AGILEOAK

VIEWPOINT ARTICLE

High Performing Facility Management Organizations

A Review of the Essential Attributes Characteristic of High Performing Facility Management Organizations

FacilityONE

Introduction

Facility Management (FM) organizations face an increasingly challenging business environment. There was once a time when the expectations for a facility management organization were fairly straightforward. Facilities organizations were counted on to:

- Ensure business reliability
- Manage customer satisfaction
- Ensure safe operations

Expectations have since become much more demanding, with FM organizations now relied on to support a list of much broader business objectives including:

- Ensuring predictable, competitive costs
- Delivering services to measurable standards of quality
- Ensuring business continuity
- Managing infrastructure assets optimally over their entire lifecycle
- Tailoring services to the needs of individual business units
- Optimizing real estate portfolios
- The creation of a productive, collaborative, work environment

This article will explore the attributes of organizations that have evolved to effectively meet these challenging expectations in the context of the modern business environment.

Discussion

A Framework for FM Organizational Effectiveness

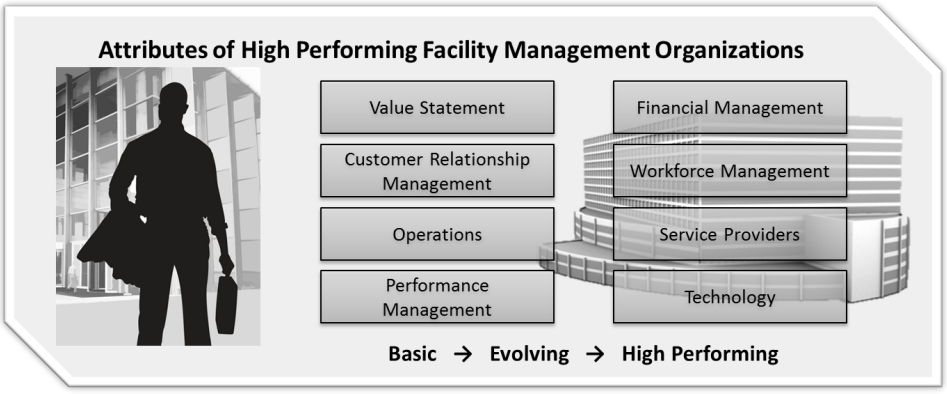
A framework for FM organizational effectiveness needs to be put in the context of the core responsibilities of a facility management organization.

As we examine these core responsibilities we see that a broad array of skills and capabilities (collectively attributes) are needed. Enabling customers requires a deep understanding of their core business. Delivering services, whether it be mail, food, security, moves or other requires the ability to manage and motivate a customer focused work-force as well as the ability to understand customer business requirements and manage customer expectations.

Managing the "built environment" requires that the facility management organization optimize space management and, more broadly, ensure the healthiest, most productive work environment possible given the constraints of the infrastructure. This means not only managing building density and allocating space effectively, but also addressing noise, lighting, indoor air quality and other issues that can either complement or detract from customer productivity.

Finally, a facility management organization must be able to develop and manage the maintenance and capital programs required to optimize building functionality, asset life, reliability and on-going cost of operations.

Clearly an effective facility management organization needs a continuum of business, service and operational capabilities. Agile OAK has identified eight attributes which are characteristic of these high performing facility organizations.



"Top performing FM organizations go beyond achieving efficient operations and focus on adding value business to the core business"

This article will examine each of these attributes and how they enable high performing Facility Management.

The FM Value Statement

How does a facility management organization create value for the business it supports? The traditional answer to this question has involved a high level of responsiveness to customer requests and the ability to react quickly to specific concerns and infrastructure deficiencies.

Increasingly challenging economic conditions have left this model wanting. Success requires not only responsiveness but also highly ***efficient*** operations. Achieving the latter has required organizations to possess a good understanding of their current cost structure in order to compare with other organizations and begin implementing programs to eliminate waste.

Efficiency then comes from taking actions that either directly reduce the cost of services or shorten the amount of time that core business resources spend on facility related activities. Examples include streamlining the service request process, increasing the density of the facility or reducing cycle time for moves. All of these activities lower a company's consumption of resources.

Top performing FM organizations go beyond achieving efficient operations and focus on **adding value** business to the core business. This contribution to the core business typically occurs in two ways:

1. Taking actions that directly impact core business productivity
2. Providing information that enables better business decision making

Space planning is an example of a facilities management contribution which can, if properly executed, improve the performance of a client's core business. Increasing occupant density and reducing the cost per occupant lowers overall costs and drives ***efficiency***. This efficiency further reduces the consumption of resources, but doesn't necessarily increase business productivity. In fact, if poorly done, increasing density may actually lower employee satisfaction and business unit productivity, resulting in an overall negative impact despite its potential cost savings.

"The ability of a facility organization to effectively anticipate and plan for future business requirements is a strong indicator of a high performing FM organization"

On the other hand, a space reconfiguration that increases collaboration and improves employee satisfaction and retention may have a significant impact on core business productivity even if its implementation is cost neutral or has some increase in direct costs.

Following the previous example, a data-driven structure – one which has been built on the foundation of not just analyzing data on how current work-space is being, but also asking probing questions about the company's strategic outlook – is essential to developing value added solutions.

Data-driven decision making also provides an opportunity for facilities organizations to deliver improved productivity. Economic pressures have required many organizations to reduce their cost of facility operations. Significant savings have been achieved in some cases, however a significant proportion of FM organizations still cannot accurately report on their total cost of building ownership, total cost of occupancy or total cost of operations. By providing complete and accurate building and occupancy cost information across a distributed portfolio an FM organization can enable the core business to make better strategic decisions about where to locate people and services. This decision making support is an essential component of being "value added".

Achieving this implies replacing a culture where facility decisions are made in reaction to daily pressures with one where data-driven facility decisions are made based on deep insight into company goals and objectives.

The ability of a facility organization to effectively anticipate and plan for future business requirements is a strong indicator of a high performing FM organization. Of course, for an FM organization to fully understand and identify these opportunities it must be close to the customer. This takes us to the next dimension of high performing facility organizations.

Customer Relationship Management

At its simplest level customer relationship management is transactional. Facility occupants or business unit customers make a request or identify a problem to the facility organization and the FM organization responds. Customer service becomes defined as responding effectively to requests

or complaints. This response usually take the form of repairs or projects, in which case the value proposition is often expressed as "time to repair" or "time to implement".

As facility organizations become more sophisticated, they start self-identifying and addressing these issues before they are raised by the customer. Examples include near-empty paper towel dispensers in restrooms being replenished before the roll is finished, dim or off-color lights being replaced and renovation projects proactively initiated. Ultimately, value is expressed by the capacity to remedy issues in the work environment before they are identified by the customer. High performing organizations actively track the ratio of self-identified facility issues versus those identified by the customer.

When failure events occur, they are analyzed and work routines modified to prevent recurrence. Additionally, high performing FM organizations are part of longer term business unit planning. This allows for early insight into changing needs (such as more private space, more flexible workspace and increased or decreased staffing) and develops solutions before the need is manifested in the workplace. The key is for the FM organization to be engaged early in the business planning process to ensure that the best possible solutions are identified early and implemented in a seamless and timely fashion. This approach sets up the conditions required for an FM organization to be "value-added" as opposed to just efficient.

High performing Facility Management organizations have customers which are interested and engaged. Most complex customer / provider (where in-house or outsourced) relationships will at times experience periods where customers do not completely understand what they need to bring to the equation, or why certain requests are being made on the part of the vendor. Customers which maintain an engaged relationship with an FM organization, and which remain optimistic about that relationship are also those which provide thoughtful feedback, and are collaborative on change requests and corrections.

"This approach sets up the conditions required for an FM organization to be "value-added" as opposed to just efficient"

To summarize, best performing FM organizations understand the duality of their role. They have developed the ability to address customer needs (building occupants), which are usually well-defined and clearly expressed for example, in the form of work orders, as well as client needs (divisions

or departments). The latter are often more tacit and require building strong organizational relationships in order to fully understand evolving expectations, as well as the development of more complex solutions which could possibly impact multiple departments at once (as in the case of space planning).

Operations

"Always Better, Never Best" is the mantra of "lean" organizations. High performing facility organizations ensure reliable facility infrastructure as well as deliver quality services in a consistent, repeatable manner. This might suggest that such attributes come at an additional cost, but interestingly benchmarking studies have shown that organizations delivering high quality services usually achieve a low cost of service delivery.

At the most basic level of operation, facility organizations primarily rely on the experience of their personnel to ensure high quality service delivery. While skilled personnel represent an essential component of a high performing facility organization, relying on training and skill to achieve a consistently high performing facility environment is insufficient for several reasons as illustrated below:

- Lack of shared understanding of service levels
- Inconsistent views as to appropriate / optimal maintenance strategies
- Inefficient coordination of parts, materials and resources
- Technical errors in work maintenance execution (for example the use of incorrect lubricants and torques, as well as missed preventative maintenance activities)

A moderate-size facility might have several thousand infrastructure assets. These include fans, hydraulic pumps, valves, controllers, chillers, boilers, heat exchangers and a whole variety of utilities, control systems and monitoring points. Regardless of the mechanical experience of maintenance and repair staff, it is not possible to deliver optimum asset care without a disciplined approach to work execution supported by documented work methods, processes for work scheduling and coordination and detailed asset data (including history information).

"relying on training and skill to achieve a consistently high performing facility environment is insufficient"

Better performing organizations make use of disciplined work processes. Having well documented, consistent work processes leverages the experience of the technicians by:

- Ensuring consistent work execution irrespective of who performs each task
- Providing consistent documentation of required tasks and materials for routine or repetitive work
- Maximizing productivity by ensuring planned coordination of work, parts and vendors
- Trouble shooting enabled by consistent work history documentation
- Reduced risk to operations resulting from personnel transitions

The highest performing organizations have a disciplined approach to process optimization. Whether it is traditional continuous improvement model such as "plan > do > act > measure" or more sophisticated models such as "Lean", "Kaizen" or "6-sigma," the highest performing organizations are never satisfied with their current level of performance and have a disciplined approach to ongoing performance review and process optimization.

This approach is usually complemented by an asset standardization strategy designed to avoid the multiplications of parts, standard operating procedures or necessary skills needed, for instance, to service a chiller or assemble a work station.

Performance Management

In the 1980's a commonly promoted management technique was "observational management" popularized by business author Tom Peters under the moniker "Management by Walking Around" or "MBWA":

> *Unstructured approach to hands-on, direct participation by the managers in the work-related affairs of their subordinates, in contrast to rigid and distant management. In MBWA practice, managers spend a significant amount of their time making informal visits to work area and listening to the employees. The purpose of this exercise is to collect*

"Better performing organizations make use of disciplined work processes"

"The highest performing organizations have a disciplined approach to process optimization"

> *qualitative information, listen to suggestions and complaints, and keep a finger on the pulse of the organization. – businessdictionary.com*

Considered innovative in its time, MBWA has become a dominant mode of management for many facility organizations. While the model of observing and interacting is highly effective for assessing and shaping workplace behaviors, it is less effective at evaluating the overall performance of an organization against either internal company business goals or external peer organizations. While a savvy manager can often make astute observations, one cannot reliably assess cost efficiency, projected equipment reliability or service response time simply through observational methods.

In the early 1990s the notion of facility management benchmarking was introduced to the facility management profession, and since then the availability of benchmarks has proliferated. Facility management-related benchmarks are available from trade associations such as BOMA and IFMA and, to varying degrees of quality and reliability, from commercial entities and consulting organizations.

Performance benchmarks, which are the most commonly available type, enable organizations to compare cost and varying aspects of facility performance. This can be useful for identifying targeted areas of improvement as well as for setting achievable cost reduction goals.

There are a number of issues associated with using performance benchmarks alone as a management tool, including the following:

- They are typically performed on an annual or multi-year basis, and are thus more useful for long term guidance rather than near term decision making
- It is often difficult to collect truly comparable data across many different organizations (the "peer group"), thus minimizing the reliability of some benchmarks
- Data collection and analysis requires significant effort to produce meaningful results
- Benchmarks reflect performance against other organizations, but not against internal organizational goals

"The highest performing facility organizations measure performance on an on-going basis and integrate this information into everyday business decision making"

Notwithstanding the limitations, we have observed facility management performance benchmarking to be useful in establishing longer term / strategic initiatives. Higher performing organizations, however, will supplement ***performance*** benchmarking with ***process*** benchmarking.

Process benchmarking refers to a style of benchmarking where there is less focus on exchanging cost and performance information and more emphasis on gathering information about the work methods and practices that allow organizations to achieve high levels of performance.

The highest performing facility organizations measure performance on an on-going basis and integrate this information into everyday business decision making. Whether only a few key performance indicators are captured, reported and discussed on a regular bases or whether a more formal program such as "The Balanced Score Card" is implemented, there is ongoing use of performance information to drive business decision making.

Approach to Financial Management

Many facility organizations function from an *operational* as opposed to *financial* sensibility. What does this distinction mean? At their most basic, facility organizations are aware of business cost pressure but rather than focusing on financial controls they view spending as the inevitable outcome of performing the operational functions required to achieve the desired level of facility reliability or customer service. The annual budgeting process is a negotiation that is based on a percentage increase of the previous year's budget justified by inflation or changes in the facility profile.

More broadly speaking, corporate budget structures and mechanisms are typically not designed to enable the effectiveness of facility operations. The general ledger may allocate funding to spend categories which are not well aligned with the essential activities of facilities management. Complexity is added as a result of "allocations" which are not well understood by the senior FM management team, as well as by the fact that some FM spending may actually be absorbed by other departments or business units. For facility management teams operating within this financial paradigm, there is often the feeling that budgeting and financial

"Unfortunately this model of driving cost effectiveness contradicts benchmarking data which suggests that the highest performing organizations also operate with the lowest cost profile"

management is something which is done "to" them, as opposed to a process which they own and can use to understand operations, to identify anomalies and drive operational efficiencies.

In this environment, capital projects are justified on an individual return on investment basis (such as energy upgrades), or justified as "end of life" replacements required to sustain operations (for example replacing an old chiller). When savings are demanded, individual capital projects are cut or deferred. Operationally, staffing might be reduced with an attendant deferred or operational service levels reduced (end result: cleaning frequencies reduces, PM activities reduced or deferred).

Unfortunately this model of driving cost effectiveness contradicts benchmarking data which suggests that the highest performing organizations also operate with the lowest cost profile. The first level of financial maturation comes with the migration from reactive to proactive financial management. This starts with the establishment of a disciplined budget with the general ledger structure designed around the activities of the facility management organization, and it requires that the FM team be able to express the data associated with these activities in a meaningful way to those at the executive level. At its most effective, facilities management does not operate entirely on the day-to-day or strategic level but makes use of a blend of both, with credibility in the former going a long way towards reinforcing the utility of the latter viewpoint when communicating with high level decision makers.

Budgets are built on a "bottoms-up" basis using a zero based model. This has a number of implications for the facility management organizations including:

- Minimal monthly budget variances
- No "surprises" as a result of accrued expenses
- Ability to quickly identify and correct cost-inefficient services
- Clear organizational accountability for all budget line items
- Ability to compress spending through controlled service impacts
- Ability to provide accurate "charge back" of expenses to business unit customers

The highest performing facility organizations operate at a very sophisticated level of financial discipline. The facilities budget is reviewed on an ongoing basis, variances are assessed and corrective action is quickly taken. Analysis is used to ensure that FM organizations have a good understanding of "**TCO^3**" - Total Cost of Operations [(1)], Occupancy [(2)] and Ownership [(3)].

Because the underlying cost drivers are well understood (space, occupants, service levels), the FM organization is quickly able to develop scenarios modeling costs for fundamental changes in the facility profile such as space expansion, occupancy changes and occupant density changes. This ensures that supported business units are able to make fully informed cost decisions and that the cost impact is predictable when FM operations are expanded or contracted (for example, in relation to new services or footprint).

It is also important to consider how an organization perceives and manages financial risk. Challenging economic or business conditions often present the opportunity for FM personnel to propose operational changes and strategic concepts whose financial efficiencies make them more appealing (when compared to entrenched policies) than they would be in less troubled times. Even so, there are certain industries where the institutional approach to risk management can become a significant cultural factor that must be overcome in order to transition to a high performing model.

Workforce Management

"High performing organizations design staffing levels, roles and responsibilities to match the work required to sustain assets and deliver customer services"

The traditional model for facility management organizational design is evolutionary. FM Organizations inherit a legacy organizational model and this model gradually evolves (either expanding or contracting) in response to changes in services, footprint or business pressures.

The identifying characteristic of these organizations is that essential work (whether maintenance or customer services) is allocated to the organization based on the capabilities of the individual workers. In some cases positions and their associated job descriptions are designed based on the skills and aptitudes of the specific workers. General training

focuses on the mandatory requirements impressed by regulatory authorities (safety, environmental, hostile work environment) while skill training occurs on an ad-hoc basis, often either as the result of a request from the worker or as part of OEM training for new equipment. Work beyond the skills and capabilities of the workforce is executed by third party providers.

This common organizational model can be suboptimal for a number of reasons:

- Workers are often performing significant amounts of low value work relative to their compensation
- Ad-hoc organizational model does not offer workers a good career path
- Work assignments are tailored to the worker, thus eliminating any incentive to improve skills or productivity
- Difficult to hold workers accountable for performance
- Reliance on expensive third party providers to deliver services which should be performed in-house
- Inefficient, high cost operations

As FM organizations evolve, we see a migration to an increased emphasis on workforce productivity. This is typically enabled by good work management tools (such as the implementation of a Computerized Maintenance Management System or Work Management System) and data collection so that supervisors can hold workers accountable for performance. Investments in technology and skill training further enable higher levels of performance, as does the implementation of strong leadership at the team level in order to maintain a consistent direction for employees.

Ultimately, high performing organizations design staffing levels, roles and responsibilities to match the work required to sustain assets and deliver customer services. Thus the number of electricians, mechanics, cleaners and customer services representatives that are needed is defined by the work required to deliver services, objectively determined on a top down basis using benchmark organizational data or on a bottoms-up basis through the analysis of historical work volumes. Workers are then staffed to match the available work. Training and skill development routines are

designed to ensure that workers can effectively perform their jobs and prepare for the next level of promotion within their organization.

Third party service providers are used where they are more efficient than in-house solutions or for work that requires specialty skills that are not cost effective to maintain in-house. This is discussed in more detail in the next section.

Benefits of this approach include:

- Cost of work is proportional to value of work performed
- Clear standards of performance accountability
- In-house organization that is competitive with external facility organizations
- Culture of high performance and cost efficiency

Service Providers

Even facility organizations that describe themselves as "in-house" or "self-performing" typically have a strong dependence on third party service providers, with these providers often performing 30 – 60% of the work. In the case of some larger facilities we have seen several hundred service providers performing a variety of functions ranging from supplemental facility maintenance to security and food services. Clearly, when so much of the work of the organization is dependent on third parties, having an effective strategy for the use and management of these service providers is essential to the overall performance of the facility organization.

There are a number of strategies that can be employed with respect to the use of third-party service providers. The most common models are ***supplemental labor***, ***out-tasking***, ***category sourcing*** **and** ***integrated facility management (IFM) sourcing***. These models are not mutually exclusive, and complex multi-site facility organizations often have several outsourcing models existing in parallel.

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Supplemental Labor:

The supplemental labor model refers to using service provider employees as temporary employees. These workers, who are typically employees through an agency, integrate with the in-house workforce and perform tasks similar to those (clerical, technical or management) performed by in-

house employees. Particular care must be taken with supplemental labor to avoid co-employment issues.

Out-tasking:

This refers to the practice of bringing service providers in to perform specific tasks (either repetitive tasks or on-demand work). For example separate contractors might be hired to perform routine chiller maintenance, filter changes, air-balancing, carpet cleaning, window washing and parking lot striping. These providers are most often paid on a time and material basis with a very significant mark-up (often 100% or more) on labor.

Category Sourcing:

Category sourcing may be either "task-based" or "performance-based" depending on the contract structure and services. In this case a service provider is responsible for delivering the full array of related services. For example, all food services (cafeteria, vending, pantries and catering) may be outsourced on a "category" basis to a single service provider. Similarly, cleaning, building maintenance and grounds maintenance may each be outsourced to an individual service providers specializing in each of those categories.

Integrated Facility Management:

IFM sourcing refers to the practice of bundling multiple or all categories of facility-related work and outsourcing to a single service provider. This single service provider will deliver services through a combination of self-performance and sub-contracting (hence the expression "Integrated Facility Management"). The IFM model is typically performance-oriented as opposed to task-oriented. Because of the volume of services being provided, the management fees are typically far lower, on a percentage basis, than they would be for services delivered on an out-tasked or time and material basis.

"Each of these sourcing strategies has the potential to create high performing results when the approach is carefully tailored to the needs of the business …"

At their most basic, FM organizations use service providers to supplement the capabilities, skills and capacity of their existing workforce. This can be for work that exceeds the technical skills of the work force or for supplementary work which is required due to specific projects, failures or excessive backlog. Often this work is contracted on a verbal or purchase order basis with minimal or no competitive process. While this may ensure that essential tasks are completed, providers are often working

without performance accountability and may be charging significant premiums for their services.

As organizations mature, they start to identify key repetitive tasks (for example routine chiller and boiler maintenance) and competitively bid these services. Pricing may be unit pricing or time and material and is usually more competitive than what is received for work done on a call-in basis. High performing organizations develop a much more strategic approach to their service provider relationships. Whether they are predominantly out-tasked or have migrated to an integrated facility management model, their use of third party service providers is determined by an overall strategy designed to best support the core business and ensure efficient service delivery.

High performing out-tasked organizations have clearly segmented work that is not effectively performed by their in-house organization (either due to large swings in workload, specialist skills required, or access to a lower cost workforce) and use contract structures designed to maximize the value and performance accountability of each relationship. Organizations that have moved to a predominantly category sourcing model are typically working with eight to twelve specialized providers who have broad performance accountability for self-performing their scope of services. They tend to act equally as both strategic advisors and service delivery partners. Pricing is competitive and providers are expected to demonstrate innovation and service enhancements over the course of the relationship.

The Integrated Facility Management model is used by organizations which have decided to substantially exit the business of day-to-day management of facility services in order to concentrate fully on core business practices. Integrators typically use a combination of self-performance, category and out-tasked sub-contracting to deliver the services. This gives the client organization a single point of contact and accountability for all services delivery, leverages the integrators expertise and procurement capabilities and provides consolidated reporting (financial and performance) and invoicing.

Each of these sourcing strategies (out-tasking through to IFM sourcing) has the potential to create high performing results when the approach is

carefully tailored to the needs of the business and aligned with the desired organizational strategy.

Technology Strategy

Creating an effective, high performing facility organization requires an effective technology strategy to manage work, assets, resources and space.

Traditionally, facility work was managed through the use of paper-based systems. While paper-based systems can be used to both issue and manage repetitive work they feature a number of limitations:

- Unwieldy to manage for large facilities
- Require significant administrative support
- Data must be manually extracted to spreadsheets and other programs for analysis and insight
- Data is not available remotely
- Limited functionality

Modern technology systems allow for much more flexible work, asset, space and data management. Systems customized for facility management can support a number of FM related business activities including, but not limited to:

- Call centers
- Space management
- Space reservations
- Work orders
- Productivity
- Employee management
- Inventory
- Purchasing
- Tools and equipment
- Asset management
- Preventative maintenance
- Predictive reporting
- Financial and performance reporting

Some technology solutions are special purpose, designed to support a single functional requirement, while others offer a broader spectrum of potential solutions or may even be part of an expanded enterprise solution. As a result, solutions are specified and purchased at different levels and by different business units in the organization, which leads to some challenging questions. Specifically, should purchasing capabilities be integrated into a computerized maintenance management solution or should the FM organization leverage its company's corporate procurement platform?

From a practical perspective we find that as companies evolve in their FM technology strategy they end up deploying several systems and platforms to support essential functions, often, there is limited ability to exchange data across these systems, which results in fragmented utilization. This problem is further compounded when systems are deployed without a clear vision as to how business processes need to evolve. In many cases, only 10 – 30 % of the functionality and potential value of a technology solution ends up being used in the field.

Technology cannot be embraced as a panacea. Any solution needs to be systematically evaluated in order to determine how it fits within the overall process of improving the organization. Software tools which might be an excellent fit at one company, for example, may have no place at another due to the different role it is expected to play.

High performing organizations have a clear vision as to how their business processes should be deployed and they know what technology is required to enable these processes. The necessary functionalities are mapped back to the desired systems (CMMS, CAFM, HR Systems, ERP) and detailed functional specifications are developed. Systems are then deployed in a manner that maximizes their utility and, where appropriate, enables data exchange. This ensures, for example, that when a work order is executed infrastructure asset data is updated, employee time is tracked, parts utilization is monitored and all activities happen with a minimum of administrative overhead and duplication of effort.

"In many cases, only 10 – 30 % of the functionality and potential value of a technology solution ends up being used in the field"

Conclusion

Bringing It All Together: FM Organizations Roadmap

We have discussed the individual attributes of effective high performing FM organizations, but it's important to remember that high performing organizations cannot achieve success by simply focusing on one or two attributes. We have demonstrated that the various dimensions of effectiveness are inter-related. It is impossible to provide value-added support to facility customers without effective operations, and effective operations are delivered by high performing employees and service providers, and are enabled through the use of well-deployed technology solutions.

High Performing FM Organization Roadmap	1	2	3
Attributes ▼	**Basic**	**Evolving**	**High Performing**
Value Statement	Fast Response	Efficient Operations	Value Added
Customers Relationship Management	Problem Solving	Need Responsive	Proactive
Operations	Experience Driven	Process Driven	Improvement Driven
Performance Management	Observational	Benchmarking	Measurement Driven
Financial Management	Compete for Funding	Budget Driven	Return Cash to the Business
Workforce Management	Work Matches Workforce	Focus on Productivity	Workforce Matches Work
Service Providers	Extension of Workforce	Task Oriented	Strategically Managed Resource
Technology	Rudimentary / Ad-Hoc	Basic Functionality	Integrated Business Enablers

We find that many organizations striving for high performance focus on only one or two dimensions without having a holistic view of their client's "total performance". We hope that this paper will help facility organizations broadly self-assess and improve their overall effectiveness.

About Agile OAK

Agile OAK is a management consulting firm advising companies on their Real Estate and Facilities Management (REFM) functions. Agile OAK's clients are typically commercial, higher education and health care organizations with complex facility requirements. Agile OAK's experienced consultants bring mature analytical tools, in-depth market research and refined technology solutions to help our clients address the need to deliver increased efficiency, costs reductions and the levels of performance required in today's demanding business environment.

For more information about Agile OAK please visit: www.agileoak.com

About Reality Consult

Reality Consult has a strong team of experts based in Vienna and Frankfurt. Each team member joined as a specialist: MBA, facility manager, construction engineer, information systems specialist, architect. One thing unites the team: a hands-on realistic approach with extensive project management experience.

Reality Consult staff is results oriented and strives to find the optimal solution for the client. Reality Consult IT Solutions has implemented and integrated more than 100 Real Estate and Facility Management systems in client projects.

For more information about Reality Consult please visit: www.realityconsult.com

About Facility ONE

FacilityOne is the first institute engaged in providing professional Facility Management training and consulting services for enterprises and individuals in China. It is dedicated to helping organizations and individuals develop and obtain the knowledge and skills needed for success.

The FacilityOne team is a globally leading company in Facility Management solutions. FacilityOne has localized a wide range of training

programs from around the world and developed them into products and services that meet the Chinese marketplace requirements. These programs cover strategic planning, operation & maintenance, workplace management, leadership development, space planning, project management, energy management, finance and EHS.

For more information about Facility ONE please visit: www.facilityone.cn

About The Authors

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Michael is the founder of Agile OAK. He has been advising Real Estate and Facility Management organizations for over twelve years.

Michael has helped optimize FM operations in North America, Europe and the Middle-East for organizations such as Columbia University, Gannett (USA Today), Genentech, Harley-Davidson, Hoffmann-La Roche, Intel, Johnson & Johnson, Kaiser Permanente, Kraft Foods, Novartis, Philip Morris, Procter and Gamble, Toyota, Weyerhaeuser, Wyeth Pharmaceuticals and USAA.

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JP has led REFM consulting projects for multiple companies such as AstraZeneca, Eli Lilly, Johnson & Johnson, Kaiser Permanente and Wyeth. Prior to consulting, Jean-Philippe headed the REFM department of Citizens Bank where he was in charge of a portfolio of 250 retail banks in the US. A seasoned global sourcing professional in the Automotive and Electronics industries, as well as an experienced engineer on large European construction / engineering projects, JP spends his time between North America and Europe advising organizations on the optimization of their REFM Operations.

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Peter has served as the Managing Director of Reality Consult since it's founding in 1996, and has built the business to be recognized in Europe as a leading expert on Real Estate and Facility Management. Reality Consult has completed more than 400 consulting projects for more than 150 customers leading to a project success rate of better than 99%.

Peter has had a robust management career throughout Austria, Sweden and Germany. Prior to Reality consult, Peter was CEO of an electronics group with subsidiaries in all Eastern European countries with a responsibility to supervise complex consulting projects in Real Estate and Facility Management.

Peter has an MBA in International Business Management (Vienna School of Economics) as well as a certificate for completing the Advanced Management Program (IFL of Stockholm School of Economics).

Peter is also a Lecturer for Real Estate and Facility Management at IREBS,EIPOS/TU Dresden, Donau-Universität Krems and FH Kufstein.

Georg Stadlhofer, Head of Consulting at Reality Consult

Georg is Head of Consulting at Reality Consult. He is responsible for leading facility management consulting projects with a focus on organizational development, operational excellence, outsourcing & real estate finance, and financial engineering.

Throughout his consulting career, Georg has worked with various industrial corporations such as Novartis, Hexal and Sandoz in Germany and Austria, OMV Petrom in Romania and other major Austrian industry leaders such as OMV, Ministry of Foreign Affairs, ISS, LKW Walter, Conwert, Wiener Linien and others.

Prior to his consulting career, Georg was Facility Manager and Global Category Manager Infrastructure & Facilities Management at Sandoz (Novartis).

Georg holds an M.Eng. Facility Management, FH Kufstein (AT) and Hogeschool Zyud (NL) and an MSc Real Estate Investment and Finance, University of Reading, (UK). He is also a Certified Project Manager (IPMA).

Louis Liu, Vice President Facility ONE

Louis is a veteran in the FM industry in China with 17 years' experience at Motorola, eBay, Cushman & Wakefield and Jones Lang LaSalle. Having served on both corporate end-users and FM service provider teams, Mr. Liu intimately understands the requirements and intricacies of both sides.

While at Motorola, Louis managed 70 staff and a US $17 million annual budget to provide in-house FM services to over 4,000 employees. During his tenure as Associate Director of JLL China's Integrated FM (IFM) business unit, Louis managed the Standard Chartered Bank account including space and asset management, maintenance, helpdesk, contract management, site selection, project management, office restacking and EH&S. Mr. Liu also was called upon to lead and provide FM training to all of JLL IFM department's internal staffs.

Louis holds a BS in Inorganic Chemistry and Materials from East China University of Science & Technology and while at Motorola successfully completed 10 courses of the Motorola-ASU MBA Program. Louis is fluent in English, Mandarin and Cantonese.