

Facility Management is on the Way to the Board

Report on the European Facility Management Conference (EFMC),
10 and 11 June 2008, The Palace Hotel, Manchester, United Kingdom

- Changes in climate and demography provide opportunities for FM
- Key issues: strategy, sustainability, education
- Concept of a Chief Facility Management Officer

Duesseldorf/Manchester, June 2008. Facility Management (FM) has to become part of the corporate strategy in order to meet economic and ecological demands. This is the principal result of the European Facility Management Conference (EFMC) which was held on 10 and 11 June in Manchester, United Kingdom. More than 400 delegates from 30 countries discussed international FM strategies, sustainability, education and change management. The Business Conference and the accompanying Research Symposium were hosted by the International Facility Management Association (IFMA) and the European Facility Management Network (EuroFM). "FM grows and becomes more professional," summarized Remko Oosterwijk, Chairman of the CEN/TC 348 standardization committee. David Martinez, Consultancy Director at 3G-Office and Secretary of IFMA Spain, appealed to preserve the strategic value of FM to secure the FM profession and business. "FM has a key role in the development of a sustainable society," declared Peter Cordy, Chairman of the British Institute of Facilities Management (BIFM).

"The world needs help from the FM industry"

Economist and futurist Hamish McRae named five great medium-term global shifts: demography, environment, globalization, technology and government. He predicted a downsizing of global economy and stated "the greatest shift of economic power for 200 years". Beneficiaries of this shift were the "BRIC" countries Brazil, Russia, India and China. "China is the largest net demander in the world," Mc Rae said. He assumed that oil prices would not decrease soon because the developing countries would not reduce their consumption. McRae expected the prices of metals, energy and food to increase as well. All businesses needed help to face the new economic and ecological challenges. Crucial questions were how to lift productivity and quality, how to use labour

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more clever and how to lower energy use. This was where FM tasks and strengths flowered out. "Years to worry about are 2009 to 2011. 2008 is the year to act," McRae pointed out. He discerned a "great commercial opportunity for the FM business".

FM topics: recognition, sustainability, education

A panel discussion considered similarities and differences in FM worldwide. Stephen Ballesty, Managing Director at Rider Levett Bucknall Australia, and Alan White, Chairman of the RICS Faculty Board, deplored a lack of understanding and recognition of FM. They pointed to the importance of communication to illustrate the benefits of FM. White also alluded to education, and so did BIFM's Chairman Peter Cordy. He argued for developing a career path considering the integration of people, society and environment. Cordy defined FM as a "catalyst" affecting people's everyday life. "FM influences society in general," he said, "and is increasingly recognized." Steve Gladwin, Managing Director at Hochtief Facility Management UK and Ireland and Chairman of Global Facility Management Association (Global FM), mentioned education and sustainability as hot topics affecting the FM industry. Sustainability for him was the key issue with the FM business playing a key part in educating people in what sustainability could do. Emergency preparedness, standardization, customer satisfaction and change management were other main topics, as Olav Egil Saeboe, Secretary of Norwegian Facility Management Network, summed up.

Global FM in a changing world

John McGee, First Vice Chair at IFMA, called for linking FM to the business strategy. Especially regarding change management, the definition and role of FM had to be made clear. Sustainability as well had to be integrated into a strategic plan. According to McGee, the strategic impact of FM was also shown in respect of risk management, business continuity and technology. EuroFM's Chairman Albert Pilger, Managing Director of Pilger Facility Management and Director of Studies for FM Academy Graz, explained that the issues did not stop at national borders. FM today meant procurement and services across borders due to international mergers of construction companies and FM providers. "FM is an inseparable part of the organization that cannot be outsourced. FM has to be integrated in the corporate strategy," Pilger pointed out: "FM is on the way to the board." IFMA Spain's Secretary David Martinez addressed the concept of a Chief Facility Management Officer (CFMO) as a future board member.

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Strategic FM

At StatoilHydro, the FM division is part of Global Business Services, as Svein Harald Storli, Vice President Facility Management Services, explained. FM supported the company's core business, and the interpretation of the corporate strategy led to the FM strategy. "FM has changed from running operations to a business partner," he declared with regard to the strategic focus. Maril van Waes, Facility Management Leader for EMEA region at Dow Chemical, stated that FM had to gain credibility by showing clearly the added value and its contribution to the company's success. She said that Dow Chemical had saved costs of 15 per cent on the total FM budget since they had implemented a global FM organization. Ellen Bruce Keable and Valerie Short, Jacobs Consultancy, confirmed that FM had to become a strategic advisor and to prove its values. They showed the concept of a "responsive workplace" as an example of strategic facility planning.

Future perspective: "Total FM"

Kristof Vanvelk, Facility Manager at Philips Belgium Luxembourg, reported on the shift towards "Total FM": a strategic facility manager – who is subordinate to a contract manager from the real estate side and a service manager from the FM side – coordinates several service providers which are superior to contractors. Vanvelk described the future FM function as a combination of human resources, information technology and space management.

The next European Facility Management Conference (EFMC) will take place on 16 and 17 June 2009 in Amsterdam, The Netherlands.

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