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# **RICS Strategic Facilities Management**

Case Studies

Authored by:



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# RICS Strategic Facilities Management

Case Studies



# Report for Royal Institution of Chartered Surveyors

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# Foreword



These case studies touch on subjects that all FM's know are central to our role, wherever you operate in the world, and pretty much whatever your role: procurement, innovation, technology, sustainability, talent management and health and safety. It's quite a diverse list of subjects, but there are common themes running through all six case studies. All these organisations seem to have worked out a similar formula for success that could be applied in any business, sector or region.

Firstly, the importance of truly understanding the core **values and mission** of your organisation is the starting point. It seems that FM that is not authentically aligned to the corporate values and mission simply cannot deliver sustainable value. In most of these case studies FM is taking this a step further, and is part of the leadership function of the organisation involved in shaping and driving the corporate mission and values.

Next, really getting under the skin of understanding the **contribution and impact** that FM can make to the brand and performance of the overall organisation is crucial. All the case studies pointed towards FM having a real bearing on reputation, brand and customer and/or employee experience. Making the effort to develop well thought-through strategies to ensure that the actual service plans deliver a positive contribution to the mission is time well spent.

The case studies clearly demonstrate that **engaging with your staff and your supply chain** is of paramount importance. Making sure that your whole team is aligned and engaged with the values and the mission – and communicating your expectations to them – is fundamental. Success seems to come easiest when there is the right team culture, where everyone is working towards a common goal and understands their part in achieving it. And when it comes to the supply chain, the clear message is that there should be no compromise on values and cultural fit.

An interesting message that comes out loud and clear is how focused these organisations are on the **importance of measuring impact and outcomes** through use of intelligent data. Without measurement and analysis we are unable to demonstrate contribution and impact, and of course robust measurement techniques are central to this. And the results of this measurement are not only useful to establish our own performance and contribution. With the emergence of big data and new technology tools FM can now easily provide information and insight to our customers and business to enhance strategic decision-making across the board.

Finally, and perhaps unsurprisingly, **communication** came up as a recurring theme. These case studies show that compelling communication really is a major factor in ensuring that FM is perceived as making a strategic business contribution. Great communication is the glue that holds together all the other themes.

## Kath Fontana FRICS

Managing Director, BAM FM, Board member of RICS Professional Group for FM and vice chair of the BIM4FM group

# 1.0 Strategic FM: ethical procurement at the Co-operative Group



## The issues

Almost 80% of Facilities Managers are measured first on performance against budget.<sup>1</sup> Financial results clearly dominate management thinking, and while those within the Facilities Management (FM) sector understand the value that the profession brings, it is still perceived as a cost centre, and an area where budgets can be cut to make savings.

There are many ways in which an FM department can achieve cost savings without cutting quality. For example, a considered procurement strategy or outsourcing can help improve efficiency. This is particularly effective when an output-based contract is used, whereby the service provider's reward is linked to the service actually received by the client.

Research conducted in the UK<sup>2</sup> in spring 2013 for the annual FM conference, ThinkFM identified that 90% of clients still feel that FM is seen in a supporting, rather than a strategic, role while 91% feel that FM will only achieve a higher ranking within an organisation's hierarchy when it finds new ways to deliver value. A general perception remains that it is hard to quantify the value of FM services

– 80% of clients agree and a third of client Boards don't understand the contribution good FM can make to their organisations' success (see figure 1.1).

RICS' *Raising the Bar report 2012* found that many organisations view FM as 'a commodity rather than a professional skill... to be procured at lowest cost'; while its follow up report, *Raising the Bar: City Roundtables Report*<sup>3</sup> went further, suggesting that the image of FM is 'widely perceived across all geographies as that of a lowly job, and not a professional career'. Whether this is your viewpoint or not, this situation will only improve when clients and suppliers stop reporting against activity measures and translate value into cost savings, improved reputation or goodwill that resonate with the Board.

When asked, what is most important when delivering value through a good FM service?<sup>4</sup> respondents ranked in order:

1. Delivering a consistent service across multiple sites / countries.
2. Continuously improving service.
3. Achieving cost savings.
4. Taking a partnership approach with suppliers.
5. Attracting and keeping high quality staff.
6. Meeting locally agreed service levels.
7. Meeting globally agreed standards.
8. Benchmarking performance against similar companies.
9. Managing performance through CAFM systems.

<sup>1</sup> Raising the Bar, RICS, 2012.

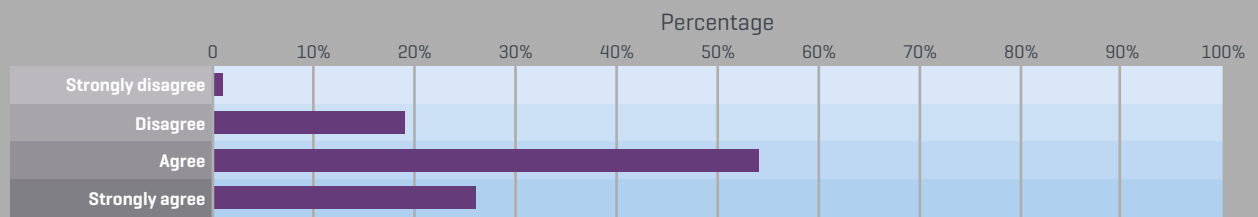
<sup>2</sup> Leadership in Facilities Management, Workplace Law, 2013.

<sup>3</sup> Raising the Bar; City Roundtables Report RICS 2014

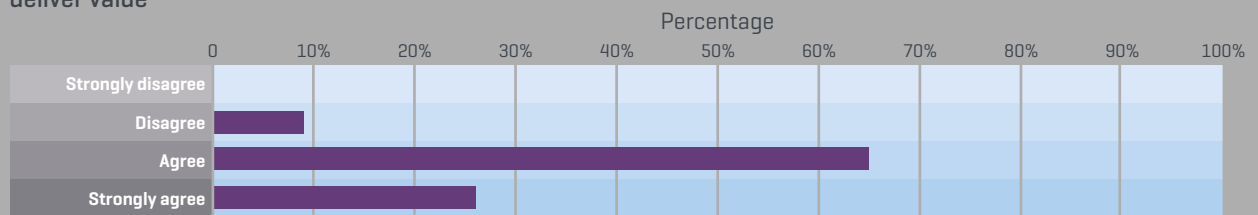
<sup>4</sup> Leadership in Facilities Management, Workplace Law, 2013

**Figure 1.1****Research compiled from Workplace Law's 2013 'Leadership in Facilities Management' report**

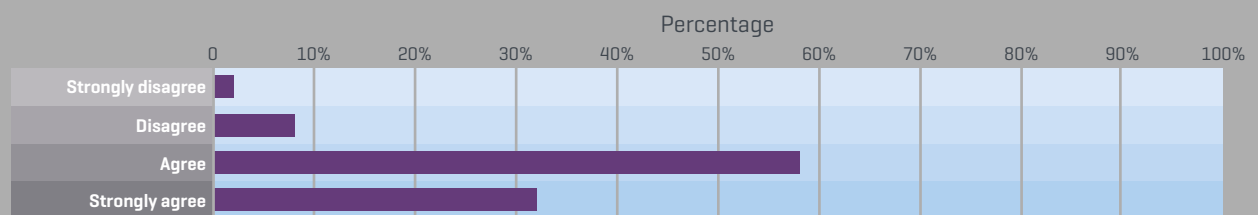
While it's easy to quantify the costs of FM services, it's hard to quantify the value they deliver



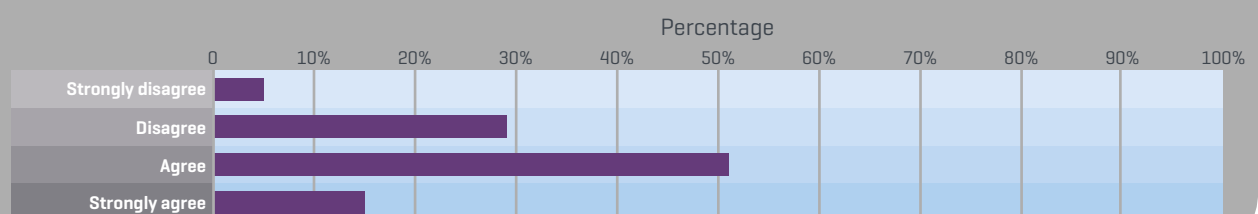
If FM is to achieve its rightful place in an organisation's hierarchy, we will need to find new ways to deliver value



FM is seen as a support function rather than a strategic one



The Board of my organisation understands the contribution that good FM can make to its success



Source: Workplace Law, 2013

Achieving cost savings came only third on the typical FM's list of priorities, suggesting a possible step-change away from the traditional cost-is-key approach. Maintaining a quality brand, and good customer experience (both internally and externally), whilst keeping within budget, can be a challenge, and in order to learn from best practice it makes sense to look at an industry where customer satisfaction is key to profit – the retail sector. Here, the principles of good FM are given priority, in that it is acknowledged that a pleasant environment is conducive to a higher spend, and thus a healthier profit margin.



## Strategic approach

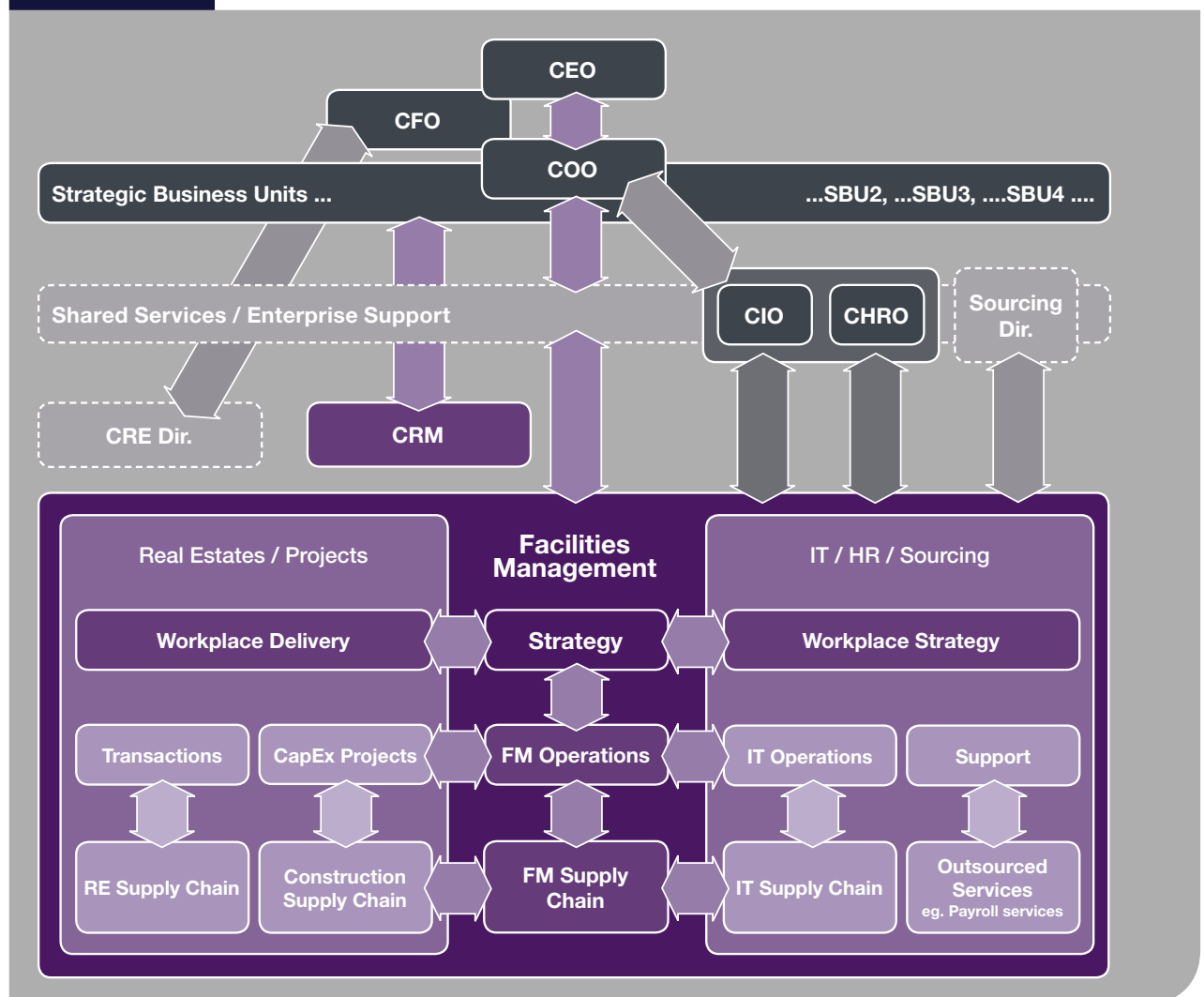
RICS' *Strategic Facilities Management Guidance Note*<sup>5</sup> highlights the importance of achieving 'the correct placement of the facilities team in the corporate structure, enabling the establishment and maintenance of communication links to all parts of the business. This ensures that the team is directly aware of the business strategies being followed and the FM services required by each part of the organisation.'

There are wide variations in the role that FM plays in organisations around the world, ranging from where it reports, to how its performance is measured, to what impact it has on business strategy, to how well it is aligned with other infrastructure functions. In RICS' *Raising the Bar* study, almost one-third of survey respondents claimed that the FM function in their organisation reported directly to the COO, or equivalent.

However, 36% of facilities groups are embedded within either corporate real estate or a shared services organisation; with another 17.6% reporting directly to a senior finance executive. In other words, almost 54% of facilities organisations do not have meaningful direct exposure to a C-Suite executive other than the CFO. This is despite the close positioning of Facilities Managers to the Board being vital to the department's success, as illustrated by Figure 1.2. It is only by understanding a business' aims and objectives that the facilities team can deliver an efficient property management strategy.

Procurement policy is also fundamental to positioning the FM function at the heart of an organisation. When procurement is integral to a company's values and strategy, it can be leveraged to influence company-wide decisions, which impact on bottom line, profitability and the overall image of a company; critical success factors in today's marketplace.

**Figure 1.2** FM's critical relationships



Source: Raising The Bar, RICS, 2012

5 RICS Professional Guidance, Global – Strategic facilities management, 1st edition, RICS, 2013





## Case study

### The Co-operative

Founded as the Rochdale Pioneers Society in 1844, the Co-operative Group is now the UK's fifth biggest food retailer, a leading farmer and a major financial services provider. Among its other businesses are the number one funeral services provider, the third largest pharmacy chain and a growing legal services provider.

While the Co-op brand might be facing difficult times, its FM operations play a pivotal role in strengthening its brand values, and are no stranger to the media spotlight, having in recent years won Client of the Year at the 2011 BIFM Awards, adding to the Excellence in FM Team award from 2010, and, most recently, the RICS' Project of the Year award for its new Support Centre, One Angel Square.

### The FM function within the larger organisation

It is this flagship building that has been the catalyst for a redefined approach towards FM in the corporate support centre estate, guided by the in-house team led by Kate Morris-Bates, and strategic FM expert, Steve Gladwin. Amalgamating the entire team into one building, the Group not only promotes the services of its core products (its 'restaurants', not canteens, unsurprisingly sell Co-op food as part of its catering offer) but also encourages its 'team members' to apply ethical, sustainable and corporate social responsibility values through every function of the business, from purchasing to recruitment to customer service.

FM is at the forefront of all these activities, and is proud of its close connection to the Regional Boards, where FM issues are spoken about in the context of how they impact the customer.

Kate Morris-Bates comments:

*"When you work in FM it's not hard to quantify the value of FM services, because intuitively we know what we do and the value we bring. We know that we keep the lights on, metaphorically and literally. I think it's more difficult for people who are outside of the FM environment or even property environment in general to put a real value on it – except when things go wrong. In the trading estate, when our refrigeration unit goes down, people are very keen to point out the amount of sales loss and stock loss they've incurred. But in terms of a pound note value on FM as a whole I don't think people can actually pinpoint it."*

Martin Bolton, Supplier Strategy Manager – Assets, believes the FM team within the Co-op is an ‘enabler’, assisting the purchasing teams to buy the right equipment at the right time, so that less time and effort is needed during the maintenance stage to keep critical assets (such as the refrigerators) working.

Steve Gladwin enforces this point:

*“I think the FM team in the Co-op is seen as an enabler, as opposed to just a cost centre, and I think that’s where organisations that are in best of class, demonstrating best practice, have got it right. Two years ago, that wouldn’t have happened. There’s this big debate about whether FM should be at the board table; at the end of the day it’s up to the facility management people to be putting our foot forward to say this is where we’re adding value, not waiting to be asked.”*

Explains Richard Crawshaw, Supply Strategy Manager for Operational Services:

*“To really highlight where FM sits within the organisation, our Managing Director is on the Group Executive, which is the direct reporting line into the group CEO. The Head of FM has a reporting line into the Head of Estates, so if you look at it in its more simplistic terms, Kate is two steps away from the CEO. So we really do feed into that strategy piece.”*

## Outsourcing

A key area in which there is much debate recently over how FM can add value is in the decision to outsource, or keep services in-house.

The Co-operative historically has been keen to keep its services self-sustaining, but has recently made a move towards outsourcing operational activities, freeing up staff to focus much more on long term planning and strategic challenges (both FM related and business-focused).

**Figure 1.3**

**The Co-op’s Defiant Radio**



Source: The Co-operative Group

Says Crawshaw:

*“It’s probably fair to say the Co-operative has historically chosen not to outsource, due to the roots where the organisation grew up from. But the world has been changing since the Defiant radio (see below) and now it’s making sure that it’s doing the right thing for its members and its member base.”*

In the 1930s, the Co-operative Wholesale Society (as it was then known) sold a much more diverse range of products than it does today, including furniture and household goods. Due to the dividend that Co-op members received on purchases (like store card loyalty points today), many radio manufacturers decided to boycott the CWS, perceiving the dividend as a discount, undermining its value.

Undeterred, the CWS created the ‘Defiant radio’ sourcing the internal elements of a radio itself and having its furniture business develop the casing and cabinets for the radio. The end result was a beautiful radio it sold within its stores, neatly analogising how The Co-operative perceived outsourcing, as it liked to deliver things itself.

Richard Crawshaw continues:

*“Financial services [the area where he and Morris-Bates cut their FM teeth] as an industry in general is further ahead in their attitude to outsourcing than most other industries. But, making sure that we select the right partners is key, so we won’t outsource to just anyone. Their values, their ways of working, are really important to us and making sure we find the right business to partner with to deliver those services.”*

Morris-Bates agrees there has been a “massive shift in appetite at senior level” to outsourcing in the last two years, but urges caution. “I think some people think outsourcing is the answer to everything, and it’s not, it has to be appropriate and it has to be well thought through and partners well selected.”

Crawshaw reinforces this point:

*“If you outsource your problem you still have your problem, and a lot of organisations go down the route of I’ve got an issue, there you go; well you’ve still got an issue, it just sits there now.”*

Adds Morris-Bates:

*“To move down the outsource route we had to do quite a lot of work internally to get the structure and the right people in place as well. You can’t outsource and just let the contractor do what they want to do; we’ve had to build the supplier management function within the team, and bring in a supplier management framework with external assistance to do that. Recruit and train the right people as well - then you can outsource more effectively the right controls in place. So it’s not just, ‘oh let’s outsource and hope it’s okay’; you have to get your infrastructure right first of all and then you reduce the risk.”*

## Outputs

One way in which to maintain control is to know exactly what you want to get from a relationship before awarding the contract. It is this area in which output based contracts are increasingly coming into play. In Workplace Law's 2012 research study<sup>6</sup>, 46% of respondents indicated they had made use of outcome based contracts in the past, and 87.5% expected strategic partnering relationships to increase in the next three years.

Crawshaw says:

*"Suppliers like output based contracts; it removes a lot of the bureaucracy that you create with input based ones. You're measuring what's important rather than measuring what's measurable."*

For example, in the Co-op's food stores, they have recently applied the principle to their cleaning contracts, with agreed outputs surrounding cleanliness and customer satisfaction, based upon customer and supplier audits.

Crawshaw explains:

*"We're looking at making sure that the hours are available when required... we have fixed fee or fixed term contracts for cleaners and a fixed salary, so their hours vary but their wage won't. So as an example, if we have a seasonal store which needs more work in summer because it's by the seaside than it does in the winter, then we have the ability to, within agreed parameters, flex that cleaner's working hours. But we ensure that they're financially stable by making sure that their wage rate isn't flexed, so that they can bank and over exceed hours but they've got the certainty of a standard wage coming through."*

## Supply chain

This emphasis on regionality applies throughout many of the Co-op's big decisions, not least procurement. Due to the way the Co-operative's business model has developed, its retail stores in particular have a very different look and feel depending on where they are based. In some remote areas, such as the Shetland Islands, the local community relies on it for its products and services; therefore, ensuring it maintains a consistent, quality, reliable service is particularly key. This feeds back to its suppliers, as Kate Morris-Bates points out:

*"We have a very strong policy in terms of who we do business with, so we have a really rigorous due diligence process prior to any procurement exercise being taken out. There are many companies who've got what we would consider dubious credentials that we just wouldn't do business with, so that's kind of an initial criteria, and then there are a number of businesses that are attracted to doing business with us because of our*

*cultural ideals. So, very often when you hear tender presentations, everyone wants to be associated with our Co-operative values and principles."*

The Co-op's procurement policy is sustainable in the true dictionary definition of the word. Suppliers must meet specific criteria, including a thorough analysis of their own supplier and owner chain, with certain associations completely unacceptable (such as anything to do with weapons for example).

The Co-op's Sustainable Procurement and Supplier Policy<sup>7</sup> states the company will *"work with suppliers and partners who can make a positive contribution to our pursuit of sustainable development. Where our review of the standards in place indicates that improvement is necessary, we will agree with the supplier a programme to deliver this and to sustain such developments, or pursue alternative supply arrangements."*

It goes further, to state:

*"We will welcome suppliers who operate in the local communities in which our operations are based and who strive to be inclusive of all parts of society. In particular, we will seek to:*

- *Support cooperatives and the broad range of organisations involved in the Social Enterprise sector;*
- *Attain the highest professional standards in our procurement activities and seek to ensure fairness and consistency of approach in a manner consistent with the Chartered Institute of Purchasing and Supply Code of Business Ethics;*
- *Pay our suppliers on time, according to agreed terms of trade."*

Whilst this may well exclude some of the bigger players within specific markets, the company has built its business upon key principles that won't ever be diluted. A sea of stony faces greets the suggestion that price may ever influence a decision to consider a less ethical procurement policy.

Says Crawshaw candidly:

*"If you took horse meat as the most recent biggest scandal<sup>8</sup>, no one is talking about the suppliers, no one is talking about whoever produced that burger, they're talking about the supermarket where they bought that burger, so the [impact on] brand reputation of not controlling your supply base is huge."*

<sup>6</sup> Performance management in FM, Workplace Law, 2012.

<sup>7</sup> Co-operative Banking Group Sustainable Procurement and Supplier Policy : [http://www.co-operative.coop/PageFiles/2096213343/Sustainable\\_Procurement\\_and\\_Supplier\\_Policy.pdf](http://www.co-operative.coop/PageFiles/2096213343/Sustainable_Procurement_and_Supplier_Policy.pdf).

<sup>8</sup> In January 2013, it was reported that horse DNA had been discovered in frozen beefburgers sold in several British and Irish supermarkets. While horse meat is not harmful to health and is eaten in many countries, it is considered a taboo food in many countries, including the UK and Ireland.



## Lessons learnt

So how has the Co-op married up a commendable sustainable purchasing strategy, with the ever-present issue of cost, and diminishing budgets?

Crawshaw states:

*“Everyone is targeted on cost. What we do within the Co-operative is try and move the discussion from pound notes to value, and making sure that it’s measured within cost risk and quality and where we want to sit within that dichotomy. I don’t think any business should move away from being focused on finance and ensuring that they’re delivering the best value.”*

Gladwin concurs:

*“I think the perception has to change, you get what you pay for. If you pay peanuts you get monkeys at the end of the day. I think there has to be a shift in mindset about the value proposition as opposed to just cost. A facilities manager is accountable for the second largest spend in most organisations. It’s incumbent on us to know the cost down to the last penny.”*

It is also incumbent to recognise what they are paying for, and how that impacts on the rest of the business. Making the analogy between how many tins of beans a store has to sell in order to pay for an initiative, Crawshaw demonstrates that the FM team has a sound understanding of the functions of the business, and what is achievable in the current economic climate.

He adds:

*“We are a huge owner of cost within this organisation, we need to be prudent with our members’ money. If you broaden it past the Co-operative into the wider industry, I would agree that there is the issue of seeing it as huge cost centre and therefore just stripping cost out. But it comes back to that bigger question of how we make sure we demonstrate the value of FM, because people are far less willing to cut value out of a business rather than cost out of a business. It’s changing that conversation.”*



## 2.0 Strategic FM: fostering creativity at the BBC



### The issues

If FM is to really add value, it has to 'enable' a business in its core function – whatever that may be. A manufacturer must be efficient, a restaurant clean, a school secure. If FM can really drill down into what it is that makes an organisation successful, and assist them in that goal, then it will deliver value.

However, some of the core elements of a business are less tangible, and more difficult to measure than others. How does one measure creativity? Or even productivity, when there is no end product? Traditional ways of measuring value (e.g. £ per sq ft) do not necessarily capture the strategic approach required to properly implement good FM, which needs more insightful measures even than productivity – the issue of value creation is arguably impossible to benchmark and measure.

How much more successful might a creative organisation be as a result of 'good FM'? How can this be ascertained, and delivered upon?

The importance of understanding your audience must not be underestimated. It is vital that FM understands what it is doing and why – who it is supporting, and whether that can be improved. What is the FM's role and how can they

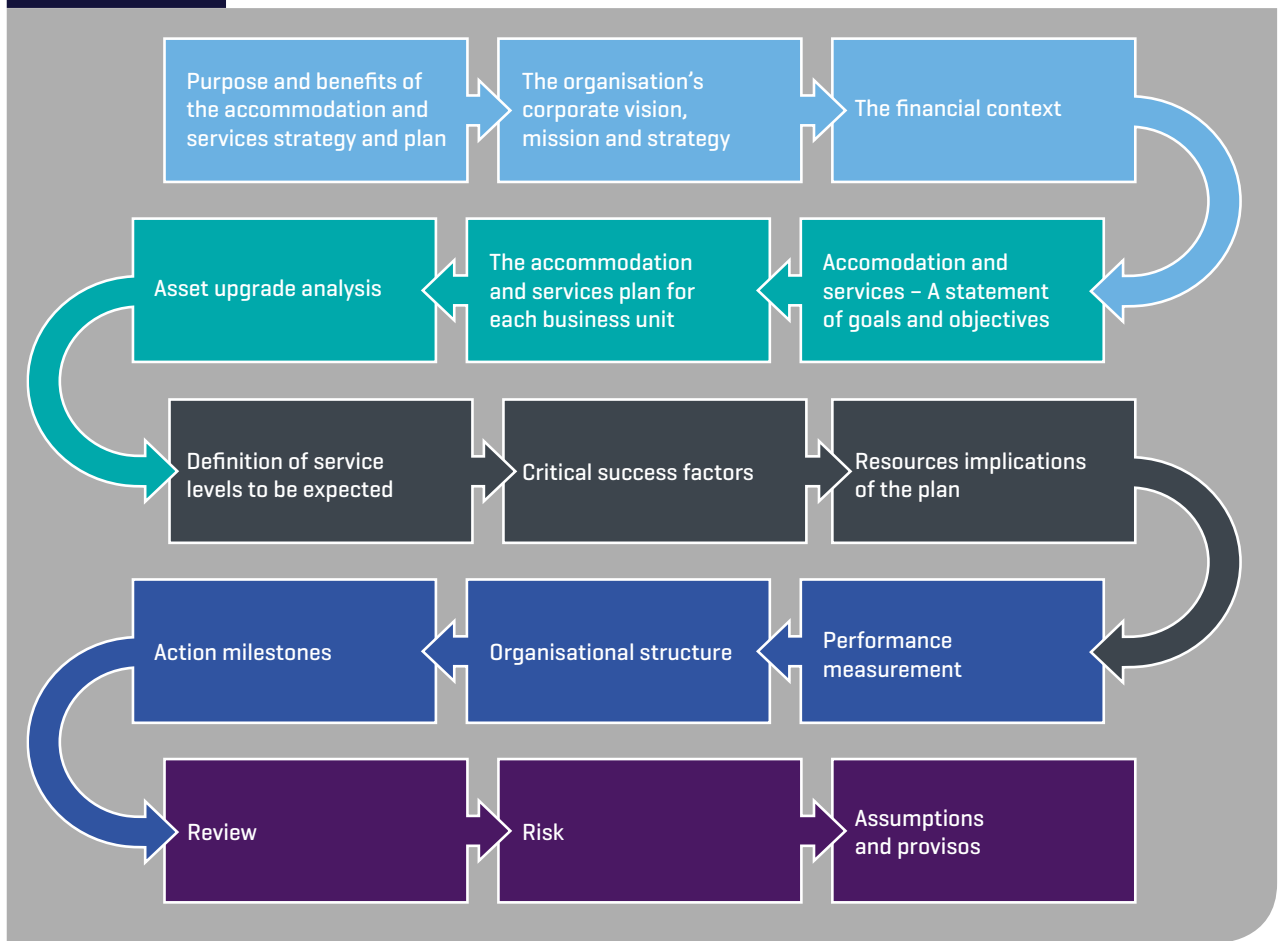
inspire creativity? This doesn't have to be limited to the obviously creative industries or environments – problem-solving can be seen as creativity, as can innovation.

And what about creative solutions to old problems? The debate about workplace / workspace rumbles on, and if work (especially creative work) is not done in the traditional office environment, what is the FM's role and how can they seek to influence creativity? Can outsourcing play a part when the culture of an organisation is integral to its success? Is it possible to buy in services but still stay on brand? All these are issues that have to be thought about strategically – looking above and beyond the 'typical' FM role.

### Strategic approach

Much has been written regarding the strategic nature of FM. Being able to deliver value to an organisation is seen as a critical success factor in austere times, and the shift in perception from being a cost centre to a strategic discipline that can improve performance and deliver savings through investment is key.

By virtue of its varied nature, FM can take a whole-life overview of the business it supports, and is therefore well-placed to coordinate a business' activities, to ensure effective, efficient and streamlined operations. To do this, FMs need time away from the coalface. It's well-known that FMs like to 'dig in', and their typically operational background, which makes them so adept at maintaining and overseeing complex technical facilities, enables them to do so.

**Figure 2.1****Generic elements of a service provider's plan**

Source: Adapted from RICS' Global Strategic FM Guidance Note

Yet it is also often this hands-on approach that holds them back from being able to take a more objective overview, and applying a strategic whole-life approach to a building and all that it contains. In order to address the issues outlined above, the concept of creativity needs to be applied to solutions, particularly when working in creative environments.

The diagram above, adapted from RICS' *Global Strategic FM Guidance Note*<sup>1</sup>, lists attributes and elements that should go into an accommodation provider's plan.

Elements like the organisation's corporate vision, mission and strategy are obviously essential to how services should be delivered, which feeds into the definition of service levels to be expected, and the critical success factors that are then measured.

## Productivity

RICS' *Global Strategic Facilities Management Guidance Note* outlines the concept of a productive environment as follows:

*"Most thoughtful organisations and facilities managers take the view that a comfortable working environment, with technology which is understandable and works, workstations which can be pre-booked, and a selection of working places – social, quiet, confidential, video-conferencing – will provide staff with a productive environment. Add to this a quality building which is well serviced, maintained and with good facilities and the accommodation and facilities teams will almost certainly have produced an efficient and effective environment conducive to improved staff productivity."*

Research by The Leesman Index<sup>2</sup> supports the view that the place in which people work is important to their wellbeing, their sense of value and team spirit, and the culture of an organisation.

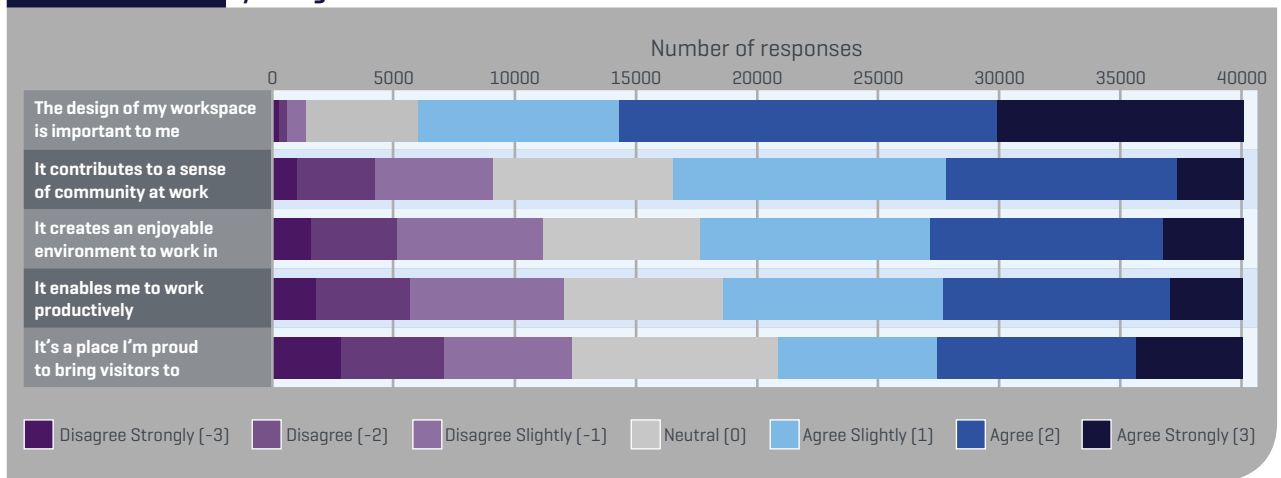
<sup>1</sup> <http://www.rics.org/uk/knowledge/professional-guidance/guidance-notes/strategic-facilities-management-1st-edition/>

<sup>2</sup> <http://leesmanindex.com/>



Figure 2.2

How much do you agree or disagree with the following statements about the design of your organisation's office?



Source: Leesman Index

As the Figure above shows, there is some discrepancy between what makes people proud of their working environment, and the extent to which they experience it on a daily basis.

There are of course as many ways to measure productivity as there are methods to achieve it in the first place. It is becoming increasingly recognised that creative environments inspire creativity, whilst dull, uniform environments engender 'cookie-cutting' workers. If a creative environment is required, it's imperative that the team creating the building understands the culture of the workers it is building an environment for, and is able to fulfil on the brief they have been set.

There is, however, the argument that a mobile and 'agile' workforce is spending less time at the office in the 21st Century, and thus investing time and money into an expensive corporate environment could be better spent on flexible staff benefits that everyone can enjoy.

Alan Bainbridge, Property Director at the BBC, and Director at the British Council for Offices, acknowledges this point.

*"Working remotely has its place, but there are things that are done better when people come together, and that obviously improves as the environment becomes more appropriate. It's not about making it luxurious; it's about making it flexible, conducive to collaborative working, easy to drop in, access technology and find somewhere to work. All these things are easily said, but delivering that in practice needs a bit of thought."*

So how do we know if a nice working environment fosters favourable feelings? Where's the return on investment? How can an FM team convince a Board that colourful, expensive seating, open plan relaxation areas and fun communal areas add profit?

Nigel Oseland<sup>3</sup>, a Workplace Consultant, and FM blogger, comments:

*"Because of (wrongly) perceived measurement difficulty and lack of evidence, the potential impact of office design on business performance is generally excluded from the business case for workplace projects. The business case is simply weighted in terms of reducing property costs. This perpetuates the notion that property is a cost burden rather than a potentially lucrative return on investment for the business."*

*"When we do bother to measure the relationship between design and productivity then we attempt to measure the wrong thing. We focus on the minutiae and try to measure individual performance such as time to complete a task. But we need to focus on good objective and existing business metrics like revenue per sq ft. It is akin to trying to measure the waggle dance of the worker bee rather than how much honey is produced by the hive."*

*"There are lots of ways of measuring productivity and lots of studies demonstrating the relationship between design and business performance. When presenting the business case for workplace projects to the Board, we should focus on the potential effect of design decisions on business performance, rather than just report cost savings. We must also measure the impact of our workplace designs on business performance; measurement difficulty is not an excuse to ignore the impact. Rather than attempt to measure productivity using specific and complex metrics, we should use widely available business metrics which are readily recognised by the business and the Board – revenue per sq ft is the obvious one. We should also monitor business performance over time and across locations, so that the result of interventions such as office design can easily be tracked."*

3 <http://workplaceunlimited.blogspot.co.uk/2013/10/planning-for-productivity.html?m=1>





## Case study

### The BBC

The British Broadcasting Corporation (BBC) was founded in 1922, and has delivered television and radio broadcasts since that time from iconic premises, mainly based in London. Funded by the British viewing public, it has a duty to respond to the needs and wants of its audiences, and in 2004, following detailed consultation with and feedback from its audiences, the decision was made to relocate critical services from London to the north-west, in a bid to more fully reflect the cultural diversity of its viewers, and to fully engage the public. The end result is the 200-acre MediaCityUK, based in Salford Quays, a regenerated and now highly developed area of Manchester.

This site now houses BBC Sport, Children's TV, Breakfast News and some of the BBC's radio channels, and is home to 1,800 employees relocated from London, plus a further 700 from various offices around Manchester and the surrounding area.

### The facilities team

The BBC's FM team understands the need for strategic thinking and delivering on a vision, as well as the need for a consistent, quality service, which supports the overriding corporate strategy.

Headed up by Alan Bainbridge, the 13-strong team had a mammoth task to ensure business continued as normal during the huge upheaval of staff and equipment during 2011 and 2012.

Ahead of the move, the FM team consulted with those who would be moving to the new premises, and asked them what they wanted if technology, current ways of working, and budget weren't an issue. And they found that people specified quite different things to what they currently had – less of a wish-list, but more of a desired way of working, in line with their creative needs. Looking around the brightly coloured office, Bainbridge explains that the design scheme isn't 'frivolous' but strategic – colour schemes denote different areas of working and each floor complements the other, so that things are familiar and therefore easy to find.

The Workplace Support team, as the FM team is known, made the transition from London to Manchester along with the rest of the workforce, and helped them settle into the new premises. They took the time to understand the different teams' needs, learning for example that because the Five Live team is busiest during the period leading up to lunch, it shouldn't be disturbed. This knowledge and understanding of people's working patterns has helped ingratiate FM into the business, so that staff know they're there to support them, rather than just to ensure things are clean and tidy. In this way, they're seen to add value.

Bainbridge said:

*“When FM’s bad it gets in the way and disrupts; when it’s average it’s not noticed; and when it’s good it actually adds to that function that you do in the building. So if the person who’s responsible for commissioning or supervising that FM only ever expects to get ‘not noticed’, then how on earth are they ever going to add value and excite the rest of the business?”*

The whole issue of ‘not being noticed’ is something that many in the industry are keen to address. RICS’ 2014 publication, *Raising the Bar: City Roundtables Report*<sup>4</sup> discusses the notion of ‘Brand FM’ – “those who need to know what FM is, know what it means; but their perception of FM is not where the industry wishes it to be”.

Bainbridge could never have orchestrated such a dynamic and creative environment at the BBC’s new premises without the full support and buy-in of senior management, and so had to establish trust and ensure accountability for all key decisions. Those aren’t the actions of an FM team not wanting to be noticed.

‘Roundtables’ notes, ‘the industry is not attracting FMs who aspire to senior corporate levels’, and a situation in which ‘the race to the bottom, where the presence of delivering more for less, continuously driving down costs, has disillusioned and discouraged many skilled people from staying in FM’.

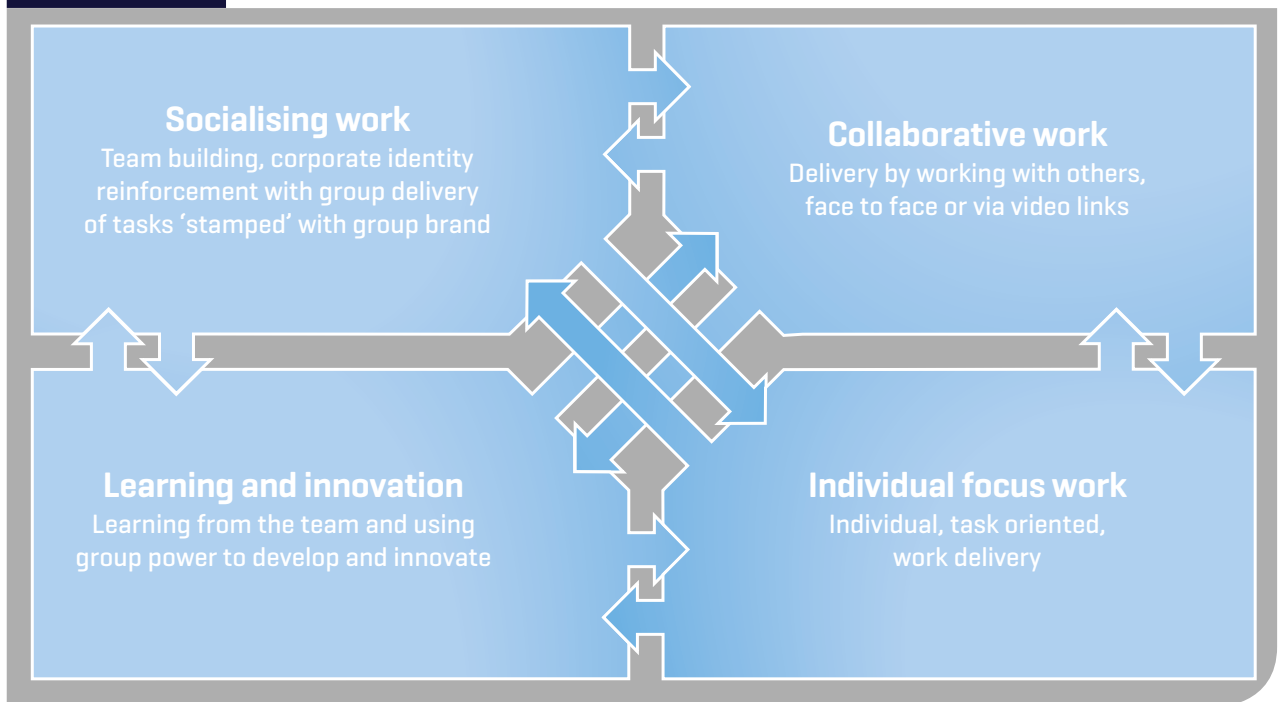
Not so at the BBC, where the high profile of the FM team, from the start, and continuing now, has been instrumental to the success of the transition.

In order to add value to how a business works it’s vital for the FM team to understand the nature of the Corporation in which it functions, and exactly which departments need what. During the BBC’s move there was clearly a job to do; to ensure people who worked in London made the transition to Manchester over a weekend, without any noticeable change to the viewing public. This meant finishing broadcasting in London on a Friday and being back on air on Monday in Manchester. Bainbridge was concerned “the audience would hear” any disruptions or niggles that the creative team experienced. And so whilst the building came in on budget and to time, it was also clear that a key priority was to minimise any kind of disruptions and ensure ‘business as usual’.

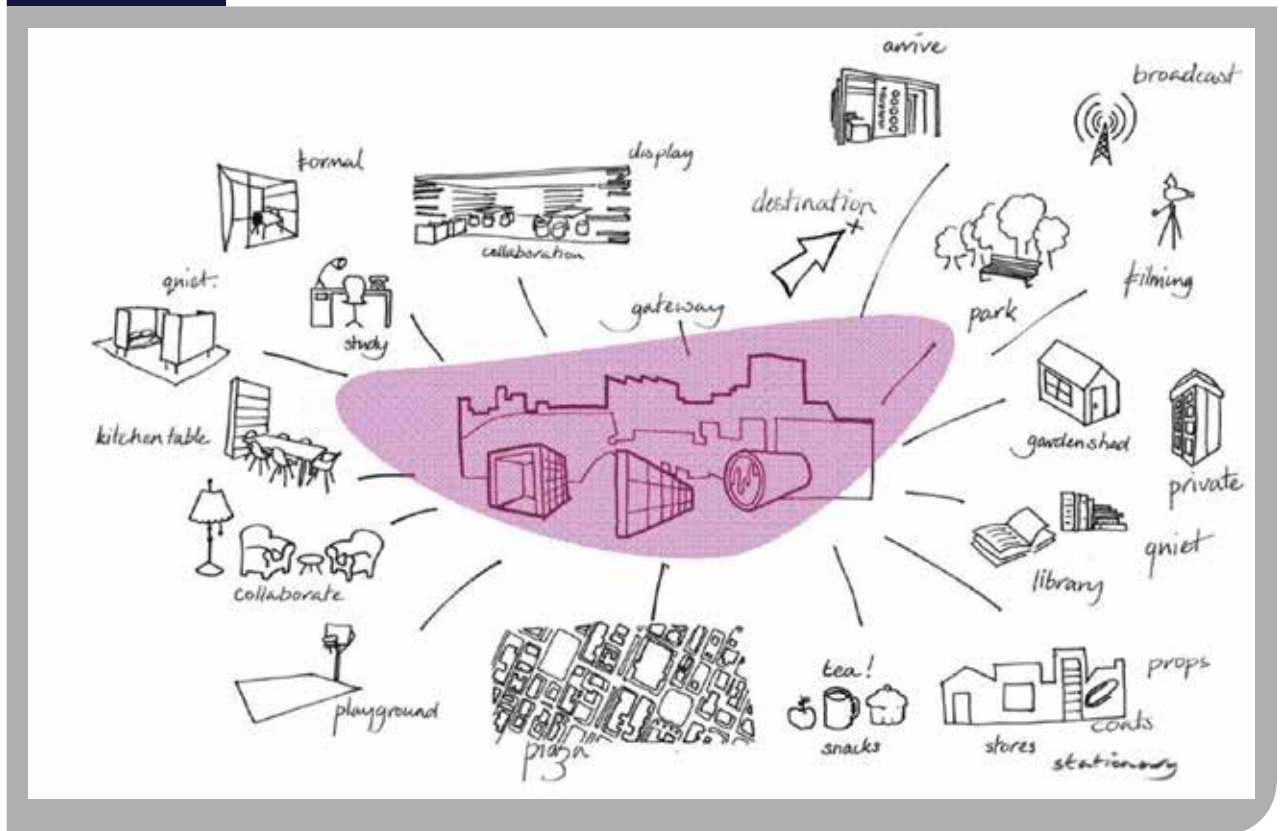
His job hasn’t finished now that they’re in. Such a major investment has to pay dividends, both to the fee-paying public, and to those employees who have put their trust in the Corporation to deliver them with a decent working environment, one in which they can be creative and productive.



<sup>4</sup> RICS: Raising the Bar: City Roundtables Report, RICS 2014.

**Figure 2.3****Different work settings according to need**

Source: RICS

**Figure 2.4****A place to provoke smiles**

Source: ID:SR

## Creative solutions to creative problems

As the BBC has only recently relocated, it is perhaps too early to tell if its custom-built office has helped increase productivity, or indeed creativity. But that is certainly the intention. The remit of the building was ‘a place to provoke smiles’, and certainly its oft-pictured headphone-shaped seating pods, bold colour palette and sustainably-sourced materials conjure an overall picture of creativity and innovation. The colours used denote different working environments in the office – with pink used for collaboration areas and green for resource points. This follows key principles set out in RICS’ *Global Strategic Guidance Note* (Figure 2.3) although in perhaps a slightly more informal, creative way (Figure 2.4).

For a tour of the main working areas of the building, Workplace Law has produced a short film<sup>6</sup> which highlights the key areas that the design team put additional creative focus on, in order to create an environment that is not only practical but also innovative and inspiring. The building certainly appears to be fulfilling its function, with the collaborative areas busy with animated, lively groups, whilst the remote, quiet areas house people working in solitude, or in small groups.

There are no fixed seating arrangements, and whilst ‘teams’, such as the Five Live team are placed together, the boundaries are undefined and elastic, meaning there is the flexibility for more, or fewer, staff as need dictates. The building was designed for 2,400 people, actually houses 2,700, and has the ability to support 700 more. Bainbridge explains it feels neither crowded nor empty, just well-used, so that whilst there’s a buzz, there’s always somewhere to go. Contrast this to the fact that around 50% of desks are not currently being used around Europe at any one time (see Fig. 2.5), and you get a definite sense of efficiency, and well-used space.

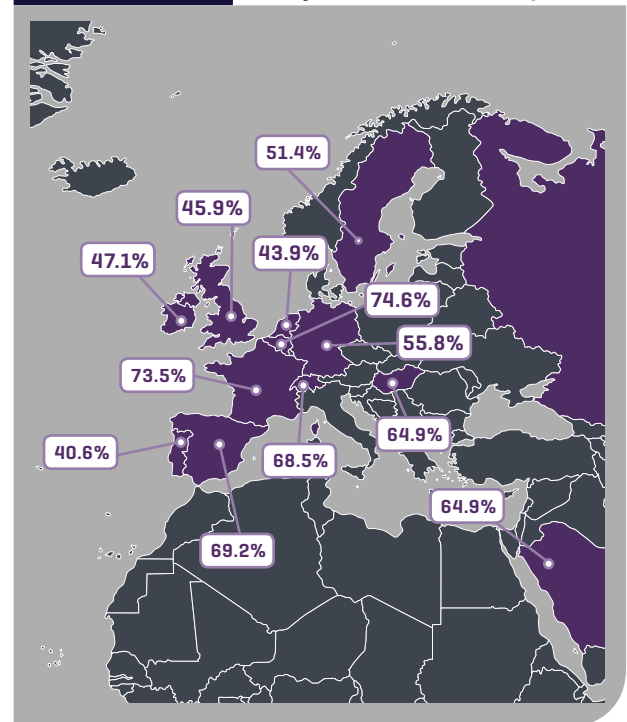
As more and more workers opt for agile working, it’s this sensible use of spaces, rather than an impressive building, that is key. And it’s also about adapting space to people, rather than people to space, that is fundamental to facilitating a productive working environment.

*“Creativity means different things to different people, so with that in mind it’s difficult to please everyone”,* comments Suzanne McMinn, Head of HR at Workplace Law.

*“What the BBC has done with their approach is look at the ways individuals work and then mould their surroundings around them to allow, what they feel to be, the best creative working environment. This is a great approach to FM, which traditionally looks at what can be done, rather than what should be done. The idea of having coloured areas within the design scheme is a simple but very clever way of working with the teams, promoting the uses of both hard and soft hemispheres of the brain, making areas become familiar and easy to use, allowing people to maintain productivity during what would normally be a disruptive time.”*

Figure 2.5

Percentage of ‘empty’  
(not at use at any one  
time) desks around Europe



Source: Johnson Controls





## Culture is key

The Corporation's move to Salford was one of a number of projects that fell into a strategic framework for transforming the BBC property portfolio, helping the BBC deliver its strategic change agenda, called Creative Future. The goal of the BBC is to 'be the most creative organisation in the world', and from 2004 to 2012, Chris Kane, CEO at BBC Commercial Projects, headed up BBC Workplace, working to turn property into a strategic asset, and to deliver value for money for the license fee payer.

The remit of Kane's tenure was to 'consolidate and upgrade the BBC's estate, but also to create better working environments for employees and more open, 'audience-friendly' buildings.' This led to an intense period of activity during the initial years of the 21st Century resulting in new or refurbished buildings now comprising over 24% of the portfolio (over 30 buildings).

Today, the BBC's real estate portfolio comprises about 207 properties and 571,000m<sup>2</sup> of space across the UK. The Property / Workplace teams have delivered three projects (Broadcasting house, Pacific Quay, and MediaCityUK), that together account for a £2bn project investment over 30 years, which has resulted in over 11,000 people being moved in this time.

The teams have been successful in meeting their objectives, which include:

- 40% reduction in real estate footprint by 2017.
- £47m annual savings in property expenditure by 2016–17.
- 60% of the estate refreshed.

Kane outlines some of the challenges the team faced during the relocation.

*"Up until the end of 2012, I had accountability for the entire BBC operational and project side of things, and in relation to Salford, I was one of four players who delivered the vision and shaped the delivery strategy, including partnering with public parties, to complete the site evaluation and site selection process, leading to the creation of MediaCityUK, Salford vision. Despite comment from the press, it has been pretty successful. We delivered on time, on budget, and also, in the wider perspective, delivering significant economic benefits to the north of England. It's added about £157m of additional GDP to the local economy, by virtue of creating MediaCityUK."*

*“Value for money is a critical consideration in terms of making sure we meet the needs of our license fee payer, but the bigger picture was also that the BBC has a responsibility to become much more representative of its audiences across the wider BBC. The move to Salford has enabled us, for example, to bring Breakfast News from Salford, thereby offering our audiences a wider, deeper perspective of affairs throughout the UK.”*

One of the key aspects for anybody involved in property, and facilities, is to understand the wider context and perspective of the organisation it supports. It's not just about delivering great service on a day-to-day basis in terms of maintaining and operating the estate, it's about understanding the big picture, and that alignment is a critical success factor for most corporate real estate, property, and FM teams. Kane continues:

*“For us at the BBC, we're focused upon maximising value from the BBC Television Centre sale, protecting the legacy and reducing the risk to the BBC, and looking forward to making sure that Television Centre can become somewhere that people would be proud to either live, work or play.”*

It is evidently of critical importance that the FM and Estates Department understands its company's business and culture. Kane maintains it requires *“an investment of time in understanding the big picture. It's also about building relationships with the wider organisation, so you understand what goes on at the frontline of the business that you're involved in. For example, in our efforts to become a world-class team, one of the ambitions we set ourselves some years back was the simple approach of ‘Let's try and understand the business of broadcasting.’*

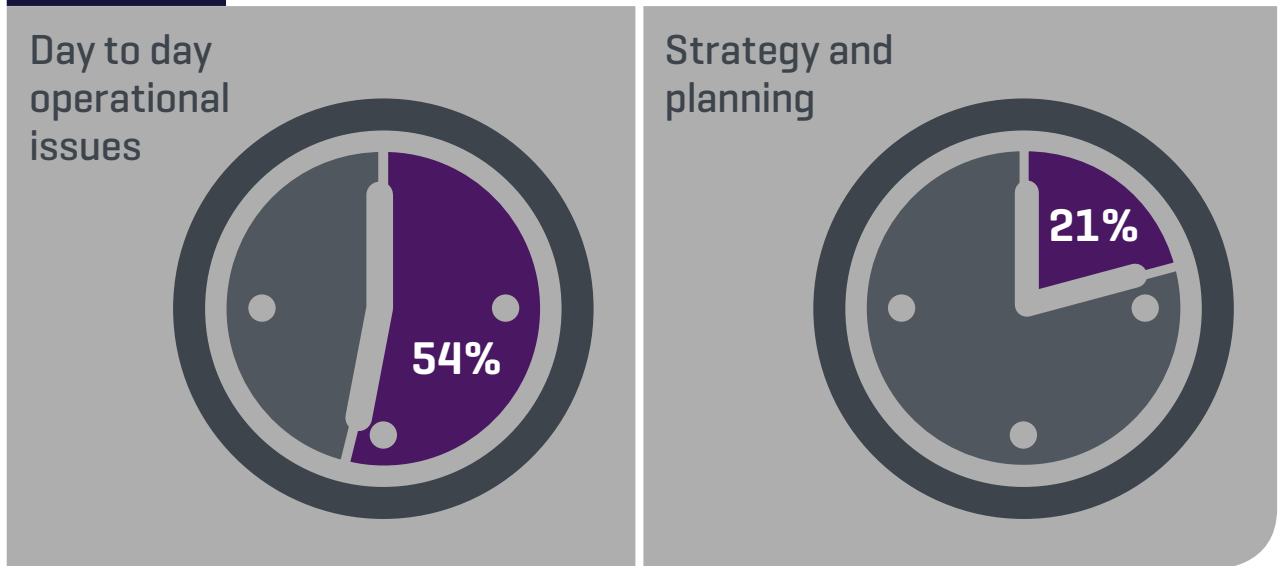
*“How this was done in practice was building awareness about how our contribution helped to make great programming, be that in facilitating the shooting of material, or the provision of Broadcast Vehicle services... it's thinking about it in terms of the overall value chain of the organisation and how our contribution fits into the bigger picture.”*

Equally, it is important that the people in the organisation understand the role of the FM or the Estates Division. Demonstrating and delivering a value-added service that is relevant to the needs of the wider organisation requires excellent communication skills, and being able to distinguish when to deliver technical jargon, and when to communicate the needs of the business, is a critical success factor. In addition, the ability to be able to demonstrate to your stakeholders how you're performing, with reference to 'sensible internal or external benchmarks', as Kane puts it, is critical, and a 'fundamental part of the toolkit'.

Striking a balance between operational and strategic skills is the final piece of the puzzle. Kane concludes:

*“At its very basic level, there needs to be an awareness of both, depending on the particular role an individual is playing. That will dictate the percentage split. I don't think you could have a totally operations-focused person, the same as I don't think you can have a totally strategic-focused person. I think your ideal is somebody who has a mix of both, but that will be driven by where that individual is in their career, their level of responsibility and the organisation which they're serving.”*



**Figure 2.6****Different work settings according to need**

Source: RICS, 2012.

## Outsourcing

In order to have the time and resources to be able to undertake both operational activity and strategic thinking, it is critical that there is an understanding about which of these roles should be kept in-house, and which can be trusted to third parties.

As RICS' *Raising the Bar*<sup>7</sup> report notes, outsourcing operational activities frees in-house FM's to focus more on long-term planning and strategic challenges. The report strongly advocates the use of outsourcing, believing it to be 'the pathway to making FM more strategic'. The same report quoted the fact that the 'typical' Head of Facilities spends 54% of their time on day-to-day operational issues, and less than 21% of their time on strategy and planning.

The BBC has recently announced its new sole Service Provider for the whole of the UK – Interserve. Bainbridge spoke of his reasons behind choosing the supplier:

*"We wanted each bidder to really understand what it was that we wanted in how the service is delivered to support our creative aspirations, our flexibility in our property portfolio. Good FM should add value for you to do your business. Deducting a service to save money leaves the business underserved. So we've spent a lot of time with the bidders to get benchmark indicators that will lead to improved behaviour and improved performance. In an estate our size you've got to spot where there's something not quite right and get it lifted up because we want consistency. That was a big thing about going to the single provider; if you come to MediaCityUK in Salford or New Broadcasting House in London, or Pacific Quay in Glasgow, it should be the same service, the same things that you expect."*

In the end, Interserve won the contract because they were prepared to go the extra mile, understood the BBC's culture, and expanded upon how they would go beyond the tight brief the BBC demanded.

*"All bidders were briefed extensively over many dialogue sessions to ensure they all had the best opportunity at getting their bid accurate," says Bainbridge. "Whilst other bids were acceptable, Interserve's bid was doing as I described; doing that extra bit that convinced us that they would give us good service. The same price but good, excellent service."*

*"If you've outsourced, that's for somebody else to do. So if you've briefed properly and therefore outsourced properly, they should deal with those things, which allows you the time to think strategically. Because, again, for them to be a good outsource partner, they need you to think strategically. If you're getting in to the small details, then you're probably more of a disruptor to them than a help."*

So it's about knowing what you want, and establishing that vision with your supplier – the definition of the oft-talked about 'intelligent client'. Bainbridge has been instrumental in doing just that, and making the HQ in Salford 'work'. He unashamedly admits his 'heart and soul' went into the project, and claims you have to have passion to work in FM, as it's such a people-oriented industry. It is this passion that will help foster the idea of 'Brand FM', professionalising and endorsing the FM industry.

<sup>7</sup> Raising the Bar, RICS, 2012



## Lessons learnt

The BBC's FM team used the relocation of critical services from London to the North-West as an opportunity to enhance its workplace surroundings to encourage and foster creative working.

It achieved this by talking to occupants prior to the move to help identify desired ways of working which included establishing different teams' working patterns. This was then used to design a creative workspace that met its remit, 'a place to provoke smiles,' with modern, stylised features and the use of colour to denote different working environments in the office. Other touches such as flexible seating arrangements not only offer greater opportunities for collaboration and creative thinking, but ensure space isn't wasted.

Another important element of the success of the project was in the strategic use of outsourcing – as recommended in RICS' *Raising the Bar* report. Careful management of preferred suppliers, and ensuring one established level of service across all sites, has enabled the BBC to ensure its brand values are consistent and of first class quality, across the Corporation.

Alan Bainbridge sums up the ingredients for success.

*"In the brief we actually wrote 'a place to provoke smiles'... I wanted, when people came in, for the building service to put a smile on your face. I'm in London quite a bit, you see people and they say, 'I've been to Salford and it's really good'. And it's not about the fabric and furnishings, it's the whole culture. You know, we've had feedback from people saying, 'oh we were doing this and it was really helpful that people supported us with this'."*

Our visit to the new offices bore this out. Helpful concierges, receptionists, even cleaners, pointed out things for us, and made us feel welcome. And in the background Alan smiled as if to say "See? I told you." You can't get a better brand than that.



## 3.0 Strategic FM: harnessing technology at Emrill



### The issues

Data is integral to the FM function, and no consistent, reliable and strategic team can manage effectively without systems that gather together data and push it through the right channels so that accurate and real-time pictures can emerge.

Tools such as Computer-Aided Facility Management (CAFM), Building Management Systems (BMS) and Building Information Modelling (BIM) are gaining in popularity, but must be utilised effectively for FM to become the strategic discipline it deserves to be.

However – is the data enough? Having a plethora of clever software and taking real-time readings of functioning equipment is certainly useful, but what is actually being done with this data? And where should it stop? It is crucial to recognise that workplaces are no longer a simple building, or piece of land – their influence stretches far wider than that, and impact beyond the traditional boundaries of the built environment. Agile working, the internet and global 24/7 operations have put paid to the traditional working environment, and supporting an increasingly diverse and mobile workforce means better relationships and coordination must evolve between different functions of a business – and with those external to a business.

Smart businesses exist in smart communities, and this scope can increase until the impact of good FM is felt by smart cities and beyond. Technology is the enabler to ensure all the dots are connected between the different stakeholders, with FM right at the centre. But is FM embracing the technology, and does it yet see the benefits of doing so?

### Strategic approach

‘Big data’ has become something of a buzzword in FM circles in recent years. Due to the vast number of methods of collecting data, and the type of function that can be reported on, huge quantities of data have emerged, often trapped in their own ‘silos’ – being unconnected, discrete and with limited ability to inter-connect. The integration of this data, to see how issues affect and influence each other, has been termed ‘big data’, allowing a much clearer (albeit more complex and intricate) picture to emerge.

Eric Teicholz, Director of the International Facilities Management Association (IFMA) and President/CEO at Graphic Systems, Inc. is a great advocate of the FM role in big and real-time data. His interests lie in analysing data collected by cities, how this data might impact facilities management, and exploring opportunities for inter-connectivity, interaction and mutual opportunity. As part of World Workplace 2013<sup>1</sup>, Teicholz outlined the following:

*“Cities consist largely of buildings. And cities are changing in ways that are going to have a significant impact on the field of facilities management. At the same time, FM – its knowledge base and core competencies – can make an essential contribution to the transformation of cities that is now underway.”*

<sup>1</sup> <http://worldworkplace.ifma.org/>.

*“It is projected that by the year 2050, 70% of the world’s population will be living in cities, bringing the worldwide number of urbanites to nine billion. We are beginning to understand some of the forces – environmental, financial, infrastructure, and physical – that can result in the kinds of successful, vital environments in which we all want to live and work. But there remain many unknowns about what the city of 2050 will look like and we have yet to understand all the physical and cultural forces that will contribute to successful cities in the future.*

*“But cities are currently spending \$9bn for the collection, analysis, and action on ‘open data’. Decisions based on these urban analytics directly affect buildings and the people who inhabit them, either as residents or employees. There are opportunities for Facility Managers to participate in new ways as the interface between city and facility management grows. What impact will the new ‘big data’ have on the built environment, on how people work and on the liveability of their cities? How can FM integrate the developments pertaining to cities into our field, and what contribution can we make – must we make – to the kinds of data that cities are increasingly gathering and using?”*

This question of how much impact FMs can make to this bigger picture is key, and perhaps the one thing that will enable the profession to gain the exposure, influence and recognition it is aiming for.

Teicholz suggests a scenario in which the FM department of a downtown building could be talking to the city planners, recommending:

*“Cities might, for example, be working on a project to make better traffic patterns by using smart parking meters and road sensors in the city, but why don’t they take data feeds from our smart buildings and use this information, for example, to optimise the use of energy within a larger urban context.”*

It’s not just information about buildings either, but data that can be extracted from social media, staff surveys, sickness and absence records, accident / incident and near miss data – everything feeds into the process.

A London-based organisation called ‘We are data’<sup>2</sup> has built a map of central London, broken down into the different districts, aggregating different pieces of information. It’s a dynamic website, displaying publicly-available information gathered in real-time, such as the public bicycle programme, the tube, Tweets, Facebook updates, Instagram posts, and so on.

*“This type of breadth of knowledge and data are going to be the things that scare the bejesus out of most people,”* laughs Paul Doherty, President and CEO of the Digit Group, and author of RICS’ *Smart Cities*<sup>3</sup>.

*“They’ll say ‘I don’t want that because it is Big Brother’. I find it fascinating. Let’s say a Facilities Manager in central London is really worried about the overall cost of power day in, day out, and he’s gone through a lot of programmes, he’s looking at the sustainability of maybe replacing some older boilers, and he’s trying to make those judgments. But it’s not just his building. Designing and building sustainability is one thing; the performance of that building is another. And it’s not so much that it was designed wrong or implemented wrong, it’s not even that they’re being managed wrong, but that one Facility Manager in central London, if that type of integrated and connected system were put into place, he can ask questions, and have not just his knowledge or his question being asked, but everyone in that whole neighbourhood – ‘Why are all these buildings failing?’”*

Doherty illustrates this example by explaining how they created a 3D model for downtown San Francisco, using such data, and found a new building that had been built in reflective glass, that was causing such a build-up of heat in the surrounding area that it was causing other buildings to overheat. This meant that air conditioning levels increased by approximately 50% in the surrounding neighbourhood on hot, sunny days.

*“So all of a sudden you have new information that the city council needs to start thinking about, because your building can be affecting other buildings. So, these are the types of rich discussions that we’re hoping for, so that facilities managers can have a say and also be affected by policy, and also maybe affect policy.”*

## Smart buildings, smart cities

As the case study below demonstrates, smart building technology is not necessarily confined to brand new state of the art buildings, but can be retrofitted to existing buildings. Obviously, there is a big leap between tracking how much oil a boiler in a ten-person office has used in a winter, to designing data systems that affect how whole neighbourhoods are run, but the concept of integrating technology and data management systems into buildings is the same. It’s only the scale that needs to be tailored to the individual circumstances.

Much like consumer-based tools that allow energy in private residences to be tracked and compared with similar properties, it’s this perception of technology that needs to change – to demonstrate to people that the tools they use in their everyday lives (such as smart phones, social media, online banking and digital communications) can be used in a much greater way to influence the way they work, and the way buildings work for them. Technology, whilst sometimes slow, frustrating, generic and unsuitable, is also the future, and there is certainly merit to suggesting that the more we can integrate it into our lives, the better.

<sup>2</sup> <http://wearedata.watchdogs.com/>

<sup>3</sup> Smart Cities: An RICS Whitepaper outlining the Challenges, Solutions, Results and Next Steps for any city to become a sustainable Smart City by leveraging the Digital DNA of the Built Environment



As Teicholz concludes:

*“We are just beginning to understand the dynamics of successful cities today and the role that Facilities Management might play in the context of open data, urban analytics and greater worker satisfaction, and we are moving in a direction that will enable us ultimately to rethink the roles we can play toward making the cities in which we work and reside more liveable and sustainable.”*

## BIM

According to Kath Fontana, Managing Director of BAM FM, and member of the RICS Professional Group for Facilities Management, Building Information Modelling (BIM) is making an increasing contribution towards a much more integrated, connected network of smart buildings.

She says:

*“A Building Information Model (‘BIM’) is simply a set of digital information about a building. It usually comprises three-dimensional visual information and associated data. Building Information Modelling is the overarching term used to describe the processes deployed by various built environment disciplines when interacting and collaborating in this digital environment.*

*For Facilities Managers this can include a number of activities, for example defining data specifications, analysis of maintenance / whole life costs, ensuring effective digital handover and finally using the model and the associated data in the operational phase of a building.”*

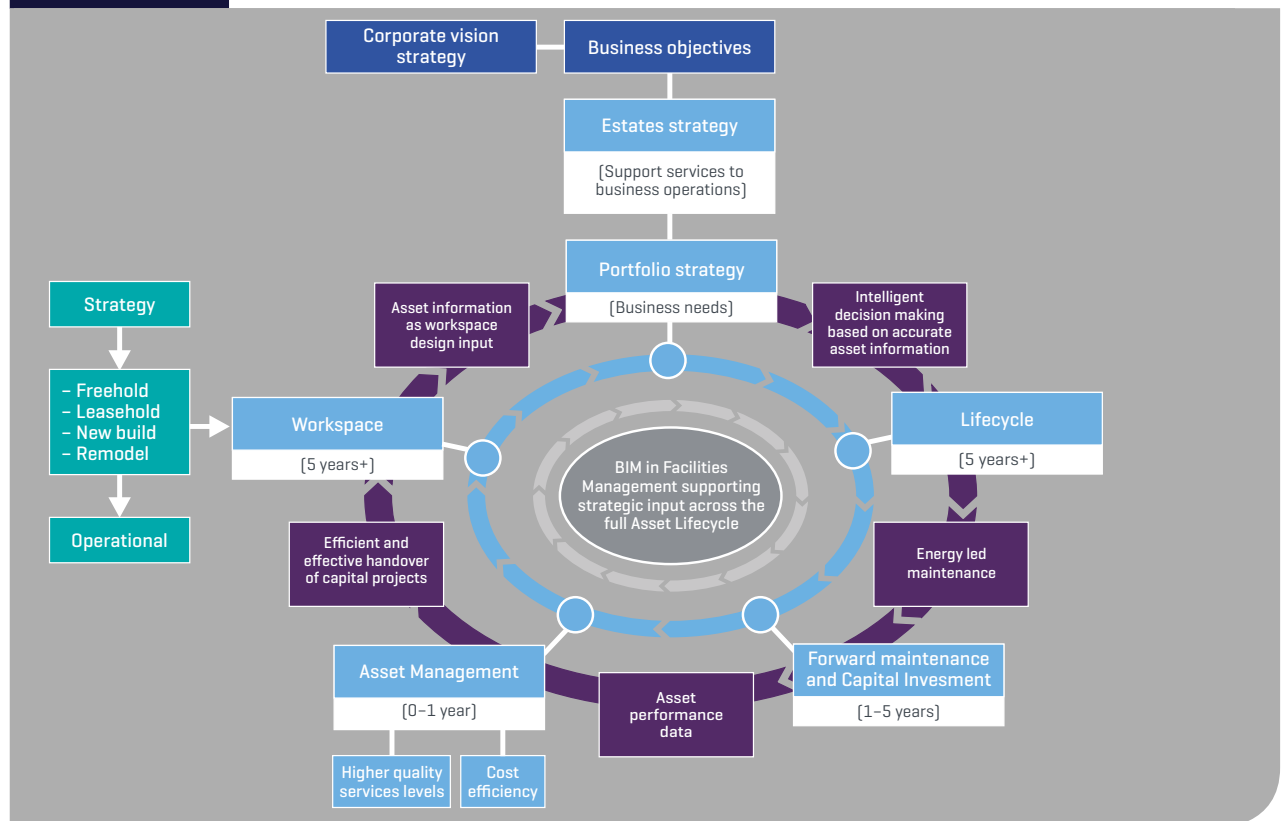
The UK has set a lot of stock in BIM, and the Government's Soft Landings Programme (GSL)<sup>3</sup> is going a long way to promoting its widespread adoption. Yet the FM profession has been slow to adopt it. This is not necessarily because the benefits are unclear, but more due to a number of barriers (real and perceived) that have halted progress. RICS are certainly championing its use, launching the first global BIM Manager Certification programme, and making the recommendation that the FM industry should be more receptive of BIM as a tool that ‘helps clients understand more about their strategy, projects and assets’.<sup>4</sup>

Says Kath Fontana:

*“Anecdotally, what I’m hearing people say now about BIM is ‘how can we afford this?’ rather than ‘we’re not sure that we need it’, as there is a greater understanding of the concepts and benefits, and implementation is the next challenge. There’s been a lot of momentum and traction over the last year and RICS are now developing core competencies for FM and BIM which is really encouraging.”<sup>5</sup>*

**Figure 3.1**

**Strategic applications of BIM in Facilities Management**



Source: © BAM FM

3 <http://www.bimtaskgroup.org/gsl/>.

4 <http://www.rics.org/uk/tag/bim/>

5 <http://www.rics.org/uk/join/member-accreditations-list/bim-manager-certification/>



## Case study

### Emrill

Emrill is an award-winning Integrated Facilities Management provider in the United Arab Emirates, commanding steady growth since its inception in 2002. With over 5,500 staff directly employed, the company offers a full range of Facilities and Asset Management services with solutions tailored to support clients from different sectors.

The challenge for Emrill is in managing some of the largest and most complex buildings in Dubai and Abu Dhabi, with many corporate and residential clients spanning master developments, residential communities, corporate, leisure and commercial complexes.

Ben Churchill, former Managing Director at Emrill Services, says it is the firm's use of technology that has been the biggest enabler to allow Emrill to support their clients, and that in a wider context, technology – used correctly – can help support businesses in their critical functions.

*"I think technology generally in FM is really important, although vastly underused," he maintains. "Historically it's been an industry where it's always been about manpower, although there have been some technology innovations like Computer-Aided Facilities Management (CAFM). I think the opportunities to innovate within the technology space are great, so one of the things that we've done in the consumer side of the business is move everything online so that we have customer facing consumer portals where people can interact with services, online or through a smart phone."*

## Building Management Systems

Proper use of a BMS is the most obvious way that technology can assist FMs in acquiring a holistic view of their property's capabilities, restrictions and issues. Controlling and monitoring a building's mechanical and electrical equipment such as ventilation, lighting, power systems, fire systems, and security systems, a BMS can collate and coordinate data to highlight problems and monitor anomalies. Effective management of such a system allows an FM to be strategic when making decisions that could affect the sustainability and operations of a business in the long-term.

Churchill agrees, but warns of the challenges associated with such systems:

*"A BMS is a computer-based control system installed in a building to control and monitor the building's mechanical and electrical equipment. These systems create alarms/alerts when controls are not operating within parameters. The systems produce thousands of alarms/alerts over the life of building. We still have individuals (BMS Operators) looking at all this data, trying to make intelligent building management decisions. With multiple buildings, this data becomes big and messy, it's very difficult to use to spot trends or building design problems."*

Another barrier is that access to most BMS systems is often proprietary, and companies that develop the software are often reluctant to allow access. FM companies need more automation infrastructure technology standards that will connect, integrate and interoperate building data to drive energy management and building automation.

*"We are still a long way from when robots/ROVs are cost effective and can be deployed to carry out maintenance and cleaning tasks,"* says Churchill.

However, remote monitoring systems such as BMS and increasingly, BIM, are allowing companies to make considerable savings using condition-based maintenance, which allows FM companies to use real-time data to prioritise and optimise maintenance, acting only when maintenance or cleaning is actually necessary.

For instance, BAM FM has just implemented an on-site application of BIM. Explains Kath Fontana:

*"We've got our maintenance engineers using 3D visualisations now in BIM and all the data associated with that to help them with diagnostics, fault finding etc. Although we are still sampling data, initial reports show that in over 60% of tasks they're finding it useful and there's an average reduction in task times of 25 minutes per task, which is massive. This is because they don't have to do the diagnostic on site and when they get there, they've got all the information they need immediately available."*

*"So it's providing benefits on site for us already, and I know more and more organisations are trying to develop that solution."*

For Emrill, making sure the BMS is tuned to the environment it's working in enables the technology to work dynamically. Emrill now uses remote technology and monitoring systems, and only sends people in to fix problems, rather than having a fixed schedule of maintenance. Churchill enthuses about the system:

*"With [this technology] there is the real time element, but there's also the big data element, in taking information out of a variety of systems and then crunching that to spot trends and predict things that are going to happen. So that's an exciting space that we're in at the moment."*

Alongside a series of awards – including the most coveted industry award for 'FM Company of the Year', the 'Green FM Company of the year' 2013 at the Facilities Management Middle East Awards, and 'Health and Safety Initiative of the Year' 2012 – Emrill was also the recipient of 'Innovative Use of IT in FM' 2011 at the Facilities Management Middle East Awards.

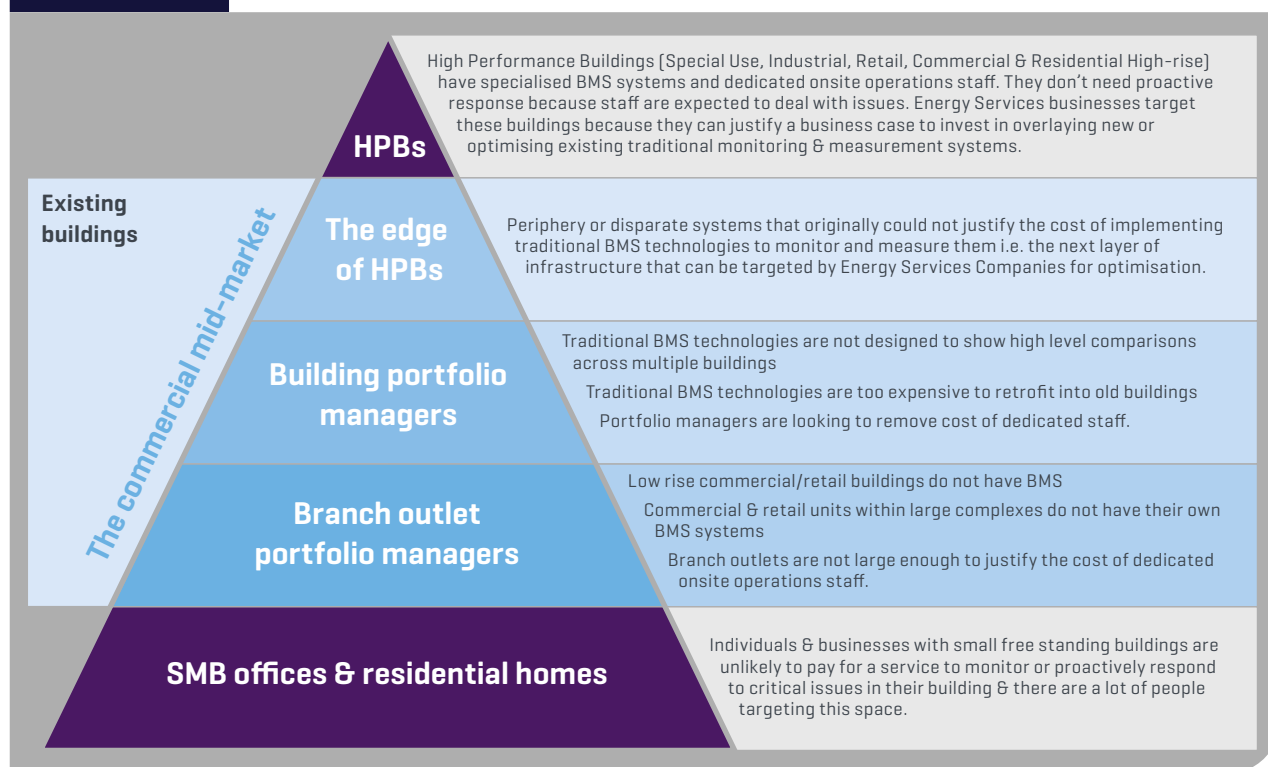
The innovative IT award in question was in relation to consumer portals. Explains Churchill:

*"Simply put, consumer portals mean that if a client wants to access building services from home, they will be able to go online via smart phones or apps and interact with the energy management services. That's proved very, very successful, and is now actually being used back in the UK."*

Since winning that award, however, Emrill has gone a stage further by applying innovative Cloud-based remote monitoring software, Urbanise.com (see figures 3.2 and 3.3), which uses smart technology that enables the remote monitoring of existing buildings for a tenth of the cost of a traditional BMS solution.

**Figure 3.2**

**What is Urbanise.com good for?**



Source: Emrill

This technology overcomes the issue facing many older buildings, not designed with the latest 'smart building' technology, which is usually very expensive to retro-fit into existing buildings that have old systems and legacy control technologies – a key barrier facing many FMs with an old or diverse building portfolio. By using automatic one touch commissioning software, a remote sensor can be installed and commissioned to a centralised operations / response source, effectively converting an older building into a smart building that offers a host of services. And in a nod to the evolution of smart cities this software can be applied to geographically disparate buildings, enabling the portfolio-wide performance comparison of a suite of buildings.

The benefits of this technology are in giving customers 'real time visibility' over their building portfolio, which tells them:

- what is happening now;
- what is performing outside 'normal';
- what needs attention;
- critical event alerts;
- onsite response, resolution and repair;
- what actions have been taken; and
- the result of these actions.

The direct benefit of this is that it offers the client a low cost way to:

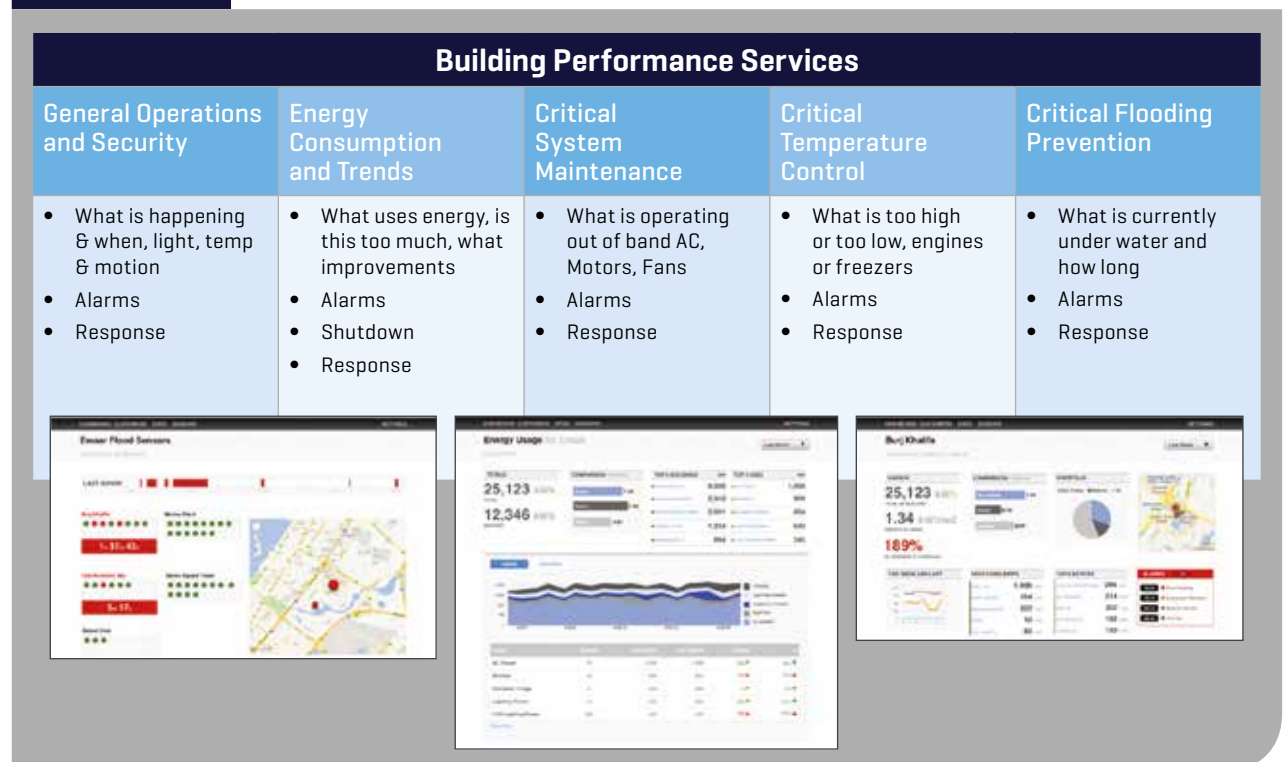
- reduce unnecessary energy usage;
- prevent major system breakdowns;
- stop loss of perishable goods; and
- lower the risk of major flood damage.

Ben Churchill sums up the benefits:

*"Using the urbanise.com platform we have been able to identify and implement savings averaging 34% of the total bill across our portfolio. Over the last two or three years using software such as this as a service has revolutionised what we can do in terms of reporting and linking the integrated applications together to create new business models. It's been a world of change."*

**Figure 3.3**

**What services are available?**



Source: Emrill



## Lessons learnt

Data is becoming increasingly crucial to businesses in general, and the facilities management function in particular, in order to construct an accurate picture of the performance of a building or series of buildings. Whilst FM has been slow to react to the pace of change, a gradual realisation that efficiency and overall performance can be improved through utilising technology has meant more and more FM teams are championing new technology. In a world that so consistently calls for innovation, technology is a prime enabler to add value, and to professionalise what has previously been considered a backroom function.

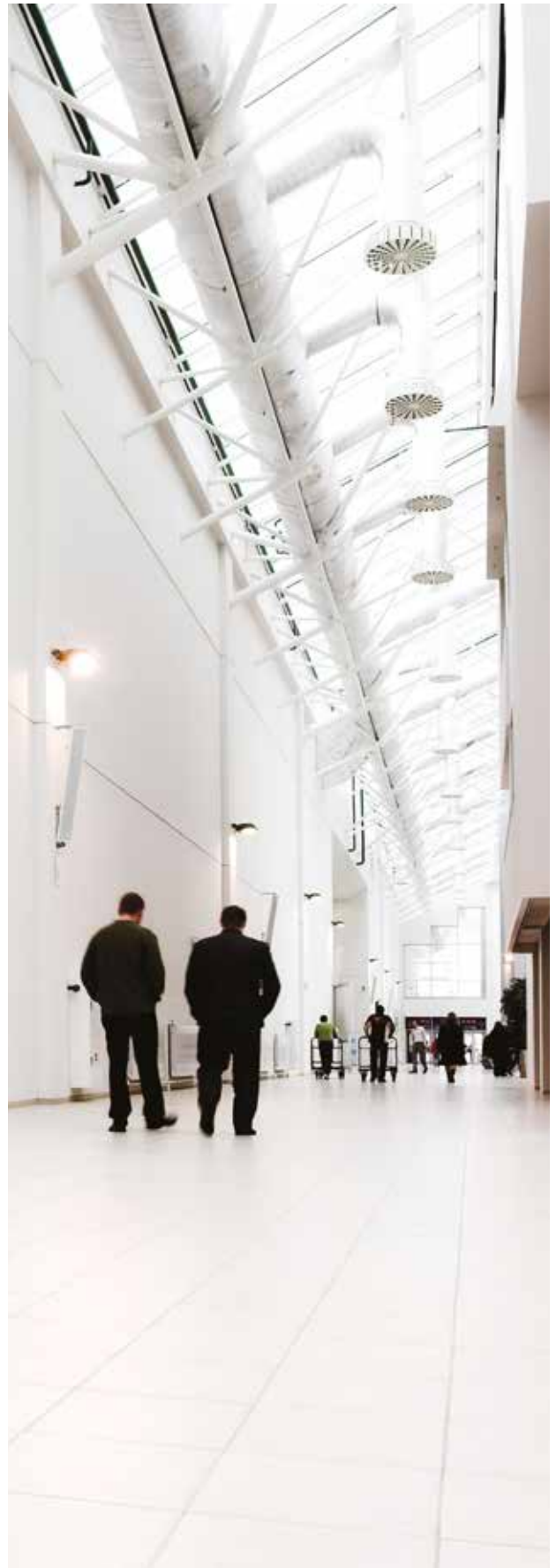
For facilities management provider Emrill, offering the full range of facilities and asset management services in the United Arab Emirates brings the challenge of managing some of the largest and most complex buildings in the world. Emrill aims to help clients with day-to-day management of the built environment, and provide them with the necessary analytical tools required to maintain their building systems, including energy consumption, temperature control and providing critical breakdown services. All this data must then be drawn together to enable the compilation of detailed reports on a building's performance.

Emrill has turned to a range of technical solutions to enable it to support clients in maintaining the critical applications of their buildings. The technology used, whether it's a BMS system or the latest 'smart buildings' technology, ensures that FMs have access to key data to monitor critical applications such as:

- energy expenditure;
- abnormal building usage / activities;
- critical system breakdowns;
- loss of perishable goods; and/or
- damage caused by floods / leaks.

Concludes Churchill:

*"We're increasingly moving towards a space where people are very used to and expect to be using technology, and I think it's incumbent on us to lead the way in making sure that that happens in the service industry as well."*



## 4.0 Strategic FM: sustainable practice in the higher education sector



### The issues

Investing in environmental and sustainability performance has long been a key priority for Facilities Managers – with high proportions of FM budgets put towards sustainability initiatives such as improvements in energy efficiency. Energy efficiency has been at the forefront of change – in part because it is an area where FMs can make a difference, where action can result in real cost savings, and also because it has become heavily regulated in the developed world. But it is by no means the only element of sustainable business of interest to the facilities management sector.

For any environmental or sustainable issue to be fully taken on board by an organisation, management buy-in and strong leadership are vital. Research Workplace Law has undertaken in the sector<sup>1</sup> in the UK has raised challenges such as “getting people at the very top of an organisation engaged with [sustainability]”, and it is this barrier that most cite as the reason to why there is little direct correlation between the day-to-day management of estates departments and long-term strategic thinking.

Further UK research conducted for ThinkFM 2013<sup>2</sup> revealed that well over a third of client organisations do not believe that senior managers in their organisation clearly demonstrate leadership towards environmental and sustainability issues. Even facilities management service providers, who have FM as their core business, are not seeing this leadership from their senior management teams in a third of cases.

The development of global standards in sustainable practice is likely to prompt greater strategic input from business leaders. The world’s leading voluntary standard in Environmental Management, ISO 14001, has been adopted by more than 250,000 organisations in 155 countries, and is due for revision in 2015. According to Martin Baxter, Executive Director – Policy at IEMA<sup>3</sup> and lead UK ISO 14001 representative:

*“The proposed changes link EMS into organisational strategy and top management much more, and require environmental management to be integrated into core organisational processes, rather than sit on the side. The revised draft provides greater focus on risks and opportunities, particularly the positive side of an EMS and how it can add value to the organisation.”*

While the need to create efficiencies and a renewed focus on corporate responsibility are key drivers, Workplace Law’s Head of Environment, Peter Watts, identifies resource scarcity as becoming increasingly recognised as a major factor in determining corporate sustainable behaviour.

<sup>1</sup> Smart Steps to Sustainable FM, research groups, May 2013.

<sup>2</sup> Leadership in Facilities Management – Workplace Law / ThinkFM research programme 2013

<sup>3</sup> Institute for Environmental Management and Assessment.

*“According to the US National Intelligence Council’s Global Trends 2030 report<sup>4</sup>, environmental impacts pose a security threat: demand for food, water, and energy will grow by approximately 35, 40 and 50% respectively in the next 17 years”, says Watts. “The report argues that scarcities can be avoided, but only if coordinated steps are taken to improve productivity and efficiency across a raft of industries and economies.”*

Research undertaken by the Carbon Trust<sup>5</sup> among C-Level execs in Brazil, China, Korea, UK and the US in 2013 echoes both themes: the threat of resource scarcity and inaction by business leaders. When resource shortages do become a reality, 60% of organisations think the cost of their products and services will need to increase, 55% that they will need to engage in fewer markets, and 43% that they will deliver a less varied service or product offering.

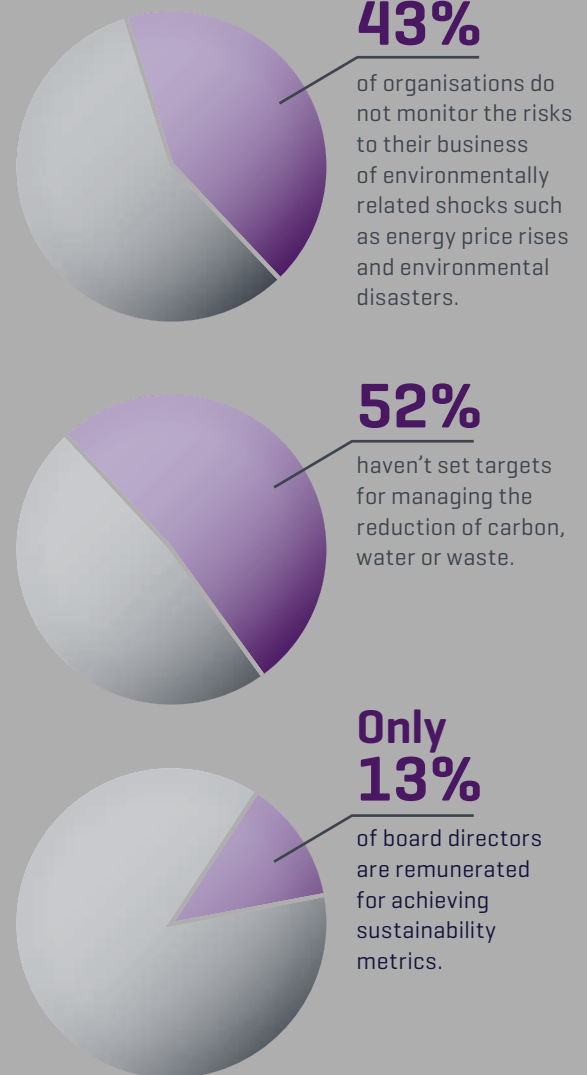
Only 39% of businesses have either made changes, or are planning to make changes in the next three years, to the way they do business in order to combat resource scarcity. Nearly half (46%) recognise the problem but don’t plan to take action for at least the next five years.

When asked to identify the factors preventing the implementation of better environmental management within their organisation, clients in the 2013 Workplace Law survey considered the biggest issue was a lack of engagement by staff. Cost was given as the second reason for not implementing greater measures, while generally being too busy with the day job to give it any focus was the third reason.

As cited in RICS’ *Raising the Bar* research in 2011<sup>6</sup>, ‘heads of facilities are still buried in day-to-day operations’. What can be done to ensure the concept of sustainability rises above the day-to-day, and becomes part of strategic thinking? How does FM engage the C-Suite (and staff) with environmental management, to ensure businesses are prepared for the future?

**Figure 4.1**

**Businesses ill-prepared for resource scarcity**



Source: Carbon Trust

<sup>4</sup> <http://publicintelligence.net/global-trends-2030>

<sup>5</sup> <http://www.carbontrust.com/about-us/press/2012/12/businesses-sleepwalking-into-a-resource-crunch>.

<sup>6</sup> RICS: *Raising the Bar: Enhancing the Strategic Role of Facilities Management*, November 2011

## Strategic approach

*“FMs make so many decisions about the impact on working efficiently and sustainable business, yet FM doesn’t seem to be recognised as the place that is the home of sustainability,”* maintained a member of Workplace Law’s Smart Steps to Sustainable FM Focus Group in May 2013. There is sentiment in both the US and UK that professional and trade bodies in the facilities management industry have been slow to fully engage with the sustainability agenda. Indeed, sustainability is a recent ‘add-on’ to the FM role, with 74% of suppliers and 54% of clients claiming that environmental management wasn’t part of their remit just five years ago.

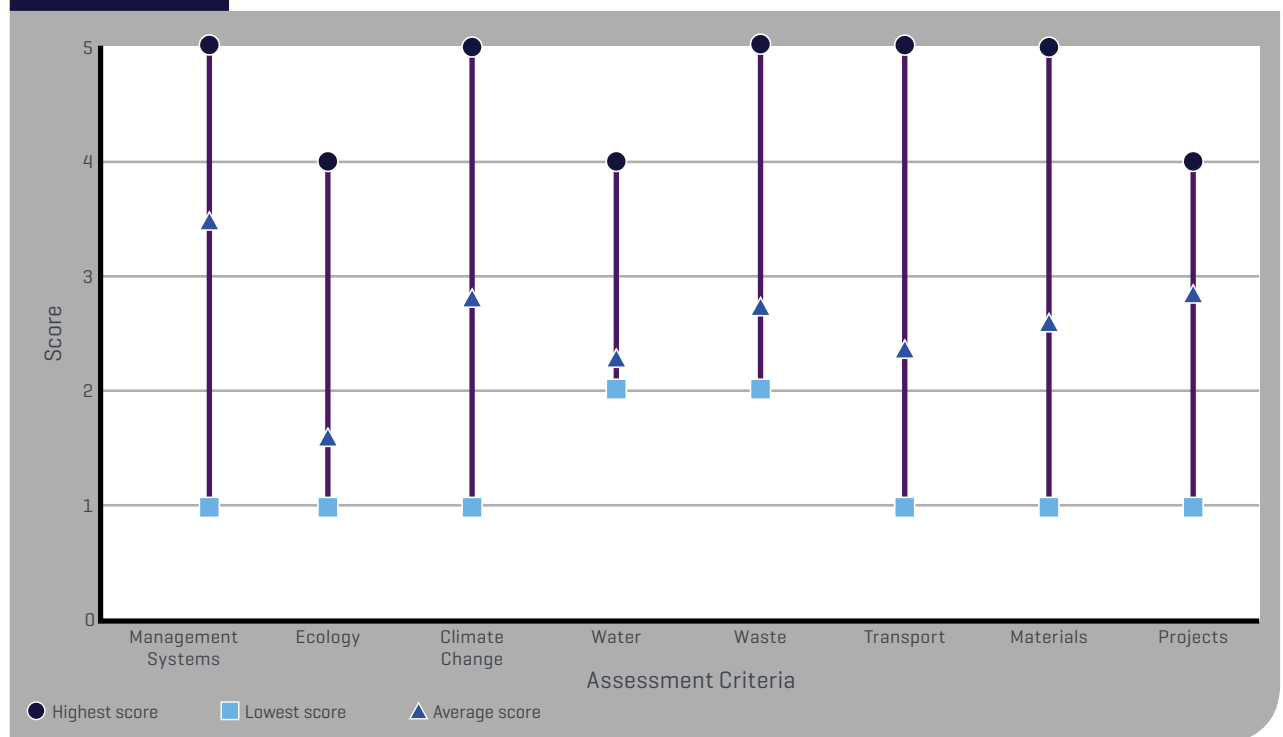
Yet the same Workplace Law research indicates that in 60% of client organisations the responsibility for sustainability falls under the remit of the Premises or Facilities Director. Only 23% of organisations have a dedicated sustainability team. So there can be little doubt that sustainability is indeed part of the FM role, at both operational and strategic levels.

It is safe to say that up to 50% of a facilities manager’s role could include an environmental remit. Environmental issues encompassed within the role of an FM can include:

- Energy use and efficiency
- Water consumption, efficiency and management
- Waste management
- Chemical handling and storage
- Disaster / incident management / business continuity
- Climate change risks – e.g. increased flooding risk
- Procurement and resource use minimisation
- Environmental monitoring and reporting
- Management system certification (e.g. ISO 14001)
- Greenhouse gas reporting and carbon footprinting
- Environmental legal compliance.

So, if environmental management is increasingly falling under the FM’s remit, what are the key objectives required by the FM function to manage this effectively, and what indeed are the core competencies required? What might be considered good practice?

**Figure 4.2** Lowest, highest and average environmental scores by criteria



Source: FM Sustainability Index.



As illustrated in recent research into sustainability in the FM industry, there are three core elements of a strategic approach to sustainable practice in FM, which relate to management and compliance, environmental performance, and social performance. As shown in figure 4.2, the majority of FM companies benchmarked in the Sustainable FM Index are performing well in terms of Environmental Management Systems, a trend largely due to the industry standard certifications and verifications that exist within this area. Most companies also scored well in terms of climate change mitigation, especially in terms of CO<sub>2</sub> reduction, with transport identified as an area of weakness.

However, although social sustainability among the companies was reasonable overall, there is a lack of consensus in terms of what exactly is to be reported on and measured within this category, and how organisations should achieve this, which means that while commitment is evident, reporting is hugely inconsistent, making comparison difficult.

This inconsistency can be identified on two fronts: a lack of an established social impact measurement framework, and a lack of quantifiable measures. It is important these elements are addressed as, within the educational sector, prospective students consider the green credentials of an institution as an integral part of their college selection process, as both case studies overleaf help to illustrate.

Indeed, as environmental management becomes a more integrated part of the FM role, it is important that FM champions the discipline, incorporating sustainability into the FM 'brand'. As the facilities management industry struggles to prove its worth, and highlight its professionalism, the opportunity to use the topical and 'sexy' subject of environmental management is perhaps too good to miss.





## Case study

### University of East Anglia

The University of East Anglia (UEA), located near the UK's east coast city of Norwich, has invested in energy efficient buildings for the last 18 years.

Opening its first low-energy construction, the Elizabeth Fry building, in 1995, it has since added a further five resource-efficient buildings to its portfolio, and has worked with students and researchers alike to ensure the continuing high-performance of all its building stock – even that built in the 1960s.<sup>8</sup>

Roger Bond, Estates Director, explains that there is a direct partnership between the University's estates team, its 'green champions', comprised of staff and students, its researchers who are assisting in the process towards gaining ISO 14001 accreditation into students' degree programmes, and the University Sustainability Board, to which the Estates Division's dedicated Sustainability Team reports. He acknowledges that FM needs to wear a great many 'hats', depending on who it is they are dealing with.

*"Students obviously want speed of response," he says. "They want it fixed first time, they don't want to be interrupted, which is near impossible, so it's a case of managing expectations. Lecturers and staff want their business to operate, and that's all the way through from students making sure that there's wi-fi in their room to researchers making sure that no one will turn off their refrigerator that's got microbes in."*

*"Regarding the strategic role, I think to a certain extent there is a fixation (especially in UK institutions), that we've got to be at the top table, whatever that means."*

*"I think that yes, you've got to be able to use the right language. When I go to the University Executive Board, I have to put forward the business case for certain things and so you've got to rephrase and repackage what you're trying to say, so that it's got a business approach."*

UEA has long been seen as a leader in sustainable development, with an impressive portfolio of buildings, and careful management that has seen them maintain and increase energy-efficiency performance, even when they are starting to age. The University's Community Carbon Reduction programme (CRed) was established in 1993 to explore ways to capitalise on efficient use of energy, and incorporates awareness-raising campaigns in its remit to ensure the community at large understands its objectives. This, coupled with its 'Carbon Crew', plus its School of Environmental Science, helps keep sustainability high on the agenda, and this is pushed primarily by the FM team.

Bond says:

*"One thing that really did make a difference was actually getting our MSc students involved in formulating the framework for how we were going to get to ISO 14001 and an Environmental Management System, because that involved the students, it was a real life case within the University, and it was relevant to the University and the University got something out of it."*

*"So what we try and aspire to is actually making the campus more of a living laboratory, if you like, and we can do more on that, so we can get the message over."*

Practising what you preach is obviously an effective way of ensuring good environmental management runs throughout the core of an organisation.

<sup>8</sup> The Zuckerman Institute building won Low Energy Building of the Year in the Sustainability Awards 2005; the Elizabeth Fry building won a CIBSE Probe Award for its energy performance coupled with the best occupier satisfaction score. All of UEA's low-energy buildings built since 1994 are constructed using the Swedish TermoDeck system, a fan assisted heating, cooling and ventilation system that utilises the high thermal mass of structural, hollow core floor slabs through which warmed or cooled fresh air is distributed to the rooms, enabling the slabs to behave as passive heat exchange elements that release heat to, or absorb heat from, the air passing through them.

## Credentials

In an increasingly competitive market for the best students, having good green credentials is vitally important, especially if the curriculum focuses on environmental management. However, it's not about greenwash, or even altruism – Bond maintains that the reason the University puts so much focus on green buildings and energy-efficient processes comes simply down to finance. In the first two years of opening the Elizabeth Fry building, space heating was reduced by 50%; following installation of CHP units across the estates, a saving of around £400,000 in energy bills was achieved, from a total of £1m.

Getting staff on board is a key issue. As Figure 4.3 demonstrates, organisations deemed to be high performers (growing faster than the industry average,

delivering above average returns to shareholders, winning industry awards, or running a public sector organisation recognised as leading in performance terms) measure the perception their employees give to sustainability more than those performing less well (32% compared to 17%).

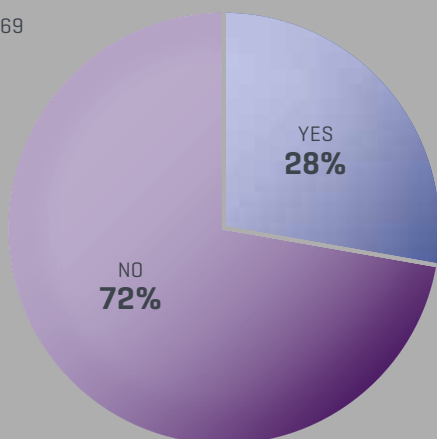
If you don't measure it, you can't manage it, and if people fail to appreciate the differences behaviour change makes, they won't buy into the culture of a sustainable organisation. Bond maintains there is still more to be done – embedding understanding across all hierarchies, so that cleaners understand why they are using certain chemicals, and gardeners are making the most out of promoting bio-diversity. Holistic thinking, however, needs to come from within the curriculum, so the whole institution is seen as sustainable.

**Figure 4.3**

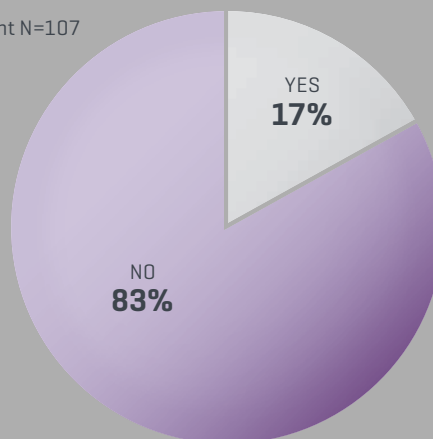
**To enable you to improve environmental performance, do you measure your employees' attitudes to sustainability?**

### Standard organisations

Suppliers N=69

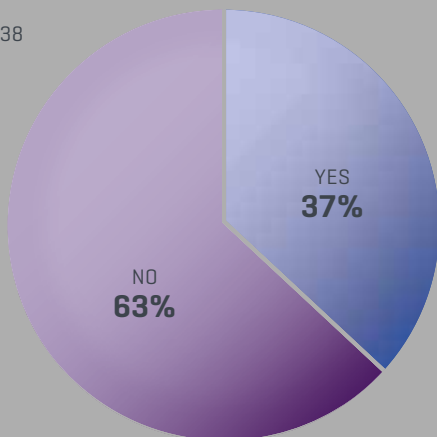


Client N=107

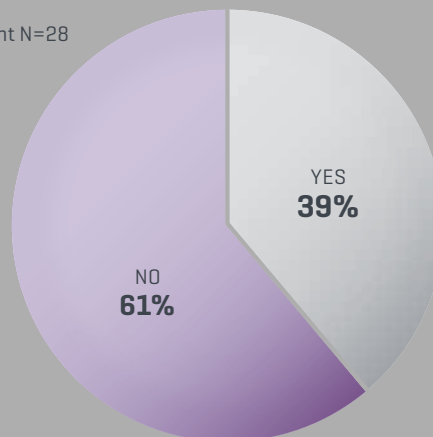


### High-performing organisations

Suppliers N=38



Client N=28



Source: Workplace Law, 2013

## Day to day vs strategy

Holistic thinking is all very well. How does this actually transpire on a day to day basis?

*“One of the cruxes of FM [is] that it’s predominantly reactive... [The biggest priority for us] is making sure that the occupants of the building are happy,”* said one member of our Think FM Focus Group. Bond backs this up.

*“If I go over to see a Dean who’s on the Executive Team at the University, and that Dean has had earache from one of his heads of school who report to him about the fact that their cleaning is poor, or the painting down the corridor has stopped him with his research or something like that, that gets to him. When I then go to speak to him about strategic issues, like ‘where does chemistry see itself going in the next five, six years; how is virtual teaching going to impact on refurbishment’, because his heads of school have spoken to him about cleaning not being right and the paint is getting on their jackets or spoiling their sensors or whatever, that’s all he wants to talk about.”*

Basically, FM is seen in a different context depending on how successfully the building is being run. If occupants are frustrated by a lack of good building maintenance, downtime, mistakes and errors, they will be unable to see the role FM has to play in the bigger picture. Nobody wants to discuss strategy when there’s a leaky tap that’s never fixed. It’s therefore about balancing the day-to-day, and ensuring a basic competency, before tackling the bigger strategic issues.

*“I don’t get the feeling that there is any kind of strategy from within the FM sector and maybe that’s because the FM sector is very hard to define. There doesn’t seem to be any one driving force for sustainable FM and it just seems odd.”* This from another of our Focus Group members, and an opinion backed by many in the industry. Going back to the concept of ‘brand’ – a point illustrated by RICS’ *Raising the Bar: City Roundtables Report*<sup>9</sup> – if FM can be seen to be the champion for environmental management within organisations, this may go some way to defining the FM sector a little better, and implementing a force for change in sustainable and environmental management.

## Lessons learnt

The University of East Anglia (UEA) has invested greatly in energy efficient buildings for the last two decades, and not only ensures the continuing high-performance of all its building stock, but engages all its valuable stakeholders, or ‘green champions’, comprising staff, students, researchers and the University Sustainability Board.

To do this the FM team has ensured that it consistently puts forward the business case for green investment, communicating the UEA’s success as a leader in sustainable development and ensuring sustainability is kept high on the agenda.

By engaging students in achieving ISO 14001 and establishing an Environmental Management System within the University itself, it builds on its reputation, practising what it preaches.

Staff have also been engaged in the environmental strategy, an ongoing process that involves both measuring the perception employees give to sustainability and involving staff (for instance, cleaning staff, regarding the use of chemicals) in using environmentally friendly materials and practices.

Bringing all this together, good environmental management has played an essential role in financial management, enabling the FM team to publish demonstrable savings across the campus due to the implementation of environmental policies.

<sup>9</sup> RICS – Raising the Bar; City Roundtables Report, RICS 2014.





## Case study

### University of Cambridge

An institution that has led from the front over the past few years, in keeping with its overall ethos, is the University of Cambridge, a leading player in the global education marketplace. In 2007, the University made the decision to improve its FM provision by consolidating its services within the Estate Management Division. Since 2012, the University has also invested heavily in environmental sustainability, creating a new Environment and Energy Section that is closely aligned to the Facilities Management team.

Steve Matthews, Facilities Support Manager, discussed how the University has progressed environmentally from an operational focus – concentrating on reducing pollution and improving recycling rates – to a more strategic and holistic approach.

*“I think it was the fact that we realised we weren’t doing enough, and it was like, ‘Where are we on this? We should be doing more’,” says Steve Matthews. “It’s the University of Cambridge. We should be leading the way. And they said, ‘Yes, let’s get this sorted.’ They’ve got two floors now. They’ve got it all nicely laid out. They’ve got likeminded people working in there, good skillsets. They don’t say, ‘No, it’s nothing to do with me.’ They support, they help, and they use us as we use them, so it’s really, really good.”*

Adds Catrin Darsley, Environmental Coordinator at the University:

*“The Environment and Energy Section has more than doubled in size over the last 12 months, emphasising the growing importance of these areas to Cambridge. We run the Green Impact programme as a toolkit for staff and students to directly improve their department’s sustainability credentials, and the criteria for these awards cover all three sustainability areas.”*

Other initiatives created by the FM team include the ‘Living Laboratory for Sustainability’, which started in 2012, and supports student projects on the estate itself, covering everything from biodiversity studies to technical analyses of on-site renewable technology efficiency. Literature and communication systems help to embed environmental sustainability in the workplace, promoting recycling techniques, reminding people to turn lights off, and encouraging water efficiency and paper use reduction.

From a carbon reduction perspective, the University has a fund of £2m a year to implement carbon and energy reduction initiatives. The Energy and Carbon Reduction Project particularly works with high-energy use departments to make positive and long-term changes across their operations and working practices, such as improving the efficiency of climate-conditioned areas in the University Library and engaging the entire Department of Chemistry in a ‘Shut the Sash’ campaign to minimise the impact of their 380 fume cupboards.

### A class of its own

All very commendable initiatives, and the type of action one would expect to see from one of the country’s top universities. So how does the FM team leverage itself as a Russell Group facilities department, and ensure its voice is heard?

*“On the other side,” says Matthews, “we have made ourselves known and we have attended meetings, sometimes when we’ve not been invited, just so we can get in and find out what’s going on. From this, we have achieved what we want, where we get involved in everything. Just this morning I’ve been given plans for a new building for our input and asked ‘What do you think? How will this impact on the site?’ So we’re looking at the infrastructure, how it will affect the roads, waste, window-cleaning, cleaning cupboards, car parking on-site, and so on. All this falls under FM, so we’ll have a big input at a very early stage and they’ll take our points on-board and act upon them.”*

The Environment and Energy Section works to reduce the University of Cambridge’s environmental impact across a range of areas. The Carbon Management Plan and the investment that goes into this prioritises energy and carbon efficiency and emissions reduction, and the University has set itself a target of 34% emissions reduction between 2005 and 2020<sup>10</sup>. The University’s Travel Plan provides a number of different incentives and ways for staff to commute, and aims to support the University in having no more than 25% of staff driving as sole occupants to work<sup>11</sup>. This initiative has come about partly by working with the FM department to increase car-sharing designated parking, and the number of electric vehicle charging points.

In addition, the University encourages use of Cambridge’s Park & Ride system, and has a Park & Cycle site on the outskirts of the city to help reduce the amount of cars in the city centre. Other initiatives have included reducing the number of parking bays and replacing them with protected bike parking – some additional 200 bike parking spaces can be accommodated by just 12 parking bays.

## Engaging stakeholders

As with the UEA, the University takes advantage of the fact it has a variety of stakeholders interested in its performance, and gets the support and buy-in of both students and staff.

As part of ‘Switch Off Week’ in 2013, the University encouraged everyone to wear a jumper and switch off the heating, amongst other things, and saved £5,000 on energy use over the week<sup>12</sup>. The Energy and Carbon Reduction Project ran an ideas competition for the week’s savings, and pledged to reinvest £50,000 on the winning entry. Encouraging students to be ‘NETpositive’ and supporting an Environment and Energy Coordinator staff champion network also helps get the message across to the wider University body. The increased communication, including through the monthly ‘Greenlines’ sustainability newsletter<sup>13</sup>, and support from the Pro-Vice-Chancellor to Heads of Departments, has seen enhanced interest and action by both departments and individuals.

Says Darsley:

*“Other peer organisations have found that embedding the ‘green’ message into their business case and having a strong student engagement focus has increased participation in those types of activities; I think that most students are looking for the best university experience they can find, and even students not initially inspired by the environmental or social agenda can find things they enjoy as long as they’re made aware of the opportunities.”*

This goes back to the concept of brand, and FM being the ambassador of environmental issues.



<sup>10</sup> <http://www.environment.admin.cam.ac.uk/what-are-we-doing/carbon>

<sup>11</sup> <http://www.environment.admin.cam.ac.uk/what-are-we-doing/travel>

<sup>12</sup> <http://www.environment.admin.cam.ac.uk/what-are-we-doing/case-studies/sow13>

<sup>13</sup> <http://www.environment.admin.cam.ac.uk/getting-involved/greenlines>

## A joined-up approach

With such joined-up thinking across departments and stakeholders, concerted effort can reap dividends. Without engaging with FM it's impossible to really embed sustainability in an organisation. The University maintains that its strongest 'green' departments are those with a strong line of communication between their environmental contact, operations, FM, and management. As Matthews concludes:

*"We see it as a joint effort. FM and EM are one. We are there to achieve the same end. The University should provide the most cost-effective and economic services possible, in line with environmental needs. We want to reduce everything down as far as possible."*

## Lessons learnt

When Cambridge realised that it could improve the relevance of its Environmental Policy to the wider University, the decision was made to develop its environmental credentials and increase the size and visibility of its environmental management team – which now works even more closely with the facilities team.

Key recent initiatives include the Green Impact programme<sup>14</sup>, which has engaged 1,177 staff, over 606 initiatives, the combined results of which have saved the University £36,067, in addition to 230 tonnes of CO<sub>2</sub>. The Environment and Energy Section and FM team are also working to agreed University targets to reduce emissions by 34% by 2020, and encourage car sharing so as to have no more than 25% of staff driving as sole occupants to work. The FM team is truly driving sustainable change, and ensuring environmental management remains at the top of the agenda.

The University encourages green buy-in by students, staff and other stakeholders with a range of initiatives including an innovative 'Switch Off Week' and various other centrally-organised events, as well as promoting departmental ideas and event case studies.

Finally, in the spirit of innovation and leading from the front, the University advocates a joined-up thinking approach, which engages all departments and stakeholders to help embed sustainability throughout the University by ensuring that environmental successes and ideas are communicated effectively throughout the organisation.



<sup>14</sup> <http://www.environment.admin.cam.ac.uk/getting-involved/green-impact-staff-and-student-engagement-programme> .



## 5.0 Strategic FM: talent management at Mitie Client Services



### The issues

What do human resources and facilities management disciplines have in common? Anyone in either industry would tell you: it's all about people. People and property are a company's biggest assets, and so these two disciplines have more in common than may be first realised. It's vital to get both right – and one greatly affects the other. So why is it that, more often than not, the two functions aren't aligned? RICS'<sup>1</sup> *Raising the Bar 2012 report* suggested that the two departments FM feels it is least aligned with are IT and HR. Yet intrinsically, they can't function without each other. Who is going to fill these great big buildings? How can we accommodate all these workers' needs? Working together, both functions can act strategically, to see the direction a company is taking, the people who are taking it there, and recognise the needs of those people.

It's essential that HR understands the value of FM (and vice versa). But it's becoming increasingly clear that the value of the industry is under-emphasised, even misunderstood, and the profile of the profession as a whole needs to be raised. How can the FM industry attract the best talent to its ranks?

There have been numerous predictions in recent times about the dearth, even death, of talent in the FM industry, with research pointing towards outsourcing as being both the saviour and the death knell of the traditional FM. Professionalising the industry is a goal that everyone is keen to work towards, to inspire young people into the sector, and promote the role to a wider audience.

### Strategic approach

The most successful FMs appreciate that FM is really all about the people. In RICS' follow-up to its *Raising the Bar 2012 report – Raising the Bar: City Roundtables Report*<sup>2</sup> – based on a series of roundtables held in cities across the world, one of the key messages to arise from the discussions was that FM equals the management of people, not place.

The report finds that the profession tends towards being overly focused on the efficiency of buildings while not focusing enough on the people within; and recommends that the FM sector should concentrate more on enhancing its knowledge of what makes people productive, creative, and generally effective.

<sup>1</sup> RICS – *Raising the Bar: Enhancing the Strategic Role of Facilities Management*, November 2012

<sup>2</sup> *Raising the bar; City Roundtables Report*, RICS 2014





Another people management issue raised in the report is that of attracting and retaining the right talent. Many participants remarked that facilities management is too often perceived as a 'lowly occupation', rather than a professional career. The major reason for this perception is that facilities management leadership is often not perceived as strategic enough, which could mean that the sector will struggle to attract the future talent it needs to thrive.

The report recommends that FMs work more with business and organisational leadership groups to raise the profile of FM, to work harder at defining professional standards, and to clarify FM's role in helping to make organisations more effective. This will require FM to foster a more symbiotic relationship with Human Resources in particular, to attract and retain talent, both within the facilities management team and throughout the organisation.

So in order to build the perception of FM as a professional career it makes sense that FMs should get involved with identifying talent, managing and developing it, assisting with transferring it from other departments and often other companies, and utilising it in the most effective way.

Comments Suzanne McMinn, Head of HR at Workplace Law:

*"There has been talk of FM exhausting its own talent pool and not doing enough to attract 'new blood' into FM from outside the industry. Now HR's core focus should be, in conjunction with FM, looking at ways to develop a career path within FM that attracts new people in, develops the skills and expertise they have, and retains them. Recruiting and growing our own quality employees can only be achieved by HR and FM working together to bring both areas of expertise into play."*

In order to showcase a company that is doing everything right, we looked at the core and key issues that we had previously identified as common to high-performing organisations<sup>3</sup>:

- Strong leadership and a good approach to talent management.
- Recruiting against a key skills matrix.
- A strong programme of learning and development, through mentoring, training and upskilling.

We then looked at companies that were both attempting to professionalise the image of FM, and attract the best staff, knowing that if they got one right, the other would follow. It seemed logical to choose an FM service provider.

<sup>3</sup> Workplace Law – Leadership in FM report, July 2013



## Case study

### Mitie Client Services

The *Raising the Bar: City Roundtables Report* recommends the publication of more case studies and personal stories featuring some of the leaders of FM, and says that the profession must strive to gain more recognition outside the sector.

This has been achieved on both counts by Mitie Client Services, which last year won a place on the coveted *Sunday Times* Top 100 Best Companies to Work.

This determined FM service supplier punches above its weight, winning one accolade after another for its consistent growth and continued success. Established since 1988, Mitie stands for 'Management Incentive Through Investment Equity'. The company has revenues in excess of £2bn and is one of only two FTSE 250 companies to have grown earnings per share for over 25 consecutive years.

Mitie has two concerns – attracting the best talent to its business, and emphasising the importance and credence that the FM function has on businesses. If it is to succeed with the first objective, it must focus closely on the second, so that talent and skill is attracted to an industry that is perceived to bring value and be well-respected.

Mitie started its Client Services business over five years ago to provide outsourced front of house support to organisations, as part of its entrepreneurial start up programme. In that time, Mitie Client Services has grown rapidly and works for a client list that now includes blue chip financial, legal and media clients.

Because it is an FM service provider, it is the people element which is at the heart of its success, necessitating the recruitment, development and retention of the best talent.

David Howorth, who was appointed Managing Director in October 2013, previously launched Mitie's client services business in 2007, and (working alongside outgoing director, Debra Ward) has been instrumental in its enormous and rapid growth. He attributes the company's success to a commitment to its people, and utilising its own famed customer service on its own people, right from the start. Howorth says:

*"From my point of view, FM is the face of the organisation, whether it is the physical face on the front desk, or the team walking around, or whether it is on the end of a phone. When we provide people to work on client sites, I don't put them in as Mitie Client Services team members, they go in as ambassadors for the organisation, to reflect their values and vision and their look and feel. It is about having that close understanding of the client's vision and values, and FM needs to help drive that."*

It is this concentration on fostering talent that was recognised in the *Sunday Times* awards, where winning companies were judged on the results of an independent survey of their team. Results were formulated from responses in eight key categories:

1. Leadership.
2. Wellbeing.
3. Giving something back.
4. Personal growth.
5. My management.
6. My company.
7. My team.
8. Fair deal.

As Ruby McGregor-Smith CBE, Chief Executive of Mitie, said of the win: *“Our Client Services business personifies what Mitie expects from a start-up. They are innovative, dynamic and fiercely passionate about their people.”*

Howorth maintains that *“the whole perception of FM has changed dramatically in the last three or four years”*, due to the economic collapse.

*“I think that’s when people realised how much they relied on FM teams to keep the facilities going and supporting them when there were huge times of change in personnel and functions of businesses,”* he says. *“They still needed that support, and in my opinion that is when FM really stood up and said ‘we are a major part of this business and without us it is not going to work’. And, I think, in times of trouble is when FM can really demonstrate that.”*

FMs can actively enhance a business by ensuring its people and assets are in the right place at the right time – ready to take action. And that action is collaborative and intertwined, a strategic two-step that complements the other.

Howorth continues:

*“In my experience FM is about managing people, their expectations and their environment. I believe that HR is no different. I think FM has evolved over the last 10-15 years, it’s become much more of a customer service function rather than being engineering led. We don’t need to complicate what FM is – it’s about how we engage with people and how we provide the best environment for them to work and thrive in.”*

*“From an FM point of view, HR is instrumental in all we do, as our actions will always have an impact on the staff of the organisation.”*



## Finding and keeping talent

Research undertaken by Workplace Law for ThinkFM suggests that both clients and suppliers still agree that finding and keeping good people is a key issue they face. These factors were ranked at position one and two for the second year running in our 2013 poll, as Figure 5.1 illustrates.

While the current economy is at least partly to blame for the difficulty organisations face in finding good people, the challenge is made harder where FM is not the core business of the organisation, and because the scope of FM roles has expanded in recent years without an associated increase in reward.

As RICS' *Raising the Bar* report states, FM is clearly becoming a more recognised profession, with a more strategic role to play in business and workforce strategy. However, a core component of FM's evolving maturity is the need for senior FM professionals to develop multi-disciplinary skills that go well beyond building engineering and maintenance, lease negotiations, space planning, and building safety / security.

Education is key – both within a structured framework (i.e. schools, colleges, universities, and specialist degree programmes) but also within the wider workforce, so that career development starts right at the beginning.

Howorth says:

*“Being such a significant part of any business and a major contributor to UK employment, it does worry me that FM isn’t as well recognised as it should be. I think our image is getting better all the time but I still think we’ve got a long way to go and it is up to everybody who works in FM to keep promoting the industry and encouraging young people to view it as a very credible career choice.*

*“We take learning and development (L&D) very seriously within Mitie. We have numerous L&D programmes providing the opportunity for people to excel in our organisation. Our CEO, Ruby McGregor-Smith, recently stated that we should be looking for talent, as we can teach skill. To hear a CEO say that was very inspiring for me personally, because that’s about making a real investment in the future of FM. We have a graduate programme; we offer apprenticeships and work with people from disadvantaged backgrounds in our real apprentice scheme. All of these schemes give young people a foot on the career ladder and showcase what our industry has to offer. By investing and engaging in our people and providing them with opportunities, we are paid back by a loyal and enthusiastic workforce.”*

**Figure 5.1**

**People management issues in FM**



Source: Workplace Law, 2013



As well as being listed as the 45th best company to work for in the UK, Mitie was also presented with a special Training and Development Award by the *Sunday Times*, beating all other 'Top 100' companies in the UK.

The Company's Client Services business attributes this accolade to its aim 'to transform the perception and standard of outsourced front-of-house services in the UK... Creating exceptional, memorable experiences... one guest at a time'<sup>4</sup>.

Training their staff is at the very heart of Mitie's Client Service ethos. In 2012 the company's commitment to L&D, in financial terms, totalled £255,682, the equivalent of £364.22 per person. This is reflected in the company's impressively low employee turnover rates – 7.3% against an industry average of 25%.

Training of course works both ways, and when employees are engaged and passionate about a company, they can give back, not only good service but also ideas and thoughts for the future. This is very much encouraged at Mitie Client Services, which has an initiative that it terms 'the Einstein log' in which employees are encouraged to share ideas they have had, or situations of best practice they have seen elsewhere. In fact, employees are positively encouraged to 'borrow' ideas they see on other sites, and see if they can implement them in their own working environments. It is this encouragement to work on initiative, and to be constantly aware of how new ideas can feed into the business that makes the company successful, and it is this emphasis on developing staff, and responding to individuals, that encourages the best talent to rise to the top.

## Developing people through competency frameworks

Further development of staff (in a formal capacity) can be carried out through training and development, aligned to a carefully balanced competency framework. But this doesn't always transpire in reality.

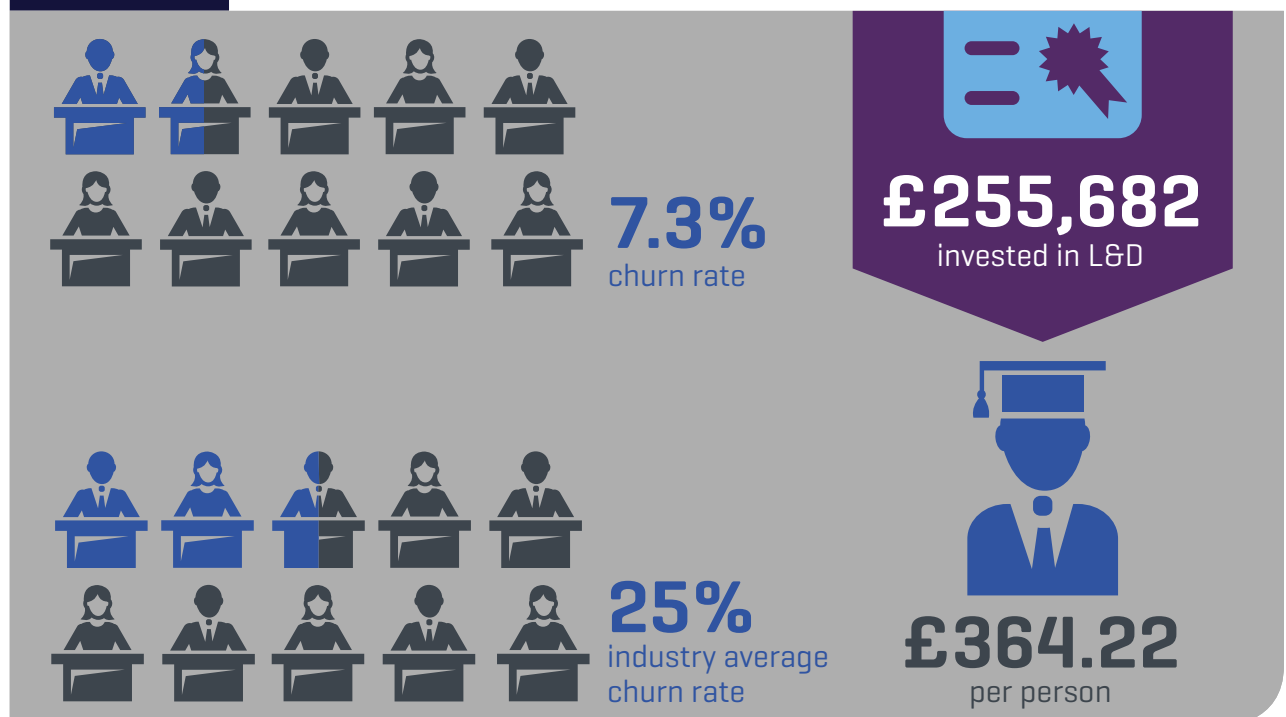
From a research base of 242 respondents<sup>5</sup>, it was found that around half of all clients agreed their organisation had strong leadership and a good approach to talent management. The figure was slightly higher at 54% for FM suppliers.

However, as the charts demonstrate, 38% of clients disagreed or disagreed strongly with the statement, showing a lack of consistency across the FM sector in its approach to HR. Although slightly lower than the client figure, a third of suppliers still did not feel that they had strong leadership and development plans that managed talent within their organisations.

Among high-performing clients (defined as growing faster than the industry average, delivering above average returns to shareholders, winning industry awards), over 80% felt that they had strong leadership and a development plan to identifying and managing talent within their organisation. This figure was similarly high among the high-performing suppliers (83%).

**Figure 5.2**

### Mitie Client Service's investment in learning and development



Source: Workplace Law, 2013

4 <http://www.oneguestatatime.com/>

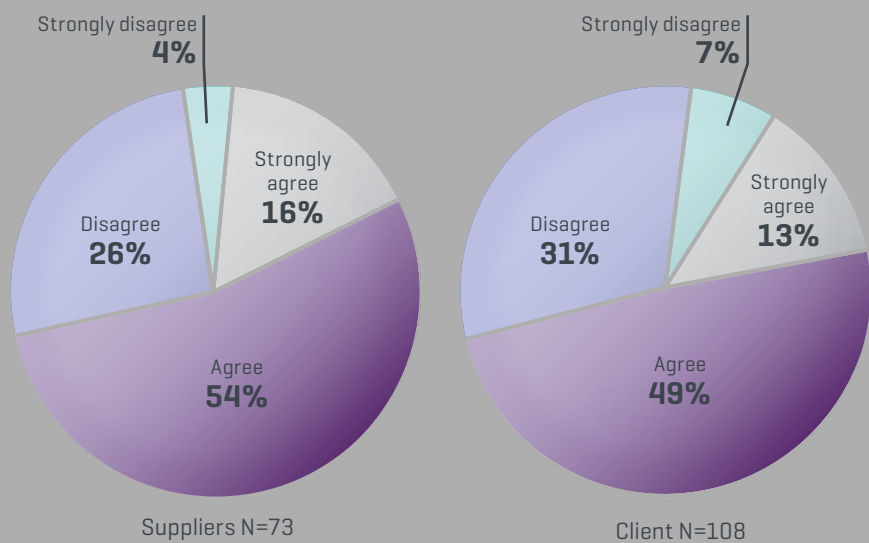
5 Workplace Law – Leadership in Facilities Management, July 2013

**Figure 5.3**

**Percentage of organisations that have strong leadership and development plans that identify and manage talent throughout the employment lifecycle**

To what extent do you agree with the following statement?

***“In my organisation, we have a strong leadership and development plan that identifies and manages talent throughout the employment lifecycle.”***



Source: Workplace Law, 2013

This progression mapping can often be best managed through the use of a competency or talent matrix, highlighting the key attributes and skills required for each job function.

RICS defines the following attributes in its FM competency framework<sup>6</sup>:

- **Building and workplace management** – building maintenance and performance, environmental services, workspace design and management, technology and communications (ICT).
- **Financial management** – accounting, purchasing and supply, budgets, business cases.
- **Service delivery** – account/customer relationship management, delivery process and systems, contracts, performance metrics.
- **Compliance** – legal and regulatory requirements, in particular for the health and safety of users of buildings and staff.
- **General management.**

Amongst the high-performing FM suppliers in Workplace Law's 2013 survey, it was found that 45% use an internally developed FM specific framework. Both clients (40%) and suppliers (57%) agree that the biggest barrier against more widespread use of competency frameworks is a lack of understanding on how to use them.

Clients felt that the second barrier was that the roles within their organisations 'were too varied to be able to apply a specific competency framework'. Suppliers cited the fact that competency frameworks 'are not updated when business or job roles change' as the second barrier against their more widespread use.

This lack of a widespread use of professional competency frameworks is worrying, particularly when we reflect on the fact that an intelligent client is a multi-faceted professional that can help to deliver value through FM activities. The key may be to take the lead and see what lessons can be learnt from other countries such as the Netherlands, where FM is a more sophisticated discipline.

Howorth says:

*“We use a talent matrix to track the skills and talents of our people; not just the talents related to their job but also any skills they have outside their job. So you might get a receptionist with a graphic designer's background who has found their way into FM. If we know that, there may be opportunities where they can use these skills across our organisation and get involved in different aspects of the business. If there's a skill-set a team member has that they want to utilise, we will endeavour to help them develop it.”*

Again, this is a way companies can help develop staff, retaining them at different levels and in different departments, but within the overall organisation, building up their talent pool.

<sup>6</sup> Professional Competency Mapping Framework: <http://www.rics.org/uk/knowledge/research/research-reports/professional-competency-mapping-framework/>

## Risk management

As much as people are an asset, they also come with their own set of problems – much like any other asset. In the hospitality environment in particular, one of these issues is the transient nature of staff, and so, as well as developing talent, a good FM or HR Manager must also manage risk. Says Howorth:

*“We spend a huge amount of time on TUPE and I think it is so important that we get it right for our people first time round. For some it’s a common occurrence, having been in the industry for many years, for others it’s a new experience, but it’s always an unnerving and difficult time for the individuals. We have to understand that and really work with them to make them feel more at ease. People handle change in different ways and the TUPE process is no different. It’s that fear of the unknown that needs to be addressed from the outset. I think that’s hugely important.”*

Over 70% of the team in Mitie Client Services TUPE’d into the business, through winning contracts. This is made up of a mixture of first and multiple generation TUPE experiences. Howorth reflects on some of the challenges:

*“Our largest TUPE transition was in 2012 when we transferred 250 team members across 30 locations throughout the UK into our business. We split the country into three different regions and transitioned team members over a three-month period. Although entirely feasible to do this in one transition it worked for our client to do a staggered transition; also we were managing this over the same period of the Olympics in London, which brought a whole host of other challenges with it! To further add to the complexity of this the incumbent was also TUPE’ing out staff to another supplier at the same time for another service stream. The key to success on this was to ensure we communicated consistently and with the same enthusiasm and passion for the team members transferring at the end of the three-month transition as we did with team members at the beginning.*

*“We held road shows and welcome presentations at each site; we produced a newsletter that was issued regularly. We set up a TUPE hotline so at any time the staff transferring could ask any questions, rather than having to wait for one of their three consultations. We kept in regular communication with the incumbent and respected that until the date of transfer they were the employing company. All in all it was about being visible, approachable and personable throughout and after the date of transition, because it does not stop there. That is just the start!”*

## The power of FM

If FM wants to attract the best talent into the industry, it firstly needs to understand the influence it has on an organisation. Whilst not directly contributing towards the bottom line, the simple fact is, if a building doesn’t work, nor does an organisation. And so it’s critical that those who are getting people into the industry understand their value, and employ only the best people, who will continue to spread that message.

RICS’ *Global Strategic Facilities Management Guidance Note*<sup>7</sup> says:

*“The culture and attitude of an organisation towards facilities management is a significant factor in the delivery of a successful facilities service. To be optimally effective, the facilities function should be recognised and supported by management as a service which will enhance organisational performance. Only then will fully aligned facilities and business plans be produced and the necessary dialogue take place about upcoming operational changes which will need the support of the facilities team.”*

Howorth concurs:

*“FMs need to be aware of their audience - who their clients are. They need to immerse themselves in the culture of the organisation and tailor how they communicate and engage to fit that business. What channels work for them? Building inductions are a key time to really shine and sell the service we offer. They can have so much impact and can be a real relationship builder. I was part of a building opening for a global pharmaceutical company a number of years ago now and everybody who moved into that building went on a half-day induction. For about four years afterwards people would come up to me using my name and asking me FM-related questions. That’s the impact they can have. And, that’s the power of FM and I think sometimes FMs just don’t get that. If you can get your whole team to have that impact, it can be incredible.”*

<sup>7</sup> RICS Professional Guidance, Global Strategic facilities management 1st edition, November 2013

## Lessons learnt

Leading FM service supplier Mitie Client Services works hard to attract and retain its most important assets – its staff – and this includes applying its own high levels of customer service to its own people and always viewing the facilities staff as the face of the organisation.

MD David Howorth argues that during the economic downturn of the last few years FM has been recognised as a major factor in motivating and engaging staff. Ultimately, he says, FM is about customer service and managing people, working to complement and enhance Human Resources. If this relationship can be enhanced so it works both ways, the two departments will be fully aligned, and supported.

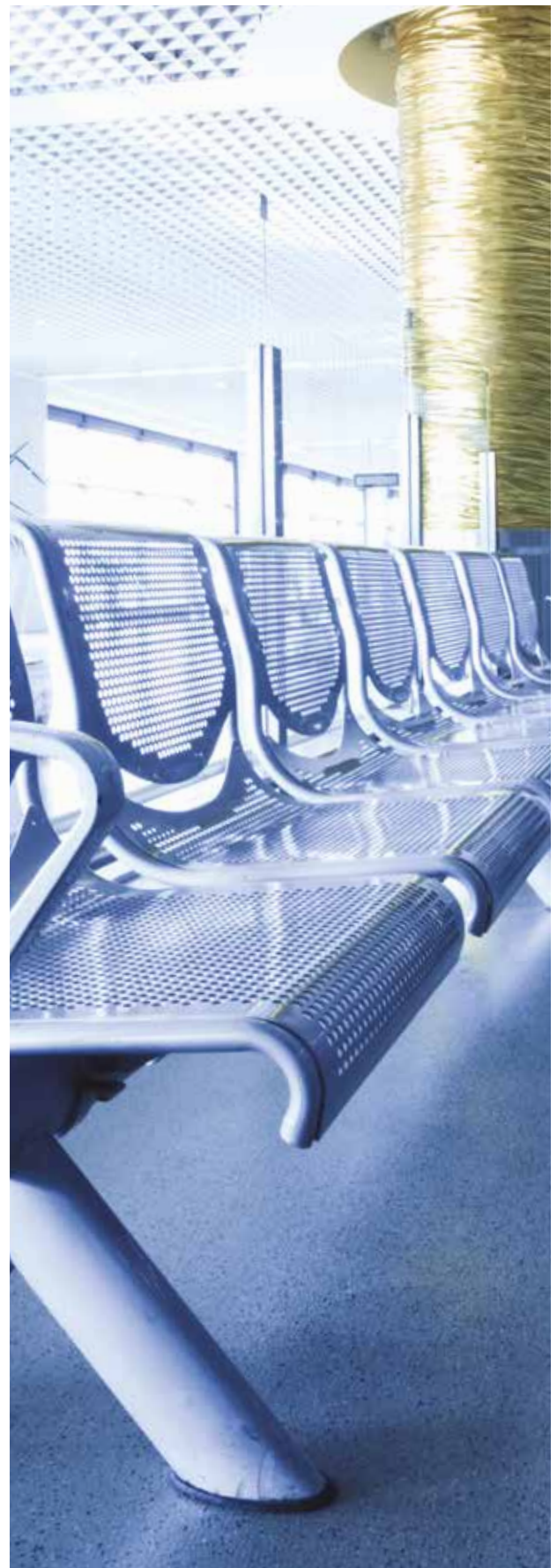
Because research has shown that finding and keeping the right people is key to the success of an organisation, RICS has been working to help professionalise the FM sector. To this end, the contribution an employer like Mitie makes is invaluable as it operates a comprehensive learning and development programme, aimed at both graduate and younger apprentice level staff.

Focusing on talent first, skills later, is an innovative and creative approach to recruitment and retention, but it works, as evidenced by above-average industry retention rates, and unrivalled growth in the sector.

Taking a 360 degree feedback approach to learning, employees are also encouraged to share ideas and best practice advice, meaning their opinions are respected, and they have the ability to directly affect working environments.

Although within the FM sector research has revealed the lack of a widespread use of professional competency frameworks, Mitie's use of a talent matrix to help track the talent and skills of its people is a great example to other FM employers.

Ultimately however, Mitie's success in ensuring it attracts and retains the right people is in its continual positive messages to those working in FM, that ensures its staff appreciate the important contribution FM makes every day to the environment in which people work, which feeds into the bottom line of the whole organisation. Practising what it preaches is an essential element of the company's ethos, and integral to its success.





## 6.0 Strategic FM: the importance of a good health and safety culture



### The issues

It is an accepted and widely held opinion, backed up by research<sup>1</sup>, that senior management have a vital role to play in creating a good workplace health and safety culture. As with any type of behaviour change, initiatives have to be seen to come from the top down, with managers 'walking the talk' to use the modern terminology, and leading from the front.

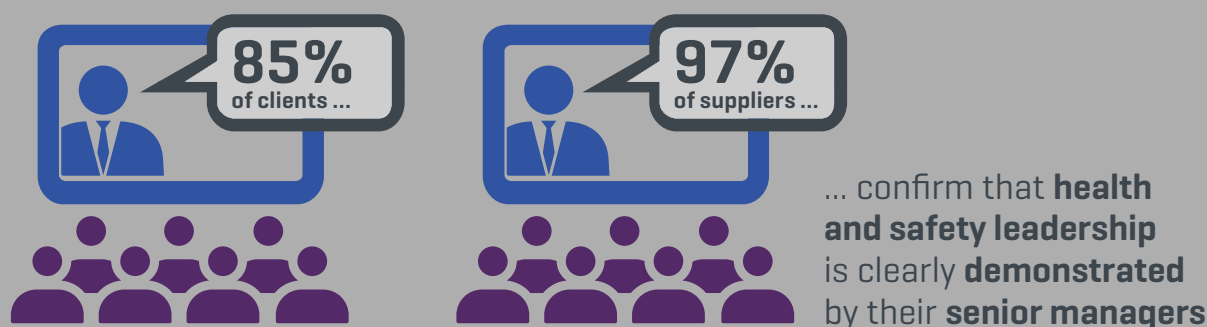
High-performing<sup>2</sup> organisations agree, with 85% of clients and a massive 97% of suppliers confirming that health and safety leadership is clearly demonstrated by their senior managers.

*"It's the emphasis that the directors or senior management place on health and safety that helps determine whether the safety culture within the organisation is effective,"* confirms Simon Toseland, Head of Health and Safety at Workplace Law.

He agrees that the role that FM can and does play within health and safety will also depend on the industry, the size of the workplace, and the 'type' of organisation. Obviously as an organisation grows the separate departments get bigger and the overlap between the different professions widens. But, in smaller organisations certainly, or those with single sites and a close-knit, grass-roots nature, the two disciplines are very often intricately intertwined.

Figure 6.1

Percentage of companies that agree that health and safety leadership is clearly demonstrated by senior managers



Source: Workplace Law, 2013

<sup>1</sup> Workplace Law – Leadership in FM, July 2013

<sup>2</sup> 'High-performing organisations' were defined in Workplace Law's 2012 research report, Performance management in FM, as 'growing faster than the industry average, delivering above average returns to shareholders, and winning industry awards'.



Figure 6.2

Percentage of organisations that listed health and safety as a key activity provided by FM in their organisation



Source: Workplace Law, 2013

Indeed, 68/69% of all clients and suppliers, respectively, in Workplace Law's 2013 study for ThinkFM, listed health and safety as a key activity provided by FM in their organisation. When probed a little further about how much of a role good FM played in helping to maintain a healthy and safe workplace, 56% of client organisations and 70% of suppliers believe it plays a primary role.

So how do FMs with responsibility for health and safety ensure the buy-in of senior management, and establish a positive health and safety culture?

## Strategic approach

RICS' 2013 *Global Strategic Facilities Management Guidance Note* states, 'It is essential for the facilities team to be aware of and be fully conversant with all current health and safety regulations'<sup>3</sup>, an onerous task, and one that could easily turn into a full-time occupation given the current nature of changing regulation in the UK. Whilst the UK's regulatory scene is certainly prescriptive, there are advantages to be had from maintaining compliance. As with environmental legislation, and sustainability, there are opportunities within the barriers, and good health and safety can certainly contribute, if not heavily influence, a company's bottom line.

As Sir-Stelios-Haji-Ioannou, Founder of EasyJet, famously said, *"If you think safety is expensive, try an accident"*, and it is this risk-averse approach that FMs should be taking to ensure their organisations not only protect the safety and health of their workforce, but also contribute to an efficient and streamlined working environment.

Toseland advises there are various ways in which the safety culture within an organisation can be measured, and arguably the most obvious one is via visual indicators.

He says: *"For a site or a building that has a positive safety culture, you will notice things such as good housekeeping, the presence of safety signage, safety notice boards and you may even receive a safety induction or tour."*

However, he adds: *"While a sense of the prevailing culture can be gauged from first impressions, a more accurate assessment can be made by evaluating attitudes and values."* It is these attitudes that the FM must seek to influence and, if necessary, change.

<sup>3</sup> RICS Professional Guidance, Global – Strategic facilities management, 1st edition, RICS, 2013



## Case study

### Mabey Bridge and Cobham Antenna Systems

Creating the right culture is key to ensuring health and safety is effective, which is where senior management has a vital role to play. When employees do not feel that health and safety leadership is clearly demonstrated in their organisation, this can be a huge barrier to fully implementing health and safety processes.

Workplace Law's 2013 study showed that currently both clients and suppliers allocate the highest proportion of their FM training budgets to the area of health and safety – with both spending over a third of their budgets in this area.

This is borne out by both companies featured in this study – two award-winning manufacturers that understand the importance of flawless health and safety procedures, in terms of both their reputation and their financial performance, and who instil their brand values – consistent, reliable and safe products – into their working culture.

Kevin Rowe, Safety, Health, Environmental and Quality Manager at Mabey Bridge, an international manufacturer of high quality structural steelwork maintains that *“safety is probably the biggest part of our training budget. A lot of it you have to refresh after three or five years, and legislation's changing constantly; attitudes towards safety are changing. So it's a constantly moving target.”*

However, it's not about spending money to tick boxes. Says Mick Cooper, SHE Manager at Cobham Antenna Systems, a leading manufacturer of communication, navigation and GPS equipment for land, air and maritime platforms across civil and defence environments:

*“99% of the activities we have undertaken to continuously improve safety haven't needed any reference to specific legislation in terms of legislative compliance, because we're above that base line safety threshold. We don't see compliance as an issue in our business unit because our application of the Cobham Safety Health and Environmental (SHE) management standards create a far higher level of compliance than that prescribed in law. We see a healthy buffer zone between baseline compliance and where we sit regarding control of our risks and activities at Marlow.”*

The hazards that are present at Cobham's Marlow HQ include potential exposure (albeit minimal) to carcinogenic, mutagenic and sensitising agents, which must all be (and are) controlled appropriately. The business unit runs a paint shop that uses epoxy and urethane paints for aerospace applications, so spraying operatives wear full respiratory protective equipment and respect all controls appropriate with this type of activity.

Other hazards include forklift truck use, working at height on site, and working from large naval vessels in dry and wet docks alongside the other hazardous activity expected of a busy dockyard. These processes – coupled with the use of handheld and large machinery such as lathes, milling, turning, hydraulic presses, CNC machines, drill systems and dremmelling equipment – must all be kept under control.

Given the potential problems associated with working with such hazardous materials, Cobham's facilities team uses incentivisers for its staff to promote the health and safety message, understanding that to make a message really hit home, it needs to personally affect people. The Cobham SHE Excellence awards take place every month, whereby one employee is selected for a prize of £25 in shopping vouchers, to be spent in any shop on the High Street. Mick Cooper remarks:

*"We have seen numerous nominations for the award over a four-month period and all of them are worthy of praise for the way in which employees have engaged in positive feedback. This kind of recognition is contagious and crosses all boundaries of department, role and hazard type. It is certainly shaping our safe environment."*

Motivating employees to be more safety-aware has reaped dividends for the company, whose 'Zero harm' initiative was introduced to create a demonstrable reduction in injury incidence. Reporting of near-miss incidents has increased significantly. The site has seen a reduction in injuries from 16 in 2011, to nine in 2012; in 2013 the company recorded just four minor incidents.

Explains Cooper:

*"Before the inception of these initiatives we saw a mix of hand and arm injuries, including lacerations through poor use of hand tools, scalpels and equipment which have all now been replaced, and new process, training and protective equipment has been issued. Control of contractors was also an area that saw contravention of control measures with subsequent injury, including a contractor falling from a CNC machine whilst conducting a machine service."*

Mick Cooper's close working relationship with Cameron Urquhart, the Group's Head of FM, is the key link holding this process together. He claims:

*"Without this working relationship between the SHE and facilities managers we would not achieve the results seen here. There is a real need to ensure there is a strong link between these two personalities and in this respect, the linkage at Marlow is second to none. Without this close cooperation it would have been far more difficult to achieve our outcomes, if not impossible to be honest."*

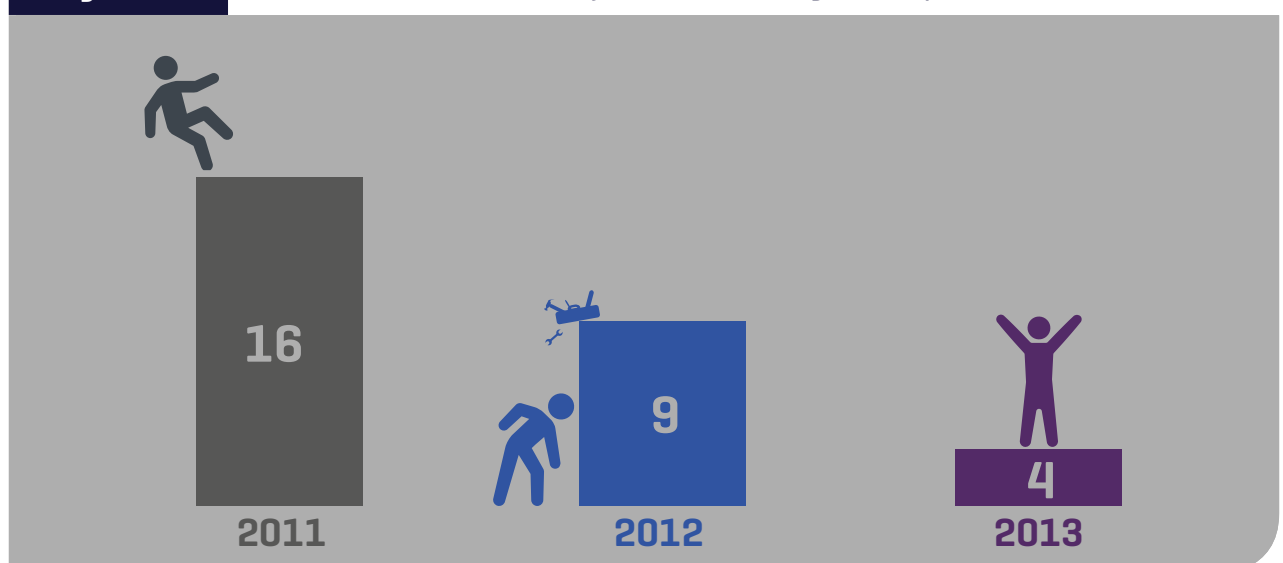
Kevin Rowe of Mabey Bridge agrees:

*"If you haven't got the right environment for people to want to change, and part of the FM role is to make sure the environment that people are working in is right, then you can't introduce anything new or make any new changes to health and safety. So it's really important in that aspect."*

*"[The FM team] are involved in strategic thinking of the business because they're involved in the forums where strategy is talked about, so they're part of the leadership team, they're part of the Think Safe rollout team, so they are part of the strategy."*

**Figure 6.3**

**The number of incidences of injuries decreased significantly from 2011-2013**



Source: Workplace Law, 2013



## Measuring attitudes towards health and safety

Given the importance of attitudes to risk in building a culture of health and safety, and the different attitudes and opinions likely to be held by different hierarchies within an organisation, it is slightly surprising that more companies don't measure their employees' attitudes to risk to help them plan the best approach towards education and training.

Workplace Law's 2013 research suggests that 50% of high-performing clients, and 60% of suppliers, measure their staff's attitudes towards risk, a figure that is perhaps lower than expected, but still demonstrates a noticeable appreciation of the importance of attitude in health and safety.

Mabey Bridge won the Best Achievement in Manufacturing award at the 2013 SHP IOSH awards, predominantly for its belief-based safety culture (BBSC) programme, ThinkSafe, which focuses on establishing an interdependent health and safety culture built on shared cultural beliefs. This includes challenging unsafe practices, taking responsibility for safety, and ensuring immediate corrective action is taken.

The main aim of the campaign, developed and run by Mabey Bridge's FM team, was to encourage positive conversations and reward performance excellence in order to change the way in which employees think about safety. The company wished to create a culture of challenging unsafe behaviour, correcting hazards immediately, and raising awareness of hazards.

All 590 current employees were enrolled on an initial engagement session and asked to complete a personal-commitment card and a safety-climate survey. Following this, 15 employees subsequently volunteered as members of the ThinkSafe steering group and later led the observational audit. Within six months more than 250 observations were completed, enabling the company to tailor change campaigns to existing practices.

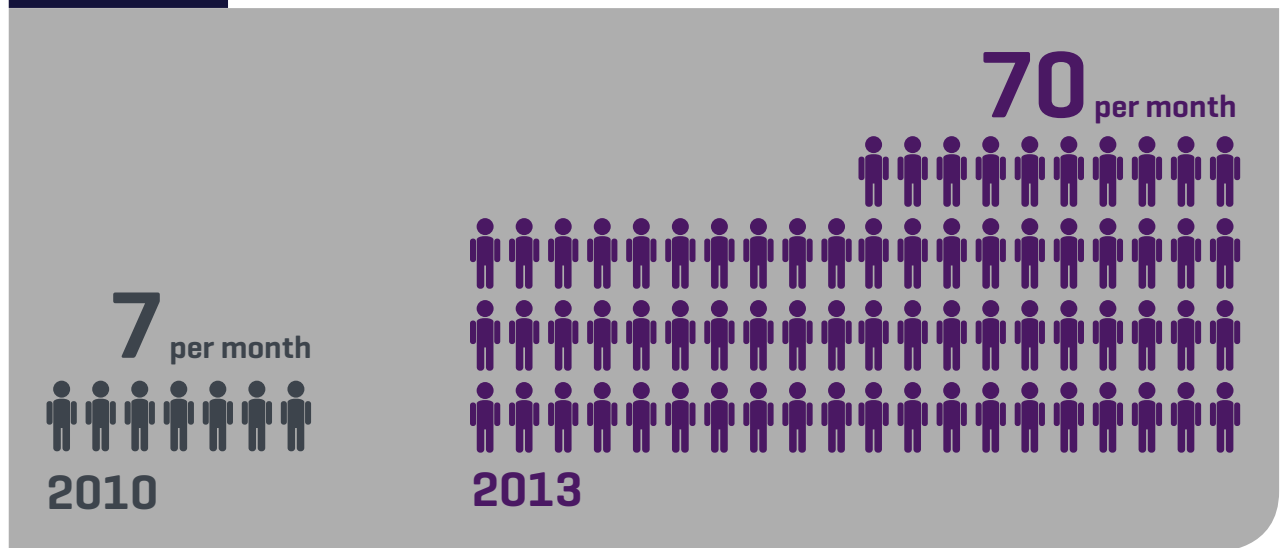
Some of the key safety issues at the firm that were identified as needing addressing included preventing slips and trips injuries, ensuring that staff wore the appropriate Personal Protective Equipment (PPE), making sure equipment was safe for use, improving communication of any potential hazards, and safeguarding people who worked from heights.

A series of initiatives to address these challenges included:

- **Housekeeping:** An 'immediate corrective action and start of shift inspection programme' has ensured that work areas are kept free from slip/trip hazards. This is also supported by a 5S lean management tool which has reduced clutter within the workplace.
- **PPE compliance:** A 'Just and Fair' programme clearly outlined the consequences for non-compliant behaviour. A steering group also undertook several PPE reviews to ensure standards were compatible and appropriate for the specific tasks being undertaken.
- **Control of equipment:** Pre-use inspection and defect report logs were used to ensure equipment was safe before use.
- **Incident reporting:** Raising awareness of near miss and hazard reporting has improved the corporate risk knowledge throughout the business.
- **Work at height:** The interdependent nature of the programme empowered the teams to design, manufacture and risk assess their own access solutions.

As a result of these measures, the corporate accident frequency rate declined from 1.3 lost time accidents per 100,000 man-hours in 2009 to 0.07 in 2013, while near-miss reporting increased from an average of seven per month in 2010 to an average of 70 per month in 2013.



**Figure 6.4****Near miss reporting increased by a factor of ten between 2010 and 2013**

Source: Workplace Law, 2013

Training included a leadership course for managers, engagement events for all employees, a course on safety observations for volunteers, and a train-the-trainer course for members of the steering group.

Respondents to the 2013 Workplace Law survey were asked whether they encouraged people to go beyond compliance with regulations in order to build a strong health and safety culture in their company. 35% of high-performing client organisations and 46% of suppliers did so. Client organisations listed examples including:

- Regular messages to staff in bulletins and in-house training.
- Championing health and safety at director level.
- In-house and external health and safety training.
- Quarterly Board reports outlining health and safety issues.
- Induction for all new employees.
- Compliance % targets and audit score targets.

Suppliers talked about:

- Awards and recognition, audit and training.
- Bonus linkages and employee awards.
- Encouraging staff and suppliers to go beyond the 'norm' by training, specialist support, incident investigation etc.
- Health and safety recognition award programme.
- Engineers forums, employee feedback and external assessment.

### Supply chain drivers

Of course, all of the above measures are all very well when they can be monitored and checked. Staff behaviour can be analysed, bad practice rooted out, and a good health and safety culture can be established. However, in the manufacturing industry in particular, contractors are used widely to fulfil large contracts. How can a company ensure its rigorous health and safety systems are adhered to by third parties?

At Cobham, contractor control has been reviewed and significantly improved over the past four years.

Explains Mick Cooper:

*"We now expect nothing less than the same visible demonstration of SHE value as shown by our own people. Now no contractor fails to display the same control parameters evident in the activity of our own people at Marlow and that ethos has repaid both parties tenfold. With regard to contractors in particular, they are there to get the job done as efficiently as possible, with the minimum resources required to achieve it and within scope of customer expectation."*

*"Our role alongside this is to ensure that within that set of criteria safety is always first. Our experience has shown that the default setting for controlling contractors is just that; you must control them and never forget that! We work on the premise that they will fail, they will provide assessment that requires scrutiny and revision and they will need to be coerced into thinking (and therefore acting) as we do at Cobham. Without this we would not have been able to participate in this case study and could have been on the receiving end of contractor or third party injury and damage incidents."*



As might be expected from an award-winning organisation, Mabey Bridge conforms to ISO 9001, 14001 and 18001 safety management systems, which is externally audited. It takes the same approach to its supply chain.

*“Any supplier that wants to work with Mabey Bridge,” confirms Rowe, “has to go through a pre-contract or pre-selection questionnaire and then if it’s high risk, that’s followed up with an audit. If, for instance, they were involved in an incident, we’d ask them to come in and we’d discuss the incident with them and maybe identify where the communication broke down between the two companies and what we could do to go forward and improve things. And we have supplier engagement events as well, so our key suppliers come in and it’s an opportunity for them to tell us how well we’re doing, and what we could do to improve. So we do quite a lot of engagement with the supply chain.”*

Such standards are becoming more commonplace throughout the industry, and are a sign that good health and safety practices are on the increase. Cobham has gone a stage further and works to its own safety management system, alongside its certified OHSAS 18001 and ISO 14001 management systems.

The Cobham Machine Management Standard has been implemented across the full Cobham Group, and has proved to be extremely comprehensive and effective. The Cobham SHE Management Standards provide four status levels and no business unit is allowed to operate below level one (level zero being non-compliant). The majority of business units are operating at level two or three.

Having the FM team involved in setting operational and strategic objectives and ensuring they are tracked and subsequently achieved, works well within Cobham as demonstrated by its low injury incidence. Corporate

responsibility and sustainability is held in high esteem within Cobham Antenna Systems and everyone from the General Manager down talks of SHE as an integral part of every role, process and task.

Good safety practices are demonstrated and openly encouraged throughout the site and Corporate Responsibility and Safety (CR&S) is considered an essential ingredient and core value of Cobham’s business.

Says Cooper:

*“The vast numbers of improvements that have been made over the past few years were created through the recommendations of our team; not one particular area or group. Notable examples include the refurbishment and replacement of machinery guarding, interlocking guards and the creation of safe operating procedures that are both safe and effective in terms of process. The introduction of lean, 5S and other enhancements in various areas of the site have all helped to enhance the safe working environment. Improvements in working at height safety have also been achieved from input from those who conduct this work.”*

### Lessons learnt

Cobham Antenna Systems has seen a gradual decline in injury levels over the past four years from 21 to 16 to 9 to 4 during 2010, 2011, 2012 and 2013 respectively. The business has not had a reportable injury for over three years and the injuries it has experienced during the last three years have been minor; including slips and trips, a splash of solvent in the eye and a minor manual handling strain. The reason for this is because the team at Marlow are all focused on working safely and employees and management alike are keen to report anything that is likely to lead to harm to prevent this from happening. Cobham



Antenna Systems has run an employee SHE culture survey for three consecutive years, and each year has seen a healthy improvement in positive response.

Says Mick Cooper:

*“Our employees provide feedback that they feel we are listening to our team at all levels which is clearly creating benefits across the full spectrum of operations at Marlow.”*

He adds: *“Creating a safe working environment and practice is not brought to a site by one person, but is a state engendered by all the people within it and this can only become meaningful with the full consent and influence of everyone from the top down. That is why we have been able to remedy a total of 251 near miss reports during 2013.”*

The judges of the Best Achievement in Manufacturing award at the 2013 SHP IOSH awards were particularly impressed by how Mabey Bridge’s campaign was implemented, because it had leadership buy-in at the top and created a leadership programme for managers to help champion messages across the business.

It is this last point that is most important – establishing a thorough health and safety culture from the top down, demonstrating managerial commitment to good working practices.

Kevin Rowe sums up the reasons for their success:

*“Health and safety from the top down is essential, as otherwise the guys on the shop floor don’t believe in it, because there’d be a mismatch between these fabulous words we’ve got in the brochures and the posters on the walls, and the reality. If they’re not walking the talk and they’re ignoring issues and turning a blind eye, then the whole thing doesn’t have credibility. So it’s really important. It has to be in the bloodstream of the business.”*











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