Use of Facility Management as a Competitive Advantage in the Organizational Environment

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Abstract: Facility management has been widely used in corporations during the last decade and has undergone major changes. Some companies have decided to no longer outsource such services, managing more closely and assertively with a focus on cost reduction and delivery quality. At this point, there are many difficulties in the implementation of a structured maintenance, which results in generating effort, costs and delay in servicing internal customers. Currently, there are very few specialized courses in facility management in Brazil. The search for skills has become increasingly important taking into account increasingly competitive markets. The main objective of this article is to show the importance and the challenges of a good facility management, the impact on the Core business of the company and the risks of an implementation without well-defined processes.

Key words: Facility, management, operation and processes.

1. Introduction

Facility management is known worldwide by the acronym FM [1]. It aims to “facilitate” efforts in all areas of an organization. Within an organization chart, this area would be responsible for support and infrastructure (Fig. 1) [2].

FM was designed as an approach to field work (workplace), people working (people) and organization of work (work) [3]. This definition was published in “The IFMA Report # 1” by the IFMA [4-6] (International Facility Management Association). Initially, its use was directed to the management of buildings, but today most large companies have a specific department.

Currently, FM is defined as “planning and operation of efficient processes, integrating buildings, equipment and services in order to support people towards an effective success of organizations”.

The scope of FM is broad and works with a variety of support activities which make strategic management very important. It has as a mission to be effective, so that it is possible to identify all costs such as maintenance and operating costs, which need aid in accounting.

It is essential to monitor the implementation and the results of the work (PDCA—plan, do, check, act), so that it becomes possible to evaluate its effectiveness enabling the creation of a database. This represents the administrative dimension of the FM [7].

A study by the Helbling Management Consulting showed that the operating and maintenance costs of a property surpass building costs after seven years on average. This study shows how important an assertive management of necessary resources is and how a deep organizational study focused on the goal to be achieved, parameterizing actions between all areas, will reflect in a continuous movement of growth and organizational transformation.

2. Methodology

This is an exploratory study, which evaluates the information and the results based on knowledge and experience within corporations.

The objective of the research is to become familiar with a subject still little known and little explored. At
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Fig. 1  Structure.

the end of the article, it will be possible to learn more about it and formulate hypotheses.

This research was challenging because this subject is not easily found in the literature and there are few studies on this particular perception of FM. However, if we consider the initial ideas existent, further research could address other aspects. There will always be some study on or interview with people who had a practical experience with similar problems or analyses of similar examples that can encourage understanding.

Thus, the research covered a literature analysis such as these, dissertations, journal articles, books, websites, among others, in order to know the different scientific contributions to FM [8, 9].

During the writing process, some aspects of descriptive methodology were used because some characteristics of real cases were analyzed, making it possible to present what is now known in terms of FM.

The work was divided into five stages:
- history and context of FM;
- research methodology;
- main problems found in corporations;
- interviews and results;
- analysis and suggestions for FM within corporations.

3. Analysis and Discussions

Planning, managing and organizing the maintenance department requires processes, systems and well-trained personnel so that the company may present its products and grow within the global market.

The diversity of activities performed in the maintenance department, either in management and planning areas or in the technical area, requires an end process in order to meet the needs of each company, providing sufficient resources to implement modern and effective solutions.

4. The Problem

Based on the current situation, there is a great opportunity to improve resource management practices due to the current crisis in the economy. The sector growth may be reflected in cost reduction by applying a rehabilitation policy for activities performed daily and especially by sharing with everybody the concept of “more with less”.

Currently, electric power may account for up to 19% of the total cost of an operation. It is a problem to be faced, for a reduction of 5%, which may represent a value to be applied in the renewal of the company’s assets or in the improvement of the company’s performance [10].

FM plays an essential role within the organization because all sectors are customers, independent from the segment, and a competent management may mitigate unnecessary costs.
The greatest challenge is to show that the industry does not generate costs, it generates investment. When a preventive maintenance of any building and/or equipment is performed or when ways that provide a better management of outsourced companies are found, there is a direct contribution to the well-being of the employee, creating a favorable organizational environment.

We can thus understand that the industry is directly linked to the Maslow’s theory, which offers the individual a personal achievement as being part of an organization that respects individuals and has the best practices for its professional development.

However, if the idea is not widespread in the institution and all sectors work together, the expected results will hardly be achieved.

5. Interview

In order to better understand the subject, interviews were conducted to verify the impact of the current scenario in the cultural change of an organization. A questionnaire was developed with the following questions:

(1) How the current situation is impacting the industry?
(2) What is the main difference in the budget forecast from 2014~2015 to 2015~2016?
(3) What energy saving projection was defined?
(4) What actions have been developed?
(5) What water consumption reduction projection was defined?
(6) What actions have been developed?
(7) How important is PM (preventive maintenance) within the structure?
(8) Among monthly service orders, what is the percentage of corrective maintenance?

By analyzing the answers of the respondents, it was noticed that organizations in general, regardless of the segment, were not giving due importance to FM and generally outsourced this department because they understood that it generated costs. However, considering the current situation of the country, some companies have initiated actions in this area to reduce costs.

Within organizations, it was noted that FM is generally linked to BM (building maintenance). In 67% of the companies, the manager is outsourced, so the turnover is high and the commitment to the company’s results is not the main focus. Some organizations decided to internalize this type of function.

However, directing the analysis to a real possibility of cost reduction, the BM is the main possibility to reduce costs in 80% of the companies evaluated.

An organization with a fully operational building area with 140,000 m² working from 06:00 to 22:00 decided to invest approximately 2 million reais in changing all metal halide lamps by LED (light-emitting diode) lamps. This investment represented real monthly savings of 4.81%, including buying, depreciation period and interest costs (because the value was generated with a funding from BNDES (National Development Bank)). Table 1 is a comparative chart with reduced values, in kW, compared to the previous year, showing exactly the reflection of the applied actions and their perceived greater cost reductions.

Another important action being performed by 59% of the industry is the use of a generator as the main source of energy during peak hours (17:30~20:30). In that period, the value of the kW/h increases by 150%. The “villain” becomes the fuel for the generator (diesel) due to contracts with suppliers and pre-established adjustment variables often below inflation with a guaranteed long-term contract and contractual penalties for withdrawal.

The beginning of a new cycle, a new way to observe an area that offers many tools and that is an embryo compared to other sectors.

The suggestion of a new structure based on “magic cube” served to illustrate how FM is inserted in all sectors and how it feeds and is fed by information in some way and at some point.
Facility management aims to keep available and reliable facilities, provide support services with speed and quality and keep costs under control. These objectives are consensus on companies, but few companies define availability, reliability, service time and quality level goals. Some other actions were taken within organizations so that the reduction was also reflected in water consumption. They are:

- timer in showers and taps;
- structures to capture rainwater;
- change of the cooling system whenever possible (ice water tower for self);
- change of the main logs to prevent loss of water;

Table 4 is a comparative chart with reduced values compared to the previous year in m³.
6. Conclusions

As can be seen, FM has as main challenge to keep building facilities available by offering skilled and agile work. However, it was identified that this may become a costly process if not well planned and executed preventively.

The current economic scenario becomes favorable for the sector as it offers a cost reduction opportunity. This was observed in only two of many sectors. If the sector develops a study in synergy with the purchasing department, this result could be even more positive as existing contracts would be reviewed and new partnerships with suppliers would be made.

This article aimed to lead its readers to reflect on how a smart management of resources will represent a real increase in performance and results. This is only the beginning of a new cycle, a new way to observe an area that offers many tools and that is an embryo compared to other sectors.

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Facility management aims to keep available and reliable facilities, provide support services with speed and quality and keep costs under control. These objectives are consensus on companies, but few companies define availability, reliability, service time and quality level goals. This makes it difficult to establish which team will be required (head count) and how much will be spent (budget) to achieve such objectives.

Thus, the first point of attention is clearly define goals for indicators, use a good software for operation and management and mobilize people to the importance and the achievement of established goals.

References


