movement of people and goods in Europe.

Increasingly, facility professionals are dealing with people from different

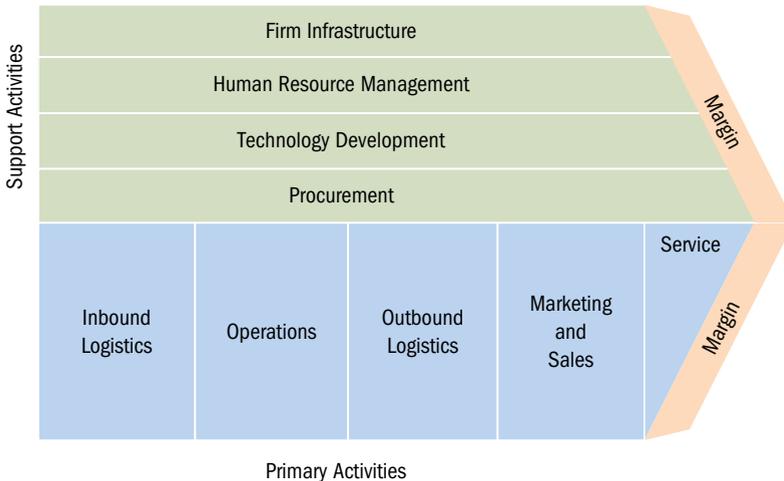
cultural backgrounds, both clients and employees. Facilities associations can play an essential role in developing an international approach that matches local customs.

1.5 The positioning of Facility Management

A very decisive development for the facility management field is clarifying the contribution of facility management to the success of the organisation; the so-called added value of facility management. Thinking about added value is not new in itself. As early as 1985, Porter introduced the model of the value chain. This value chain (see Figure 1.12) provides insight into the value that the primary and secondary (supporting) activities of an organisation add to the customer. In this model, facilities activities are part of the infrastructure and procurement (both secondary processes).

Value chain

FIGURE 1.12 Porter's value chain



To know where and how they can create added value, facility managers need a good understanding of the primary business processes. In this, the focus of the facility manager is enabling these primary processes.

As Table 1.3 illustrates, the focus on the added value of facility management is relatively new. If facility professionals can demonstrate the added value of facility management, thinking about facility management broadens from efficiency to effectiveness. In other words; the added value of facility management used to be to save cost. However, it is now clear that facility management is a success catalyst.

Success catalyst

An example: cleaning a building costs money. The direct result of the cleaning service is a clean building. In the past, clients usually considered how much money they wanted to spend on a clean work environment. Cheap services were seen as an indicator of the success of the facilities company. If the client includes the indirect result of cleaning in this assessment, it becomes

a different story. The indirect effects of cleaning are employee satisfaction, extending the lifespan of materials and the desired image of the organisation ('everything under control'). The question thus is no longer: 'Can we decrease costs?', but: 'What is the desired level of cleanliness, and how can we achieve this with the available resources?'. In other words: the cleaning quality and the positive effects of cleaning are assessed in relation to costs.

Indirect effects

Another example: the work environment costs money. These costs can be expressed in costs per workplace or annual costs per employee. If an organisation reduces the footprint of a workplace, the costs per workplace and employee will decrease. If the facility manager focuses exclusively on the accommodation costs, the introduction of an open-plan office concept is a successful operation. However, if s/he looks at the goal of the work environment, the optimal support of employees in their work, another image emerges. It may be that people are less able to concentrate because they do not have sufficient opportunities to isolate themselves. Disturbance reduces employee productivity. In that case, there is no question of a successful intervention at all. There is an excellent saying: 'Penny wise, pound foolish'. It means that someone is thrifty when it comes to small things and details but loses sight of thriftiness in the bigger picture. Insight into the relationship between savings and reduced productivity leads to a different perspective: the value-added. This insight drives the paradigm shift from a cost centre to a hospitable success enabling division.

Goal

A better understanding of the effects of facility management also changes the perception of the role of accommodation. Nowadays, accommodation is seen as a business resource instead of a necessary 'roof over your head'. Some examples:

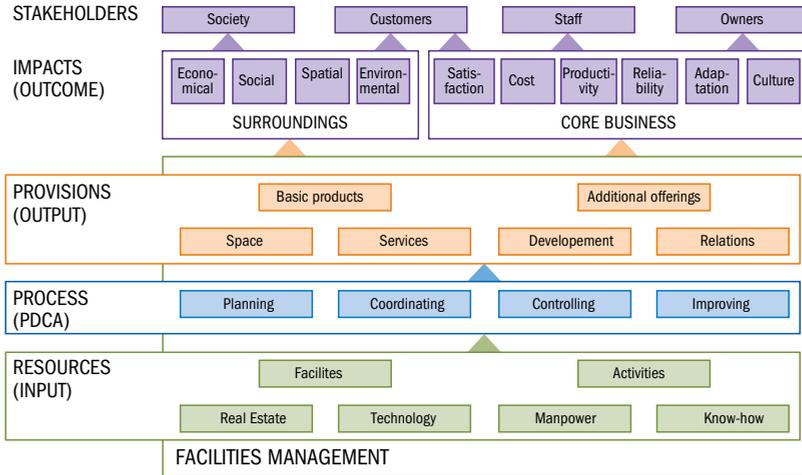
Strategic resource

- The building, with its specific appearance characteristics, is a means of expressing the identity of the company: transparent, modern, flexible and open, or somewhat hierarchical, reliable and traditional.
- A building contributes to attracting and retaining staff. In a company with an attractive and pleasant work environment, people will be happy to come and continue to work here.
- Buildings can contribute to cultural change. For example, if a company wants more cooperation between specific departments, openness and the exchange of knowledge between employees can be stimulated through the use of space.
- The physical environment influences people's well-being, for example, through the indoor climate. Smart design can stimulate (or 'nudge') healthy behaviour, for example, the use of stairs instead of the lift by placing the elevators out of sight.

A well-known model that illustrates the added value of facility management for the organisation or client is the FM value map by Per Anker Jensen (2010; see Figure 1.13). In this model, facility management can provide added value in the areas of satisfaction, cost control, support for productivity, increasing the reliability (stability) of the organisation, increasing the adaptability (flexibility), and supporting the organisational culture. Facility activities also have an impact on the environment the organisation operates in. These may include economic impact (e.g. by purchasing from local suppliers), social impact (e.g. by creating employment), spatial impact (through a choice of location, buildings and

parking facilities) and environmental impact (CO2 emissions, waste, local warming, local generation of renewable energy). This model illustrates that the added value is the *impact* of the facilities provided (the basic range and additional supply). Added value relates to the effect of facility management on core business performance, albeit mostly indirect.

FIGURE 1.13 The FM-Value Map



Value proposition

The added value of facility management for an organisation depends on the value proposition that the organisation (client) uses to distinguish itself from its competitors. Treacy and Wiersema (2002) identify three value propositions:

- 1 operational excellence;
- 2 product leadership;
- 3 customer intimacy.

An organisation will use all three strategies, but to stand out from the competition, it will want to excel in at least one of them. The dominant value proposition determines the added value of facility management for an organisation - because for a successful implementation, alignment of the internal organisation with the value strategy is essential.

Operational excellence

The value strategy of operational excellence is about the competition on price. In this type of organisation, the emphasis is on the most efficient and effective deployment of processes, people and resources to keep costs low. Examples of organisations that use this strategy are Ikea and McDonald's. The added value of facility management, therefore mainly lies in controlling costs, increasing productivity, controlling risks and increasing flexibility. Thorough risk management reduces the risk of (costly and process disruptive) calamities. The more flexible the design of the (work) environment and service processes, the faster and cheaper they can be adapted to changing demand.

The value strategy of product leadership revolves around a highly distinctive (innovative) product, as at Nike and Google. Organisations that use this strategy are continually looking for improvements and innovations in products and services to be able to distinguish themselves from the competition. Creativity and innovation are cornerstones for this strategy. The added value of facility management for this type of organisation mainly lies in the area of increasing customer satisfaction and supporting innovation, productivity, culture and image. Innovative organisations are always looking for talented employees. Thus, the image of an organisation is essential to attract the right people. Attention to employee satisfaction is vital to ensure that people are happy to work for the organisation. The building, the workplace concept and the hospitality concept all convey cultural values. The productivity and creativity of people are influenced by the layout and ambience of the workplace. If healthcare organisations have product leadership as a value strategy, the healing environment is an outstanding added value of facility management.

Product
leadership

1

The strategy of customer intimacy focuses on building a sustainable relationship with the customers, in which a continuous response is given to changing needs and wishes. This strategy then creates added value by offering customised and semi-customised solutions and acting as a partner in the development of products and services. Organisations must maintain the relationship with the customer to keep track of the market and to recognise trends and developments in good time. Examples of companies characterised by this strategy are Ahold Delhaize and Phillips. In any case, the added value of facility management in this type of organisation is to support the image and increase customer satisfaction and flexibility of operations. Depending on the values that are important to the organisation's customers, other values will also play a role, such as sustainability.

Customer
intimacy

Some organisations combine customer intimacy with operational excellence to customer excellence. This value strategy links customer focus (customer intimacy) to efficient operations (operational excellence). In particular, organisations involved in lean management apply this value strategy (see Chapter 5).

Customer
excellence

● www.facto.nl, 29 januari 2019

Best Practice Award 2018

Cleaning company Gom and Ibis Styles Haarlem City Hotel won the Best Practice Award. According to the laudatory opinion of the jury, the Ibis Styles Haarlem City Hotel and Gom create working conditions that 'set an example for the hotel industry'.

This award shows that it is possible to do things differently. At the beginning of this year, André Aaij signed the Code Responsible Market Conduct. His vision is that attention to people always pays off: 'The result is high job satisfaction and development opportunities for employees and a very clean hotel with a good occupancy rate. There is no difference between in-house

staff and hired staff: all employees regard each other as colleagues. Cleaning employees notice that they have added value and feel like an important part of the team and the process’.



1.6 Structure of this book

Coherence

The chapter classification of this book is based on a scheme that will be explained step by step. We have chosen a cone shape to define the coherence of the chapters. The basis of this cone is formed by the organisation, with the human being in top position (figure 1.14a). The mission, vision, values and brand (image) of the organisation form the context for facility management to take shape (Figure 1.14b). Several intermediate segments, or disks, are needed to achieve an optimal relationship between people and the organisation in terms of facilities. Figures 1.14a to 1.18b show a step-by-step closing of the ‘gap’ between humans and organisations from the bottom up and from the top down. A lateral and top view of the cone is shown at each step.

FIGURE 1.14a Lateral view

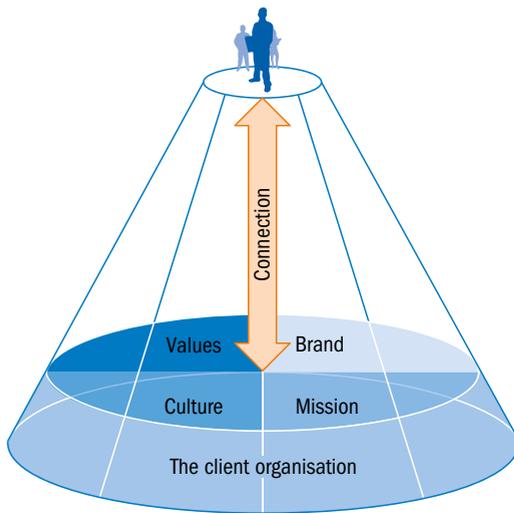
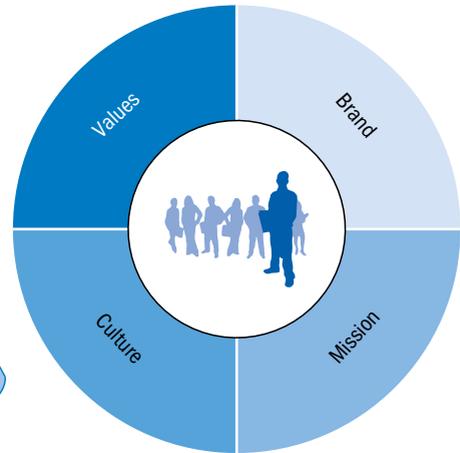


FIGURE 1.14b Top view



Facility management is about people in relation to the organisation to which they are affiliated. People are the focal point. The underlying assumption is that people will only make a useful contribution to the organisation if they are committed to it.

Every organisation has its distinctive characteristics, expressed through a brand, mission, culture and core values. The more people recognise themselves in these characteristics, the more loyal they will be to the organisation.

As far as the work environment is concerned, facility management deals with the relationship between users, whether they are employees, visitors or suppliers, and the organisation. A work environment is defined in the broadest sense of the word, including

the (residential) care environment and the recreational environment.

Facility management is highly context-dependent. To properly match supply and demand, it is crucial that the facility manager knows the organisation well and that the facility company or supplier also has a clear profile of itself. This is what it is all about:

- 1 Values. Core values express what is essential for the organisation in the ethical field.
- 2 Brand. This is the desired image of the organisation, identity, service or product with which it distinguishes itself from competitors.
- 3 Mission. This is the proposition of an organisation, usually starting with: 'We want ...', like Apple's: 'We want to make the best computers in the world.'
- 4 Culture. This is the common set of standards, values and behaviours shared by the members of the organisation.

FIGURE 1.15a Lateral view

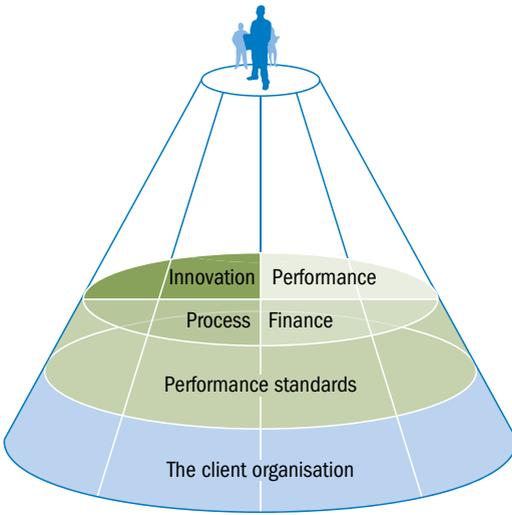
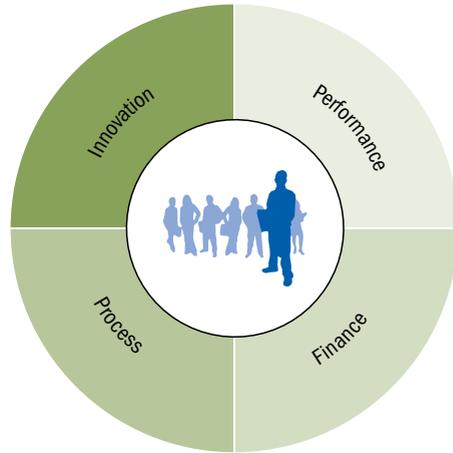


FIGURE 1.15b Top view



In addition to the characteristics mentioned above, every organisation has conditions that need to be met in order to continue to exist. This ring represents the four perspectives of the balanced scorecard: customer (performance), finances, processes, and learning and innovation. The balanced scorecard is a strategic planning and management system that organisations use to align the day-to-day work with their strategy. Every organisation will have to deliver a certain level of performance to stay in business. Besides, of course, the finances must be in order, and all processes must run efficiently. To remain competitive, the company must innovate.

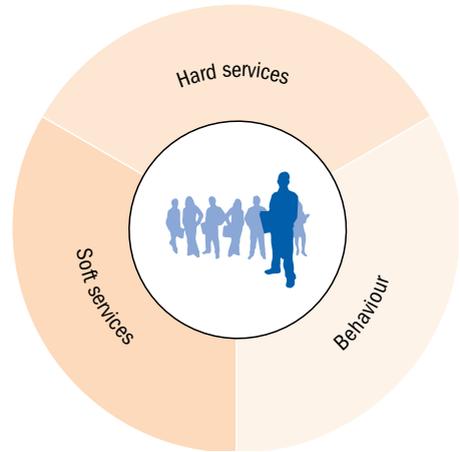
- 1 Process. This concerns the joint activities for the creation of a product or service - to make a positive contribution to the organisation's success.
- 2 Performance. All stakeholders and departments within the organisation must deliver a specific result, to jointly guarantee business continuity.
- 3 Finance. Commercial companies must make a profit, while non-profit organisations (such as the government) must remain within budget. Commercial facilities providers must make a profit to be able to guarantee the continuity of their business.
- 4 Innovation. The enormous technological developments are forcing every company to keep a close eye on these developments and to adapt to them with innovative solutions where necessary.

FIGURE 1.16a Lateral view



A person experiences the organisation through the work environment, among other things. There s/he perceives the behaviour of other people, the associated *hard services* and the user-related products and services, which we call *soft services*.

FIGURE 1.16b Top view



- 1 *Hard services*. These are services related to the built environment, such as new construction, renovation, refurbishment, building-maintenance, and maintenance of building installations.
- 2 *Soft services*. These include catering, cleaning, security and printing.
- 3 *Behaviour*. Behaviour determines how the work environment is experienced and vice-versa.

FIGURE 1.17a Lateral view

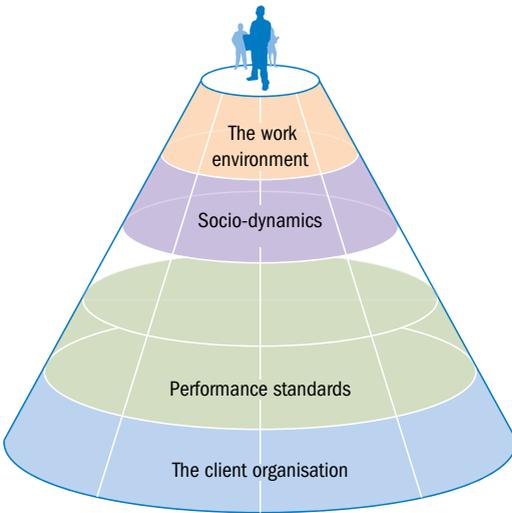
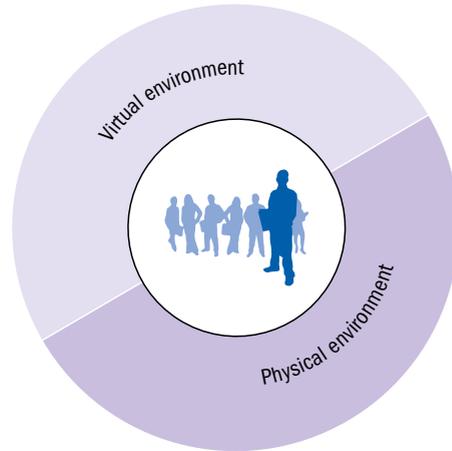


FIGURE 1.17b Top view



Due to far-reaching social developments, the work environment is subject to enormous changes. These changes concern the physical and virtual work environment. The latter can be anywhere if one can work with tools that are connected to the internet, such as laptops and smartphones.

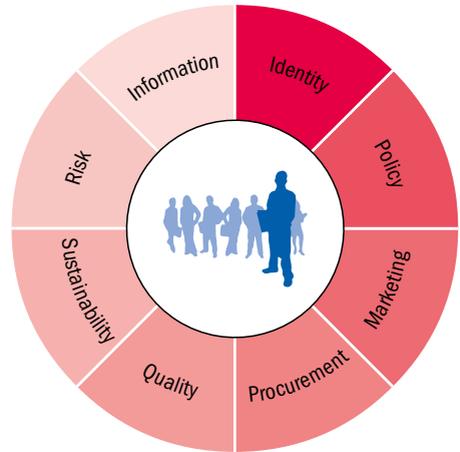
- 1 Physical. This concerns the built, physical environments, such as the building and its layout.
- 2 Virtual. Virtual refers to everything that takes place outside the physical work environment and in which information technology is used (such as the internet, the cloud, videoconferencing).

FIGURE 1.18a Lateral view



The field of facility management is concerned with adapting to the changing work environment to maintain an optimal relationship between the guests and the organisation.

FIGURE 1.18b Top view



This segment of the model contains the issues that the facility manager deals with at strategical level. Identity has to do with the branding and public relations of the organisation. Information management plays a vital role in maintaining control and being able to manage. By marketing, we mainly refer to the relationship with the guest and the management of his expectations. The policy also includes account management. The other topics in the cone are self-explanatory.

Figure 1.19 summarises figures 1.14a up to and including 1.18b, and relate to how the chapters are organised. A question reflects the core of each chapter.

FIGURE 1.19 Chapter structure and reading guide



The questions in the figure above are discussed and answered in this book. We will start with the key question: what is facility management? This question is the focus of this first chapter.

Facility management is highly influenced by social developments. This is why we believe it is essential to discuss the dynamics this brings about before we consider other aspects of facility management in more detail. The focus of Chapter 2 is *the influence of socio-dynamics on work and the work environment*.

In Chapter 3 you will find an explanation of the *perception of the work environment*. Hard services, soft services, and attitude and behaviour are topics that are discussed in this chapter, noting that hospitality is becoming increasingly important.

Chapter 4 deals with *the functioning of the facilities organisation*, related to the essential question: how does facility management maintain an efficient and productive work environment? The main functions of facility management are discussed.

Because the client organisation determines the conditions for facility management, we devote a great deal of attention to this in Chapter 5 *Quantifying facility management*. A facility manager is only taken seriously by the board when s/he is in control, in other words: when s/he steers on the relevant dashboard or scorecard parameters.

Facility management is a relatively new area of expertise. The developments in the past until now are discussed in Chapter 1, but further professionalisation does not stop there. How the discipline may develop in the future is outlined in Chapter 6 *The future of facility management*.

Finally, in this data-driven era, we believe students must develop skills in research. Research agendas and current research by Dutch universities of applied sciences with the relevant professorships are therefore discussed in Chapter 7 *Facility management research*.

Young Professionals in Facility Management

*Lisa Hut, Customer Success Director at Measuremen in The Netherlands
FM Graduate of the Year 2012 Hanze University of Applied Sciences, FMN Bachelor Student Award 2012; Finalist Student Poster Competition at EuroFM EFMC Conference 2013*



Where do you want to be in 5 years?

Where do you want to be in 5 years? I never had my answer ready. After successfully graduating, I decided to find a job in Amsterdam. Lucky enough, my first job interview was a success. I started working

for a start-up with global ambitions to improve workplace environments by collecting insights about the workplace.

I started as a project coordinator, and I loved working for all different corporate customers. The company expanded very quickly to other parts of Europe and inherently, my professional network was growing fast. Within three years, I was managing our operations in Amsterdam, London and Brussels. In 2016, my bosses trusted me in setting up shop in Australia. I became responsible for a widespread of activities such as Business Development, HR and Finance. Within a couple of months, our Sydney office was a fact.

I enjoyed every second of this journey and learned so much about different work cultures. Australians most likely do business with you if you come recommended by somebody else. Thankfully, there are a lot of network opportunities and Australians are very open to meet new people. For this reason, I chose to become a member of the FM Australia Association; it readily connected me to the right people.

With the Sydney office still operating, I moved back to our head office in Amsterdam. A new challenge awaited me: setting-up a new department to drive customer success in our meanwhile scale-up company. Life is unpredictable, so start journeys you never dreamed of starting. What will the next five years bring? Who knows!

Summary

-
- ▶ Facility management is the management of all services related to the work environment that are necessary to support people in their efforts to add value to the organisation. The work environment is a broad concept; it includes the office environment, but also the (residential) care and leisure environment.
 - ▶ Facility management supports the primary processes of the company (in-house FM-division) or the primary processes of a client (consultants and commercial providers of facilities services).
 - ▶ Organisations from various industries, with their specific primary processes, require different styles and approaches to facility management.
 - ▶ In organisations, we distinguish between strategic, tactical and operational levels. The strategic level is responsible for determining the 'policy', the tactical level for the organisation of processes ('preparation') and the operational level for 'performing' activities.
 - ▶ There are several ways to organise a facilities organisation: in-house sourcing, directing organisation or demand management organisation. It is not a normative classification, in the sense that a demand management organisation would be better than in-house sourcing. It is about finding a suitable service model in the context of the organisation.
 - ▶ The role of the facility manager and what s/he is responsible for varies from industry to industry and from company to company. The four major roles of facility professionals are manager, consultant, specialist and entrepreneur.
 - ▶ Various standards define the scope of the discipline. A standard provides for (inter)national standardisation, which avoids conceptual confusion. Two essential standards for facility management are the European standard EN 15221 and the global ISO 41000-series.
 - ▶ Facility management can provide added value for organisations in the areas of increasing (customer) satisfaction, controlling costs, supporting productivity, increasing the reliability (stability) of the organisation, increasing adaptability (flexibility) and supporting the culture. FM-activities have an impact on the business environment: economic impact, social impact, spatial impact and environmental effects.

- ▶ Facility management is a relatively new field of expertise that is still being developed. How these developments take shape, varies from country to country, and from region to region.
- ▶ Internationalisation of the field of facility management:
 - There is a growing number of multinational suppliers.
 - There is an increasing number of multinational customers.
 - Facility management and real estate management are increasingly converging, stimulated by providers who offer these services in an integrated manner.
 - Real estate advisors working for multinational clients have led to more or less standardised (global) workspace concepts.
 - Standardised concepts leave room for local flavour.
- ▶ The position of the facilities organisation in the company determines the influence of the facility manager. The facility manager can add value to the organisation by thinking and acting strategically - in line with the organisation's strategic course.
- ▶ The value strategy of the organisation (client) determines the added value(s) on which facility management will focus. Treacy and Wiersema identify three value strategies: cost leadership (operational excellence), product leadership and customer intimacy. Some organisations combine operational excellence and customer intimacy in one term: customer excellence.

Questions and Assignments

-
- 1.1** Explain why it is difficult to describe the field of facility management in a few sentences. Choose three words that, in your opinion, represent the core of facility management.
 - 1.2** In some organisations, facility management is not a supporting function but a primary function. Explain this and give an example.
 - 1.3** Within facility management, everything is aimed at the provision of services to the customer organised in the best possible way. However, there is often confusion about whom we mean by 'the customer'. Give two reasons for this confusion.
 - 1.4** Search the Internet for at least two organisation charts. Show where the support services (such as facility management) are positioned. And do you notice anything else? Motivate your answer.
 - 1.5** A facility manager of an office organisation is asked the following two questions: 'What does a good cup of coffee cost' and 'What does a good cup of coffee yield'? Which of these two questions do you find most interesting? And why?
 - 1.6** One of the main tasks of a facility professional is to create a 'fit-for-use' environment. Take the school in which you are studying or the environment in which you work as an example, and describe to what extent the facilities are geared to the wishes and needs of the users.
 - 1.7** In day-to-day professional practice, facility managers are faced with the challenge of finding a balance between quality, costs and customer satisfaction. Explain this based on an example of your own choice.
 - 1.8** The facility management field has become increasingly international over the years. Give two reasons for this development.
 - 1.9** At which organisation would you like to be a facility manager: the head office of a tech company, a large municipality, a leading academic hospital; an event venue, or the internationally operating caterer Sodexo? Motivate your choice.
 - 1.10** Suppose you are a facility manager in a hospital. Who decides whether the services you provide have added value?
-