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Issue 27 - December 2013

A EuroFM Publication



INSIGHT



RUSSIA

Who is knocking at my door?

By Alexey Bessonov,
Director RICFM



As one of the powerhouses of the global economy, Russia has undergone great changes in the last decade. Within this context, Facility Management has gained a tentative yet increasingly stable foothold among Russian businesses. This review will outline FM development through the example of RAEX rated Russian regions in terms of investment focussing on the "1A" and "1B" categories – Moscow and Yekaterinburg.

Since 1991, Russian businesses - including commercial real estate - have assimilated all "Western" rules of business operations, having previously adapted them in such creative ways to Russian real life, so that it is now part and parcel of business life. At present, the Russian real estate market is not transparent; but, it is balanced and features stable main indices with positive growth dynamics, while being oriented towards local investors (institutional funds and private capital) and local consumers (buyers and renters).

In the last year, the growth of rentable facilities in Moscow (1A) and

Yekaterinburg (1B) business centers was 9% and 20% respectively, which according to preliminary results for 2013 places Moscow top in terms of office area (m²) per 1000 citizens, and Yekaterinburg second. Similar dynamics can be observed in terms of commissioning new shopping space in shopping malls and multipurpose centers, though the leader here is Yekaterinburg with 506 m² per 1000 citizens, while Moscow's index is 309 m².

Large scale quantitative changes have affected a number of economic indices, surprising developers and owners alike. For instance, the annual rental growth rate was half as low as the inflation rate, meanwhile, shopping malls saw a drop in their receipts of between 20 to 30% due to customer traffic decline and other reasons.

At the same time, we see qualitative changes in commercial real estate offers. In 2010, despite being an "A" class business center, there were no "green" buildings in Moscow with BRE Global or LEED (U.S. Green Building Council) certificates; whereas, now in 2013, their number is 2.5% (300,000m²) of the business centers' total area, and, according to forecasts, will be 5% by 2015 (Jones, Lang, La Salle - joneslanglasalle.ru). The heterogeneity of "B" class offices has increased: class "B+" was created to encompass foreign architectural designs of business centers for comprehensive development of territories of former industrial sites, located within the city boundaries or its administration centers. A landmark in real estate operation has been the introduction in 2013 of compulsory insurance of management companies' liability for provided or specified services.

Facility management has been knocking at the door of Russian businesses since 2008 – timidly but persistently. It had knocked even earlier, but not as relentlessly as now.

The highly positive dynamics of the Russian commercial real estate market in 2012 and 2013 encourages developers

to look at FM as a professional activity in managing assets created within the last decade. And the first thing a facility manager is interested in at the initial "reconnaissance" meeting with a developer or owner is dispelling myths: one of them being the perception that attracting a professional FM firm always makes the operation more expensive, less manageable and decreases the impact on decision making.

With the appearance of state-of-the-art real estate facilities equipped with modern environmental support systems, the facility management market started to take shape quickly. Now, real estate developers, tenants and owners realize that Integrated FM is the key factor for a successful real estate facility in the long-term. For this reason, there is an acute need for setting consolidated FM standards, ensuring clear "rules of the road" and transparency for all market players.

The 2008 crisis partially sped up the appearance of a conscious demand for FM services. Certain banks have acquired real estate that represented credit collateral. Some of those financial institutions decided to attract external managers to operate such facilities and they achieved positive results.

Real estate facility management has become an increasingly more labor-intensive and costly process, and such work can only be performed by professionals who have other clients with similar or related problems. Therefore, the expenses of an FM firm at a managed facility will be lower compared to the cost of the client managing it themselves: economies of scale at work. In European countries, it is already an established practice; however, delegating management of a site is still not a habit in Russia. This explains the rags-to-riches stories of people who used to be poor in the Soviet past or got accustomed to do everything on their own, with their own two hands. The Russian saying regarding one's *raison d'être* is to raise a son, plant a tree and build a house (all on one's own), and this mentality still lives on in the minds of today's owners and developers.

The decision making on operating commercial real estate facility on one's own or through delegation to a FM firm is affected by many factors: purpose and objectives, personal values, education of the decision-makers, the experience of solving similar problems in similar situations abroad, scale of facilities and so on.

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IFMP summer school is heading for new horizons

by Pekka Matvejeff

The IFMP is an international Facility Management Program, which first started in 1996. The program offers students the opportunity to learn, and implement the latest FM ideas within real-life company project cases. The IFMP is a Summer School developed by a collaboration network of eight European Universities of Applied Sciences offering FM or related degree programs in Austria, Finland, Germany, The Netherlands and Norway.

In the IFMP Program, students study present and future oriented trends of the industry in greater depth than is possible during the regular academic program. Previous years saw the study of topics such as 'Security Management' and 'New Ways of Working'.

The main theme during the last two years of the IFMP has been 'Healing Environment'. Originally applied to hospital settings, a healing environment is an environment that contributes to the occupant's well-being, both by design and operational approach. Healthy ageing is considered one of the most challenging issues in the European Union. Many countries have to deal with a rapidly ageing population; from a socio-demographic point of view, a healing environment can be characterized as an environment that enables people to live longer independently within an environment that lasts a lifetime. In effect, a healing environment should apply to any surroundings in which people work, live, meet and enjoy themselves. A healing environment is not restricted only to care and cure facilities. It can be applied to office buildings, universities and schools that want to offer a healthy work and/or lifelong-learning environment to its stakeholders.

During the 2012 IFMP, students became acquainted with various aspects related to a healing environment and the existing methods to measure its effect. On the basis of acquired knowledge, four project groups each developed a toolkit to objectively assess the 'hardware' aspects related to a healing environment. The toolkits were put into practice in the confines of a care facility. The research outcomes were translated into recommendations for the care facility in question.

Service Design in an FM Context

The main objective of the 2013 IFMP Summer School was to emphasize the importance and impact of various actors

in service processes when creating an optimal healing environment for a service organization. To broaden the acquired insights from the 2012 IFMP, the 2013 IFMP Summer School students investigated these aspects with the use of Service Design methods and tools.

During the six week study period, students carried out two innovation projects applying existing knowledge and the newest service innovation and design method. They adopted creative problem-solving methods and gained understanding on how service design (SD) tools can be applied to support healing-environment thinking within the Facility Management context.

During the first study weeks, Tirol University of Applied Sciences in Kufstein, Austria laid the ground-work for healing-environment thinking. The

next two weeks of study were executed by Laurea University of Applied Sciences in Espoo, Finland, which specializes in Service Innovations and Design. Students practiced the use of Service Design tools in a Business Park environment owned by a leading real-estate company in Finland. During the final two weeks of their studies, students applied the SD tools of Zuyd University of Applied Sciences in Heerlen, The Netherlands in an intensive innovation project at a retirement home analyzing the patient processes and services provided by the operator. One SD specialist from Laurea UAS followed the student group to Heerlen in order to coach them with the use of SD tools.

Different Service Design tools like observations, interviews, analyzing service encounters, blueprints, and customer journeys were applied to assess the client's working environment while generating new development ideas on how to adapt "a healing way of working" to the client organizations. The use of Service Design tools can help in reorienting the consumer's and service provider's behavior and operations towards the desired goals.

Some examples of results of the IFMP include the development of a toolkit to assess hardware aspects related to a healing environment in elderly care environments and the design of innovative service concepts for a leading real-estate company that provides facility based services to SMEs. Partner companies within the IFMP that provided the real test cases have indicated that they would like to continue and augment their co-operation with the program.

Exploring new opportunities

Because of the success of the program, and since partners would

like to intensify their collaboration efforts, the IFMP steering group has decided to explore new opportunities to take the program to the next level in the form of a European R&D project. The new IFMP project would give the consortium not only the possibility to facilitate the IFMP in a more efficient way while aiming for a higher level of involvement in which joint research and development activities carried out by international researchers, teachers, and professors would have a radical impact on how healing environments are created on a European level.

Organizations increasingly believe in a holistic approach when trying to fulfill the individual's needs of body, mind and spirit. It is also evident that a physical environment can enhance healing, health and well-being. The planned IFMP Project will research, design, and develop new services that will create an optimal healing environment for service organizations. It intends to utilize a Service Design approach in which user centered research and co-design activities from a variety of stakeholders (end-users, service providers, city representatives, etc) will be deeply rooted. The results may, for example, help the service providers in hospital environments to plan the delivery of services in a more end-user friendly manner. According to the IFMP, this type of intervention in patient service processes in hospitals or care and cure environments with the use of Service Design method and its tools has not, yet, been widely tested.

The Author of this article, Pekka Matvejeff, M.Soc.Sc, MBA; is Senior Lecturer and IFMP coordinator at the Laurea University of Applied Sciences in Finland.



The IFMP network universities are: Hamburg University of Applied Sciences (Germany), Hanze University of Applied Sciences (Groningen, The Netherlands), Tirol University of Applied Sciences (Kufstein, Austria), Laurea University of Applied Sciences (Espoo, Finland), Oslo and Åkershus University College of Applied Sciences (Norway), The Hague University of Applied Sciences (The Netherlands), Turku University of Applied Sciences (Finland), Zuyd University of Applied Sciences (Heerlen, The Netherlands).

The successful Facility Management Benchmarking (FMB) project enters another year

Facility Management Benchmarking (FMB)

by Eva Petrovičová, Product Manager, Alstanet S.R.O

The current general financial and economic crisis has introduced one positive factor into companies' life-cycles. With demand mired in a slump, companies have now started to examine in more detail the costs incurred in generating profit, with a view to maintaining their desired profit margin or simply ensuring survival. This realisation has very slowly dawned even on some of the less dyed-in-the-wool segments of the public sector, because of the repeated heavy blows to the state budget deficit recently incurred on the beaches of Greece. The spotlight has now been turned on costs, previously accepted as part and parcel of overheads. Cost analyses and revision of operating costs can often produce astounding savings.

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Who is knocking at my door?

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To illustrate the second myth, I will provide a personal experience of a dialogue between the CEO of a Russian holding company employing 250,000 people and the head of a foreign FM firm during negotiations in 2010. One of the arguments of the facility company was: "Let's imagine that your building is serviced by 5 electricians, on a certain day of the working week one of them is on sick leave, another one is on vacation, the third is on the booze, and

there are only two electricians available out of five. Why employ 5 electricians, if there is job only for two and there are two who always work? The official answer was: "We have not reached that level yet", (but unofficially it was made more specific) "it's better to keep those five electricians than tolerate a FM firm, especially a foreign one - who knows what will happen." At present, the holding company extensively uses external management services.

The facility services market in Russia is mostly represented by local FM firms, with the market share of some regional companies achieving 60%. The proportion of foreign firms has dropped threefold in the last 2

years; some of them have left the Russian market unable to understand the Russian business mentality, while others have focused on key foreign customers or on Russian businesses with a high share of foreign assets.

For most commercial real estate facilities, designing, constructing and commissioning take place in a rushed atmosphere – and consequently with a big punch list. Every constructed business center or shopping mall has something that will never be shown to any outsider – its own "skeleton in the closet" – that could affect profit taking from the facility if it were to become public knowledge. The most frequent and sure problems of all constructed shopping and office centers include a leaking roof, serious problems with ventilation, air-conditioning, fire alarm systems, public address systems, slippery floor coating, entrance wind porches manufactured in compliance with European standards, not exceeding 1 m. in width, which negatively affects energy efficiency of the facility during the cold season. Thus, everything that was not done by designers and construction workers may be and is normally corrected by FM firms.

Following the growth of commercial real estate facilities, demand for a new service emerged: maintenance of real estate facilities with mobile units, similar to ambulance units. The mobile service is particularly in demand

among small real estate facilities (up to 5 thousand m2) which have no permanent technical operational staff at the facility.

FM in 2013 has shown an acute lack of specialists in real estate maintenance and management. That is why creating and attracting professional personnel is one of the most serious and costly objectives, as the problem will only be exacerbated year after year. An FM firm invests in training each FM specialist within its own training unit at a cost of at least 500,000 Rubles (€11,000).

Another big problem is the lack of a unified system of maintenance services and quality assessment. This is linked to complete inactivity of the State in this sector. The industry is not regulated by the State and therefore, the format of services provided varies considerably. Owners and developers do not know what the "maintenance services" are about, nor what can be expected from them or what requirements are necessary. They are geared towards the price and the name of the FM service provider; yet, these are not always a guarantee of quality. And for this reason no more than 15% of Russian commercial real estate is serviced by external professional FM firms, which is still not too bad, as 2 years ago that rate was only less than half.



The successful Facility Management Benchmarking (FMB) project enters another year

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Canadian agency OBMI provides this very apt definition of benchmarking: "a course of action requiring the humility to admit that someone else is better at something and the intelligence to find out how to match them or even outdo them." The procedures involved include accumulation of a substantial quantity of cost-related data, systemic analysis of that data and statistical comparison with best practices identified. It is a good idea to outsource this; internal employees may tend to look on cost items and cost-generating procedures as essential and therefore set in stone. Fraud prevention is another factor in favour of outsourcing such analysis; someone disinterested, working on the outside, may be able to pinpoint inefficient areas based on raw data ("the figures don't lie"), whereas employees with their own self-interest at heart may handle such areas with kid-gloves (purely theoretically of course) by budgeting for or objectively approving the process (cost item) in question.

The very term "benchmarking" implies innovation and procedural advances - and consequently revision/reduction of costs if all goes to plan. Benchmarking helps with the identification of procedures that can be improved on: analysis and quantification of selected procedures, based on a data set provided; comparison with a standard and/or ideal value; and attempting to achieve or exceed the best values identified.

Careful preparation and appropriate selection of the initial data set for inclusion in the benchmarking analysis are key. ERP (Enterprise Resource Planning) or accounting systems do not usually identify data in enough detail and it is vital to establish specific, accurate cost values. Expenditure on human resources at this stage of the project represents an inescapable component of the costs involved in performance of benchmarking analysis, with the only other outlay being the consultancy agency's fee. Benchmarking can be said to help optimise the transition from input to output - in other words it improves the productivity of all production resources.

Benchmarking categories

"External benchmarking" compares a company's costs and processes with those of its competitors. Because of mutually competing companies' sensitivity with regard to their commercial data, benchmarking within a segment must be performed with strict anonymity. Every company involved must be completely convinced that it is safe for that company to reveal its internal

data to an external body, and at the same time must understand the high value of the output data resulting from the benchmarking study for the company in question. Internal benchmarking within a specific company is usually geographical in nature (comparison of data/costs/procedures for regional branches, subsidiaries, etc.). With international comparison, however, considerably more emphasis must always be placed on data purity and incorporating local features in the statistical output (tax burden, sector regulation or supplier monopoly). Nevertheless, this form of benchmarking often triggers new corporate strategies and generates internal best practices. Another internal benchmarking variant is comparison of values analysed over time. The standard project procedure is data collection, analysis and comparison, evaluation of costs and procedures, and finally implementation of changes leading to improvements in procedures. Repetition of analysis over subsequent periods (i.e. internal benchmarking) can then reveal whether or not the changes implemented have been effective.

Facility Management Benchmarking project

Alstanet and A.T. Kearney are to carry on from last year's successful Facility Management Benchmarking project with another project this year. 13 companies from the fields of banking, insurance, telecommunications and energy took part in an integrated anonymous study in 2012. The project involved more than 36,000 employees, commercial space in excess of 1.5 million square metres, annual rent costs upwards of CZK 2.15 billion and nearly 3,400 vehicles.

The project looked at:

- Identification of the participants' own cost positions, compared to their competitors
- Identification of appropriate best practice from a comparative sample
- Definition of targets to achieve improvements, based on an appropriate comparative sample
- Identification of the relevant company's strengths and weaknesses
- Analysis and comparison of data provided by participants

The Facility Management Benchmarking focused primarily on costs and procedures relating to the use of administrative space, commercial space and vehicle fleets. In the case of administrative

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Utilization of office space (primary area) (sq/FTE)

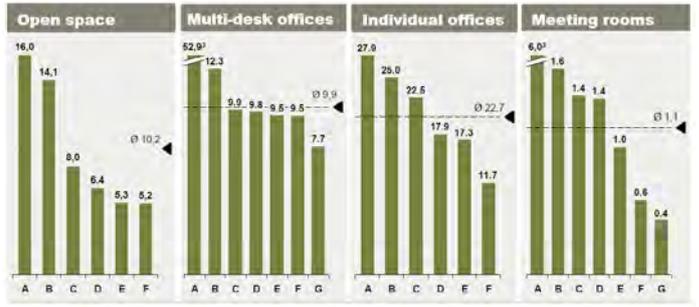


Figure 1: Use of primary areas

Operational costs without petrol (ths. CZK/carly)

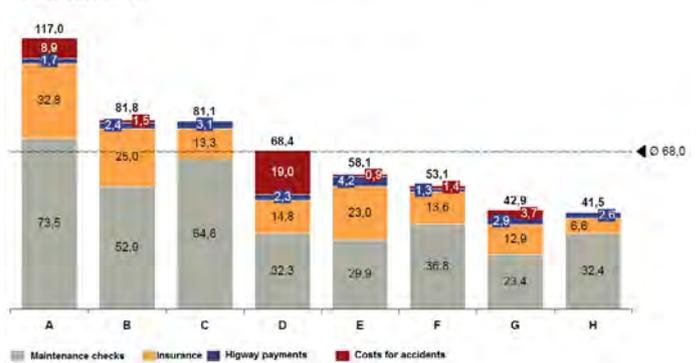


Figure 2: Annual operating costs, not including fuel

Price of leased administrative permises by location (ths. CZK/sq/y)

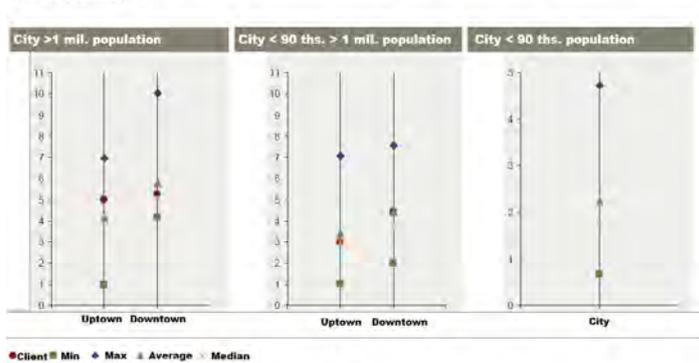


Figure 3: [sic] Price of leased space by location

Total cost of office space (mil. CZK/y)

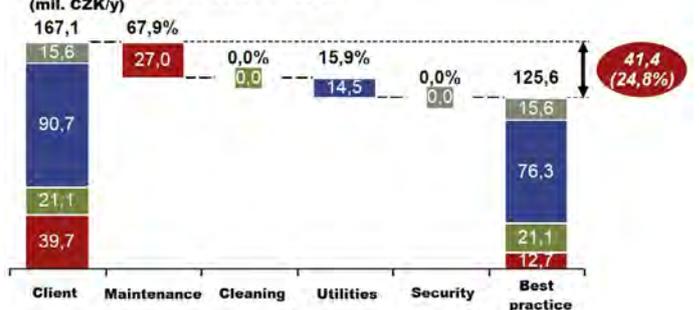


Figure 4: Potential annual savings when achieving a level appropriate to best practice

Global warming

by Andrea Kirkby

A viral pandemic has the potential to cripple the nation, workforce and infrastructure. Where does government provision end and your contingency planning begin?

With 5.3 million extra tourists arriving for the Olympics, the risk of avian flu and other pandemics arriving in the UK has greatly increased.

But back in December 2005, the Lords Select Committee on Science and Technology said the country was not ready to defend itself against an avian flu pandemic. Have things changed since?

According to Dr Doug Quarry, medical director of International SOS Pandemic Planning Services, the spread of the H5N1 virus is not the only issue, new strains have developed, too. Has preparedness kept up to date with the risk, or are we becoming dangerously complacent?

Globally, government preparedness varies widely. But overall, in terms of healthcare, preparedness has certainly improved. Major vaccine manufacturers ramped up their capabilities in 2006 and the UK government stockpiled 16,000 doses of Pandemix. In fact, now the political issue is whether the UK government has bought too much vaccine and paid too high a price.

The government also put a detailed pandemic strategy in place, which was overhauled in 2011. However, while this covers NHS and social services preparedness in detail, it, pretty vague on how businesses will cope. Generally, it foresees business as usual; borders won't be closed, nor will schools, and

while events organisers, may prefer, to cancel major events, there will be no government compulsion.

Unfortunately, that throws the entire burden for preparedness on to individual businesses. And the Association of British Insurers says business interruption policies are unlikely to cover closures as a result of an influenza epidemic. In terms of medical preparedness, a number of businesses are now stockpiling antivirals for key staff and their families. But that, only the tip of a very large iceberg. Bird flu or swine flu here and in the rest of the world could have a major impact on businesses in many different areas of operations.

Logistics is an obvious area where business continuity plans will be vital. Even if the UK itself isn't affected, companies that import supplies or outsource parts of their business process are at risk from outbreaks in other countries. British business is now highly dependent on the Far East for its components and sub-assemblies. Call centres in other countries could also be badly affected.

Continuity plans need to enable a speedy response. Australia declared it would close its borders within two hours in the event of a bird-flu pandemic that would give businesses little time to prepare.



Know your own needs

Many companies are handicapped by lack of detailed knowledge of their own supply chains. For instance, multiple sourcing won't help if suppliers all depend on a single crop or base component manufacturer. Service Level Agreements should help guarantee supply, but strategic stockpiling may be necessary.

Within the UK, cash handling and postal services are likely to prove bottlenecks, cash handling was one of the concerns arising from the FSA, market-wide exercise in 2006. Neither banks nor the Post Office are on the government, list of Category 2 responders, although

arguably they are as vital to the smooth running of the nation as the railways or ports. Smaller bank branches could have to close if staff are sick, leaving some areas without banking facilities and ATM top-ups depend on transport, which could be knocked out early in a pandemic.

Businesses will also rely on telecoms and so network resilience is a major issue. While telecoms companies (both fixed and mobile) are listed as Category 2 responders, facilities will be stretched, particularly where companies have told staff to work from home.

Some companies are now looking at the possibility of using distributed or virtual call centres, possible using such services as OPEX hosting. Routing calls to employees, homes rather than setting up large emergency centres may well be the best way to cope with a pandemic (although ironically, the government plans to set up a centralised public information call centre, just the kind of facility businesses are likely to be avoiding.)

Will the internet stand up to increased usage? There are real concerns about the ability of service providers to cope with the increased traffic. A Booz Allen report in April 2006 speculated that internet provision might only last two to four days into a pandemic. Even then, Jeroen Meijer, an expert in risk at Control Risks, says he believes that working from home requires a completely different way of managing staff. Businesses will have to change and change fast, or their plans won't stick.

While most business continuity plans are focused on assets, offices and IT, pandemic preparedness has to focus

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The successful Facility Management Benchmarking (FMB) project enters another year

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space, the project centred on use of space, form of ownership and building categorisation according to demands posed, building operating costs, energy costs, cleaning costs, maintenance costs, security costs and hospitality management costs. The same applied for commercial space. With vehicle fleets, the impact of vehicle ownership on total costs was also analysed, as were operating costs, fuel costs, parking costs, and overheads.

In 2012 the study identified significant differences compared with the statistical values determined. Average potential savings of 23% were identified within the companies, compared with best practices identified. The assumptions behind the project were borne out, i.e. that

some of the companies concerned were not monitoring the level of use of procedural organisation in Facility Management, leading to cost inefficiencies.

In 2013 the range of costs monitored will be extended to include ICT (computer services, telecommunications operators, etc.). The data structuring has also been improved since last year and it will be possible to perform a meaningful trend analysis for each individual company. The feedback from the companies that participated has helped clarify the cost areas which the market is interested in analysing.

All of the companies involved rated the project in 2012 as being of clear benefit and the best confirmation of this fact is that most of them

have confirmed that they will be participating in the project in 2013 as well. Internal Facility Management Benchmarking over the three-year reference period will form part of the project from 2014 onwards.

Conclusion:

In the present climate, with companies all too well aware of the need to monitor, check and ultimately change cost items, benchmarking is an ideal way of verifying the relevance of current expenditure and identifying potential savings. The benchmark should be destined for senior management. The success of benchmarking depends on the way in which it is implemented and the best way of doing so is via an external organisation, to ensure maximum objectivity. Benchmarking can also be used as support for PDCA qualitative procedures, for the planning phase and for the checking phase, in both cases in accordance with the EN15221 standard.

Global warming

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on human resources. Meijer says: like a neutron bomb, your hardware is still there, but you are losing your staff.

Worst-case scenarios

Government advice appears to understate the risks to business. The 2011 UK Influenza Preparedness Strategy sees the worst-case scenario as flu affecting 50 per cent of the population, with 15 to 20 per cent of staff absent on any single day, and mortality rates of 2 to 5 per cent.

However, the 2006 FSA market-wide exercise modelled staff absence as high as a 60 per cent peak in some business units. Businesses with a high proportion of female, particularly part-time, staff also need to assess the likelihood of staff who are not ill having to look after children if schools close.

Meijer points out that most business systems aren't yet able to offer staff absence data in a form that is useful in stress situations. Absenteeism monitoring is crucial and not many companies have it on a day-to-day basis, so you could say with one push on the button, who is available where. This is one area where, compared to the sophisticated systems with which many supply chains are run, human resources scores relatively low.

A pandemic is difficult to protect against since it is not a singular event; pandemics typically come in waves lasting six to 15 months. Flexibility has to be built in; equally, companies need trusted sources of information to monitor the pandemic internationally and that

feedback will provide the triggers to action. Meijer warns against believing in a one-button solution to a dynamic threat. Your decision-making process needs to incorporate flexibility and continuous monitoring.

Fortunately, one area that has advanced a good deal recently has been the availability of good information. National media will generally not report in detail on the situation in other countries affecting the supply chain while some governments may downplay the situation in order to avoid panic. There are no government plans for a business-orientated information service, so all public information will be consumer focused and therefore of limited utility to the business manager.

Fortunately, a wide range of information products is now available. For instance, International SOS reports include the ascertaining of medical suppliers and reports monitoring government response.

Keep calm and carry on?

One question divides experts: how bad can a pandemic get? At worst, some believe, most of the transport infrastructure might be shut down, telecoms would be badly impacted by lack of maintenance and high usage, and there could be public order problems if the supply of food and other basic items is interrupted. In the face of a social breakdown of that order, there might seem to be no point planning.

However, Jeroen Meijer says that even in this case, those businesses that have planned well will gain an eventual

competitive advantage from having done so. The objective is to stay in business as long as possible and if you have to shut down completely, do it in a controlled manner that provides the best security to your staff and assets, and enables you to restart operations quickly and efficiently.

It is difficult to judge business preparedness, since many businesses won't talk about their preparations. Most companies do now have pandemic plans as part of their business continuity framework, but those plans may not have been revisited for several years. Perhaps they should be.

There is a huge impact on the work of facilities managers. A plan needs to be put in place for managing the consequences of a pandemic checking sanitation and air quality, handling high absenteeism and planning for interruption to basic services and to transport. Basic cleaning services should be stepped up that might mean cleaning lift buttons, door handles, ATM machines and check-in desks as often as hourly. That means increasing the level of service at the same time as managing a staff shortage is not an easy task.

Cross-training staff so that they can step in to replace staff who are absent will be vital particularly where remote working is not a possibility. In some cases, upgrading systems to allow for remote operation could be a good investment.

Some facilities may need to implement perimeter protection, possibly including thermal scanners (which can detect if someone has a fever) or even DNA testing. New procedures for deliveries may be required to prevent drivers from entering

the building dropping off the deliveries in a secure car park, for instance. Where security is provided by a contractor, common policies and procedures need to be developed with them, including where staff are not admitted, what to do next (send them home? To hospital?) and who to notify within the organisation.

Facilities managers also need to ensure that subcontractors and suppliers have plans to deal with a pandemic. Unlike many disasters, a pandemic will be a sustained event, probably lasting eight to 14 weeks, so planning needs to take that into account. For instance, stocks of critical supplies may need to be built up. Tenant relations and contracts also need to be put under the microscope. If the government or a tenant closes a building, how can you continue to manage it? Are you going to be required and are you going to be able to provide emergency relocation for the tenant?

However, while the pandemic threat does have some special characteristics, developing a specific pandemic plan could be a waste of effort. Rather, pandemic plans should be developed within the framework of overall continuity plans.

The most worrying gap is the absence of government involvement in assuring the regular supply of basic goods. Booz Allen Hamilton noted back in 2006 that government needs to assure the last mile but the 2011 strategy still doesn't seem to have taken any notice. Is reliance on the private sector, without compulsion or assistance, a responsible government strategy?



Green facility management

Making sustainability measurable

by Thomas Häusser and Guido Hardkop

New attitudes to energy mean that Facilities Management (FM) has a special role to play, as it has an enormous influence on the sustainability of buildings – and we know that buildings are responsible for 40% of all energy consumption. This makes it all the more surprising that to date there is no single, uniform system that FM can adopt for dealing with sustainability and for making it measurable and comparable.

Recent studies have underlined the importance of sustainability in business and in the real estate sector itself. According to a study by Drees & Sommer, more than two-thirds of respondents from the real estate industry believe that “in the future it will be simply impossible to sell unsustainable buildings at a profit”. Managers and experts agree that the benefits of sustainability include improved cash flow and a greater likelihood of selling the property. Higher rents can also be achieved with sustainable real estate, and it may even be the case that the market demands compliance with sustainability criteria as a minimum requirement for real estate. At present, almost every third Euro spent on office buildings is being invested in certified projects.

A cursory examination of activities in the sector shows that almost all the participants in the real estate market are tackling the issue of sustainability in one way or another. If you look more closely, however, it is obvious that there is still no clear and above all uniform system that can be adopted by building owners, users and operators, which is probably the result of conflicting interests and the lack of a regulatory framework.

Approaches to measurability

Which industry-specific approaches



Extract from Drees & Sommer market study



that the planning and construction of sustainable buildings does not entail any significant additional costs compared to conventional buildings.

An evaluation of numerous projects by Drees & Sommer shows that the additional costs for certified projects represent between 1% and 5% of the overall production costs. When you talk to project developers and investors, these additional costs are simply no longer an issue in the property business.

Planning and process-related issues are also part of the evaluation process in these certification schemes, alongside the “hardware” – i.e. the actual property and the materials used etc.

After the success of certification for new builds, it was a natural progression to extend the schemes to existing properties or to derive specific assessment criteria for them. All of the aforementioned certification schemes include more or less comprehensive approaches for the evaluation of existing properties that focus on the actual operation of the property in question.

Issues evaluated include:

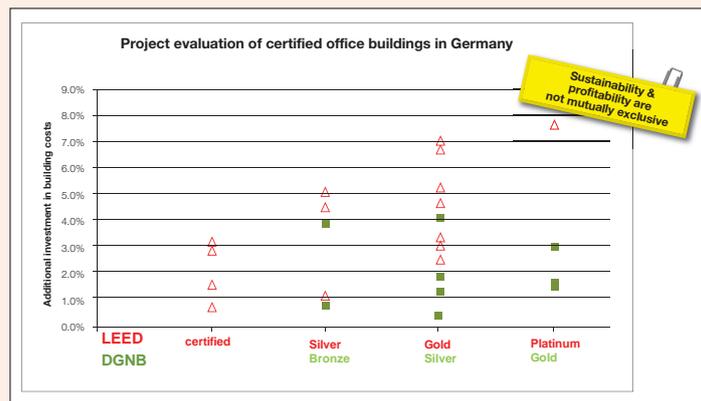
- lifecycle assessment of the operation of the building (energy consumption)
- operating costs
- maintenance strategy for structural and technical components
- as-built documentation
- demonstration of measuring and monitoring approaches
- and various assessments of process issues etc.

Regardless of the conceptual differences between the various schemes, one thing is clear: their evaluations focus primarily on the building itself and not so much on its use or on facilities management (FM) and its related issues.

At present, there seems to be no coherent scheme available in the marketplace for assessing and measuring FM which focuses on operating processes, operating costs and the sustainable operation of buildings.

In this respect, buildings are like a luxury 3-liter car: the excellent design and construction of the car does not in any way guarantee low fuel consumption – rather, in addition to the choice of tires etc., it is the user's driving behavior that is the main determinant of resource-efficient driving. If we apply this to real estate, this means that it is facilities managers – regardless of whether they are internal or external operators – who are responsible for the optimum operation of an existing building and for getting the most out of the property. In this case, this means minimizing the use of resources and maximizing energy efficiency.

The approach adopted by the German Facility Management Association (GEFMA) and its current “Sustainability” working group, in which both authors of this article are active, is based on this interconnection. Naturally, it is all about real estate and its management – but the focus is not on the building itself, but on the measurable results. What is important is what the operator/user does with the property. Unlike with the aforementioned 3-liter car, there is no comparable standard value, rather



Additional costs for green buildings as percentages (administrative buildings)

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Green facility management Making sustainability measurable

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Nurturing: companies that wish to be seen as sustainable need to involve all their business processes.

it is a question of using or consuming the least possible resources – which, in addition to consumption-related resources such as heat, electricity and water, also includes human, material and economic resources. The working group’s goal is to develop assessment criteria and specific indicators and to establish these in the market. These include:

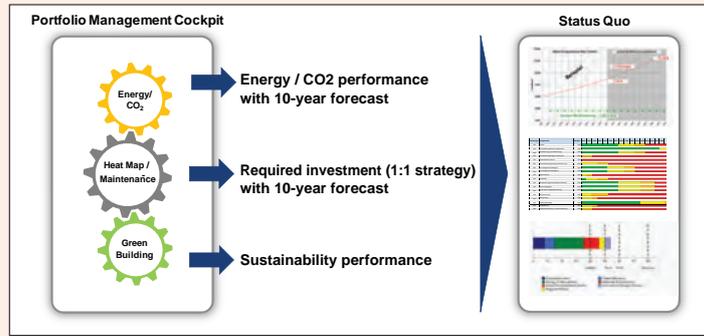
- Financial indicators
- Environmental indicators
- Social indicators
- Systems
- Processes
- Interface to FM

As well as developing new or additional indicators and assessment approaches for measuring sustainable operation (green FM), new systems must also be able to integrate criteria that have already become established in the market, e.g. from the existing LEED, BREEAM and DGNB certification schemes. For example, an overall division of the evaluation criteria into environmental, economic, sociocultural and procedural categories will probably still continue to apply.

International context

Leaving behind the established certification schemes and regulatory activities and looking instead at the national and international companies that are active both inside and outside the real estate industry, we can see that the trend is away from individual properties and towards corporate structures as a whole. This means that sustainability reports and social responsibility reports are an absolute must these days. This development has significant implications, which are also related to FM:

- The expectations of tenants, investors, shareholders, service providers, business partners and the general public have changed in the wake of globalization, climate



Green Building – Green Product – Green FM – Green Company

change and the economic crisis – in particular, there are increased demands on companies to meet their social responsibilities.

- Investment decisions are increasingly being influenced by sustainability criteria.

The connection with sustainable property operations or green FM becomes quite clear you look at the content of group reports in detail. Under the generic term “corporate responsibility”, you can find a variety of sub-topics, depending on the company, such as:

- Corporate governance (compliance-related points) and
- Corporate sustainability – with the most varied assessment criteria, that are directly or indirectly related to property – such as:
 - Energy consumption
 - CO2 emissions
 - Health & Safety
 - Environmental impact
 - Sustainable products
 - Water consumption
 - Waste management
 - Employee satisfaction and staff turnover

Proposals for a “green FM”

If you look at the background to the aforementioned aspects, it quickly becomes clear that the data must be supplied from the real estate industry and from FM. In this context, and based

on many years of practical project experience, the following proposals may be put forward:

1. There can be no sustainable buildings without sustainable FM.
2. Green Building – Green Product – Green FM – Green Company
3. Carbon footprint – the unit of the future?

The example of the 3-liter car makes it clear that a supposedly environmentally-friendly vehicle will only be able to achieve its target fuel consumption if driven and used in an appropriate manner. The increased amount of technical systems in energy-efficient buildings means that the way in which they are operated will have a significant impact on their sustainability.

In addition, FM can control or at least influence all three pillars of sustainability (environmental, economic and sociocultural). With an existing property, the influencing factors are its use or its operation: a significant proportion of energy resources are consumed by buildings (around 40% in the EU), around 75% of lifecycle costs occur during the operational phase, and social and cultural life takes place predominantly within buildings.

The criteria addressed in existing certificates will subsequently be influenced by FM to a significant degree. These include, for example, the lifecycle assessment, energy and water consumption, waste management,



The carbon footprint could form the basis for comparisons in the future. However, there are as yet no uniform standards, but at best uniform principles.

the operating costs, heating/cooling and security. Additional criteria are therefore required to reflect the impact of FM on sustainability. For example, strategy, monitoring, management quality, maintenance management and resource management should be integrated.

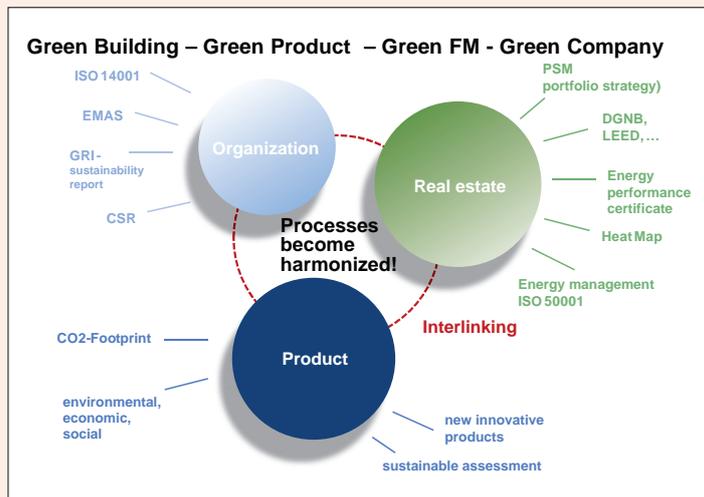
From Green Building to Green Company

If you look in detail at different companies and their various advertising and marketing strategies, it is clear that they are using terms such as “green” or “blue” to convey that sustainability is reflected in every aspect of their business, from the company’s core product through to all their secondary and tertiary processes (CO2-neutral production, CO2 emissions from cars etc.).

Although the models used by companies to prove their sustainability (GRI, CSR, CS etc.) may say something about the company itself, they generally do not provide any significant information on the sustainability of the processes used or of the company’s buildings, especially with regard to real estate issues.

To be classified as sustainable in accordance with internationally recognized standards, a company must, for example, demonstrate that it complies with certain framework conditions. These regularly include aspects that also affect FM, e.g. energy consumption itemized by primary energy source, greenhouse gas emissions, waste volumes etc. The “performance indicators” of the Global Reporting Initiative (GRI) even include a criterion for sustainability certificates for new construction, management, occupation and redevelopment.

Summary: in order to be perceived in the media as a sustainable and responsible company – but also in the competition for customers and markets – it is important to include all your business processes in an overall system that addresses the issue of sustainability



Green Building – Green Product – Green FM – Green Company

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A train-load of... real estate

By **Mariantonietta Lisena**

The case of **Grandi Stazioni**, a company set up to manage FS properties and make them as profitable as possible. **Massimo Paglialunga**, Head of Operations at **Grandi Stazioni**, talks to us about how this has been possible.

Could Grandi Stazioni be described as the Facility Management Department of Ferrovie dello Stato?

This is precisely where Grandi Stazioni came from; the idea of making real estate management a separate activity and entrusting it to a specialist organization in order to allow FS to focus more on its main activities of transporting passengers and providing train service information. In many ways, however, the objective is far broader and more ambitious than that. Grandi Stazioni

was conceived in the late '90s, with the purpose of streamlining the real estate management of thirteen major Italian railway stations. Besides being junctions characterized by high train traffic and passenger volume, these stations were also huge buildings located in the heart of big cities. Highly complex structures therefore, particularly in terms of service management.

The first step in the Grandi Stazioni project was the upgrading of Rome's Termini station on the occasion of the Jubilee 2000. This was so successful



that it resulted in the company taking the next step and accessing private sector capital and skills. This involved selecting an acquisition group, made up of private business, which acquired 40% of the company's capital stock, leaving the remaining 60% under the control of Ferrovie dello Stato. This allocation of stock

capital still stands today. These companies are contractually obliged, by means of a contract signed with Rete Ferroviaria Italiana Spa (RFI), the owner of the thirteen stations, to redevelop and manage them, both commercially and from the point of view of Facility Management, for a period of 40 years.

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as a whole. In other words, all facets of corporate responsibility (corporate governance, economic responsibility, environmental responsibility and social responsibility) must be transparently mapped in a single, unified system and then assessed.

3 Carbon footprint – the unit of the future?

Discussions on the need for the increased global standardization and measurability of sustainability and resource efficiency are becoming more insistent, both inside and outside the real estate industry. One possible approach currently under discussion is using the carbon footprint (CF) as a standard unit.

A carbon footprint can be defined in simple terms as the sum of all carbon dioxide and other greenhouse gas emissions that may be associated with a building during its lifecycle (construction materials used, energy consumption, services in and around the building etc.). The advantage is that not only are lifecycle aspects taken into consideration, but an annual comparison of the building's usage and FM operation can also be measured over time and benchmarked. At present, however, there are no uniform standards in this area, but at best uniform principles. In order to establish

standards, international companies and organizations will have to continue to work together to find a common basis for evaluation.

What does the future hold?

Sustainability's sphere of influence within FM needs to be mapped out. Strategic and operational management are critically important, as is operational service provision. In the future, the basis for evaluating sustainability will most likely be formed from a combination of companies' corporate responsibility issues, the carbon footprint unit and the approaches adopted by the associations in the real estate industry.

A system for measuring, analyzing and reporting essential parameters will be established by real estate consultants and through the professionalization of targeted FM tenders. (What indicators

should be reported by operational FM and in what detail, and what measures should be used to optimize them?)

In the near future, both the CAFM market and the providers of integrated FM services will specialize in the requirements on transparency and reporting, but also in the targeted optimization of selected parameters; as a result, strategic FM will expand to cover various additional aspects of performance.

Summary: the issue of sustainability in the real estate industry is inevitably associated with FM in buildings, whether that be strategic or operational FM. Looking at the current trends in CS reports and the activities of the GEFMA in its Sustainability working group, it is clear that 2013 will prove significant in terms of further developments and standards in this area.

Thomas Häusser is Managing Director at Drees & Sommer, and is responsible for its Facilities Management Consulting division. He is also chair of the German Sustainable Building Council (DGNB) working group on Usage and Operation and a member of the GEFMA Sustainability working group. In addition to sustainable FM, his main focus is on strategic consulting for corporate real estate management.

Dr. Guido Hardkop is a project partner at Drees & Sommer and deals mainly with facility and property management. His responsibilities also include the sustainability assessment of FM organizations and processes as well as the sustainability management portfolio. Dr. Hardkop is also a member of the GEFMA Sustainability working group

¹Cf. Immobilienzeitung 45/12, Sustainability Radar, 2012.

²Cf. Technical University of Munich, Sustainability and Market Value, 2011.

³Cf. DGNB, Growing Market for Sustainable Building, 2012.

⁴Cf. Global Reporting Initiative, Sustainability Reporting Guidelines Version 3.1, criterion CRE8, 2011.

So Grandi Stazioni is responsible for much more than simply the management of FM services.

Yes. Its goal, first and foremost, is to redevelop and manage these spaces. But Grandi Stazioni is also tasked with taking care of the commercial side of things. That is, generating income from the spaces leased to shops, through promotional activities and sales. In terms of volumes and complexity, this is a task comparable with managing a shopping center.

With regard to Facility Management, more specifically, we run a very tight ship. This is essential since the full responsibility of the entire real estate aspect of the stations lies squarely with us, from the entrance of the premises right up to the edge of the platforms providing access to the trains.

Can you give us an idea of numbers in terms of Grandi Stazioni staff?

There are around 250 of us. This may seem like a high number, but you have to take into account that this also includes field staff in each of the stations managed by us. The management team, which is responsible for actual technical management, is made up of 90 people. It is very lean and focuses on management only. We then have two other departments: the Infrastructure Development division, which is responsible for all station redevelopment and restructuring activities, and the Sales and

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A train-load of... real estate

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Media team, which deals with the development and management of commercial assets.

How significant a role does the commercial aspect play in terms of all the stations managed by you?

You could say it's the tip of the iceberg. It is the most visible aspect and is certainly significant in terms of economic return, but it is only a small part of what we do. In the case of the Termini Railway Station, for example, we manage a 200,000 sq. m property, of which only 30,000 sq. m are used for commercial activities. The rest of the space is used for essential areas such as offices, service areas, control centers, spaces required for logistics services, etc.

A station is an enormously complex microcosm through which hundreds of thousands of people pass every day. It must be operational at all times. Management issues are therefore extremely complex, and the level of service must always be extremely high.

How did you go about choosing suppliers?

We are set up as a public contracting body. As such, the selection process was carried out in accordance with the traditional procedure, through open invitations to tender.

Over the years we have gained extremely thorough knowledge both of the real estate managed, and of the daily demands related

to services. We have made use of a monitoring, feedback, and data collection system to build a detailed database of every operation carried out within the spaces managed by us. This high level of knowledge regarding the characteristics of the buildings and the services connected with them has enabled us to create very precise technical documentation relating to three main categories: maintenance, environmental services, and safety and security. The country has been divided into two areas. The geographical area to the north of the Po, with seven stations, and the area to the south, with the remaining six. To give an idea of the figures we are talking about, the maintenance service and the environmental hygiene service, which we chose to separate for strategic reasons, have each generated a 20 million EUR per year contract split across the two areas.

In terms of maintenance in particular, the part that involves fixed running costs plus preventive maintenance costs, the fee-basis part, shall we say, represents 75% of the value of the contract. The remainder is represented by corrective or one-off operations. The fee is therefore the backbone of the tender documentation and this is only possible because we have truly in-depth knowledge of the service and all of its possible forms.

What characteristics do the suppliers who were awarded contracts have?

They are ATIs (Associazioni Temporanee di Imprese [temporary associations of companies]). Those that have been assigned the

maintenance lots are joined in a consortium, a tool which, in my opinion, is slightly more advanced and better suited to our needs than traditional ATIs, because it ensures a uniform presence across the country and separate management, unlike tools that serve the interests of individual members. Too often, ATIs tend to win a lot and then divide it into smaller parts to be entrusted to the individual companies that make up the group. The result is that from that point on, each of the organizations focuses only on the part to which it has been assigned, and the big picture, which is fundamental for the proper management of each service, is irreparably lost.

How do you manage your relations with these external companies?

You could say that there are two sides to the way we manage our relationships with suppliers. On the one hand, we have a very formal relationship with them. This is due to the fact that we administer public money and must, of course, strictly adhere to very specific guidelines. On the other hand, we strive to manage these funds to the very best of our abilities, always with a focus on pursuing value creation. We want to fully understand the services that we are dealing with, not being afraid to highlight weaknesses from time to time, so that even the supplier is always in a position to offer the best possible performance.

And how do you achieve this?

Through ongoing, open dialog, both with the supplier and with our client, Rete Ferroviaria Italiana. Our

client also provides us with a very useful tool in this regard; customer satisfaction surveys. These are carried out on a monthly basis with station users and provide us with a really reliable and detailed picture of the real estate that we manage. These reports are divided into services and individual physical environments (platforms, concourses, waiting areas, etc.) and are carried out by a specialist company. This company not only notes the perception that users have of the station, but also provides RFI with surveys on the actual quality of service delivered. In order to do this, it sends appropriately trained inspectors to the stations. These inspectors are able to identify any slight defect in the service, whether it be in terms of environmental hygiene, maintenance or safety and security.

These surveys serve as an extremely useful tool, both for us and for the supplier, enabling us not only to refine the service provided but also to ensure prompt intervention, something which is fundamental in the complex and difficult environment of a station.

How do you think the management of FM services by Grandi Stazioni will evolve in the future?

Ideally we would entrust all of the services, or at least the environmental hygiene and maintenance services, to a single supplier. We have not yet done so because, in our view, the Italian market still appears to be too fragmented and underdeveloped.

Stations are a varied world and I would like to think we are half way to building an innovative management model.



The alchemy of work

Making sustainability measurable

By Brady Mick

Managing people in today's complex business world is difficult, especially when the work and workplace do not align for creating or changing future behaviors. Accordingly, there is value in taking into consideration the five key behaviors that were once demonstrated by medieval alchemists at work. Alchemists were people who were constantly experimenting — mixing different materials to see what they could create, curiously searching for new medicines or, perhaps, trying to turn their concoctions into a greater value, such as the creation of gold from ordinary base metals. In today's business world, there is a shortage of alchemists: people willing to manage beyond the norms, embrace ambiguity, exhibit confidence enough to brush aside failure and try again, and search for that newly spun gold. There is a great need for those who seek to discover the best way to unleash their own creative forces or those of fellow employees and generate new value from the complexity of work.



Embrace ambiguity

Alchemy creates a renewed way to think about achieving solutions to ambiguous business challenges. Take for example the heated debate about a mobile workforce. An alchemist would welcome the unexpected results of trial and error of people working in remote ways and would anticipate the complexity of delivering results on a person-by-person, team-by-team basis. Workplace challenges concerning mobility are difficult and need to embrace ambiguity along with seeking the exacting workplace science such as precise configuration of a work cube. Every problem (whether mobility or another complexity) can be viewed as a unique, creative opportunity to discover new results. Past approaches are unable to anticipate the ambiguities that come from all of the individual circumstances that exist in today's world.

Incorporate social dynamics

Understanding another human being is a very difficult task. The legendary psychoanalyst Carl Jung drew on the image and work of the alchemists during his twentieth century investigations into the human psyche and the need for relationships. People are complex in persona, noted Jung. The relationship of one person to another is a test of courage. Managing employees to embrace their

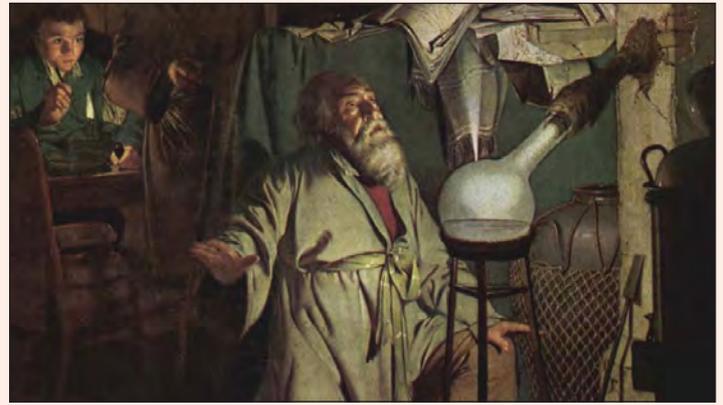
uniqueness, to engage in complex work dynamics, and to empower individuals in creative problem solving within the workplace can lead to a unique and vital corporate chemistry.

Seek innovation

The nature of today's modern business environment is not the rote, routine world of the mid twentieth century. There are more struggles managing decisions as people wrestle with increased complexities. Leaders, managers and line employees of all ages want to find a better way to release their innovative energy and harvest new and innovative solutions. Today, the more that people innovate with each other when devising a solution, the greater the quality of the experience and the result. Imagine employees not looking at the clock all day, being surprised by the time. Innovation happens when people believe they are part of the organizational process, not adjunct to it. There was an employee who worked at the end of an assembly line where merchandise was being assembled. Every day she turned the product over to fit into the box. One day she offered a simple suggestion to have the boxes open from the bottom. Management adopted her recommendation, which resulted in increased productivity and reduced costs. Imagine how she felt knowing that she made an important contribution to the company. If people feel over managed, they lose the belief that they can make a difference.

Create intuitively

When it comes to facility management, not enough corporate real estate professionals are encouraged to be alchemists — open to the risk of intuitive thinking, trial and error, and to the learning that best comes from experimentation. Working like an alchemist involves changing a mindset, which is not always easy to do, especially



if the corporate culture is not fostered from a creative, entrepreneurial spirit. Alchemists followed their intuition and allowed for the ability to write and rewrite their processes, which also changed their results. Aspiration was nurtured, which facilitated newly discovered approaches to engaging, creative and experiential problem solving. People desire to tap in to their own intuitive ability. There is latent value in creative intuition as employees express themselves, knowing their ideas and solutions are respected, appreciated and given careful consideration. Business today is alchemy at work, and those able to manage the contributions and innovation from people in the workplace will drive future value and spin problems into gold.

Embrace curiosity and failure

Alchemists began the day with a curiosity in where they were headed and were not afraid of experimentation. Exploration and temporary failure were just part of a journey on the road to success for the spiritually grounded alchemists. They were agile in using both their rational and creative intuition to choose and record the results. Adam McLean, a Scottish authority on alchemical text and symbolism once wrote that people should have the patience of alchemists, "tirelessly repeating interior experiments, changing all the time in response to ongoing experiences." In today's hyper-competitive business environment where the quest for innovation and productivity are most often imperative for survival, the risk of rewarding curiosity toward potential failure is difficult to manage. It is much safer to provide the workplace from an exact recipe with which to work. The trouble in striving for exactness in the workplace is that people can no longer deliver predictable outcomes that align with past experiences. The complexities are too great. Engaging with people to creatively discover the future of their work — with no recriminations for the outlandish ideas — is the work of the alchemist. Curiosity in light of potential failure means creating a workplace that allows people to be more comfortable in exploring a wide range of work behaviors.

Modern alchemy

Modern-day workplace alchemists looking to design a workspace are shaping the way space works to affect people's behaviors. Producing better relationships among people, improved quality and enhanced productivity requires an alchemy that begins by asking the right questions such as:

What is the organization's vision of itself? How does everyone from top

company leaders and managers to the people on assembly lines see their future? What would make their company culture more attune to curiosity and intuition, and how will the workplace be designed to affect innovation? How are conflicts resolved? How does the team react to an unexpected occurrence?

What are the unique aspects of the individual environments? How can the space work (the size or design of social dynamics, the way a non-linear work process is laid out, the number of common spaces incorporated for embracing ambiguity)? How can these factors be managed and designed dynamically?

Pathway to the future

The alchemy of the past embraced the five behaviors, through striving to accomplish innovative and successful results borne of earlier miscues. Today, alchemy means having the courage to go beyond simply logical and measurable prediction in the business environment, toward intuitive problem solving. Seeking creative workplace solutions requires engagement from every stratum of the business (portfolio planning, design and construction, facility management, workplace strategy, HR, IT, marketing and communication, individual business units, etc.).

In many ways, people may be done, using the current standards of top-down management and limited employee input that has been in place for decades. The behaviors of the alchemist present a renewed way to lay out workspaces to create an atmosphere that encourages people to work more creatively without fear of failure. Alchemy could be the pathway to the next level of competitiveness — one that might allow a business to thrive in new workplaces where others fail for not heeding the call.

Embrace alchemy. Manage toward complexity and new ideas. Focus on a workplace that influences the successful behaviors of people. Moving forward, the ideas and the behaviors of alchemy can provide the insights needed to create the workplace of the future.

Brady Mick is an architect, workplace strategist and client leader for BHDP Architecture, headquartered in Cincinnati, Ohio, USA. Established in 1937, BHDP designs environments that affect the key behaviors necessary to achieve strategic results for our clients by thinking creatively, staying curious, fostering collaboration and delivering excellence.

Work Environment Director of the year

by Clémentine Aggoun

In September 2010, Nicolas Cugier, FM Director at the Thales Group implemented a new globe-spanning strategy. The project, called Copernic, was designed to have revolutionary results for work environments by meeting company requirements at affordable prices. The strategy and those involved in its implementation received recognition in the form of the Arseg Work Environment Director and Team of the Year Awards in 2012.



The Work Environment, Copernic and the Revolution...

Being a great fan of historical, scientific and cultural references, it is no coincidence that Nicolas Cugier named the founding project of the new facilities management strategy after the historical figure Copernic who, during his time, was famous for rejecting geocentric theories in favour of heliocentrism. The project was designed to be revolutionary, constructing a new vision of FM for the Thales Group.

At the end of 2010, when the idea for the project first started to take shape, the main challenge addressed was how to make facilities management more effective in order to meet requirements at affordable prices. The project was launched on a global scale, involving 120 major sites and 67,000 workers (a total of 74,000 people required accommodation including sub-contractors and partners).

Areas for Improvement

There is a strong background of Facilities Management at Thales who, along with Cegelec in 1997, created the company Faceo in order to outsource services and focus on the heart of its business. The company, bought by the Vinci group in 2010, is the sole provider to the Thales group in both France and the United Kingdom within the context of the new FM framework agreement. Through this framework, the key steps to optimisation were determined; there was a need for clearer descriptions in terms of service provision and common practices on a global scale, while, elsewhere, there had been exorbitant and unforeseen expenditure. Furthermore, it was noted that service provider quotes had been

accepted flippantly, reinforcement in terms of managing service providers was necessary, and, finally, that good practices were increasingly being ignored. Prior to introducing the Copernic project, existing contracts were renegotiated in exchange for an extended contract period which resulted in savings of 3%. This time was also profitably used to divide the project into four stages: standardisation of all files on the level of the services provided, determining the benchmark for the market and for service providers, defining appropriate legal structures and managing services provision with adequate human resources. It took two years from the start of the project to its correct implementation on all of the various sites. The Isiom-Véritas group were contracted to regulate the files on the level of service provided.

Pilot Team At the same time, a change management programme was implemented which involved creating dashboards and identifying and stimulating the Thales' teams, as well as introducing a programme to support the implementation of the Copernic project. The pilot team was made up of eight individuals as well as FM/purchasing representatives for each country; the European team was comprised of sixteen people. Initial results in France and the United Kingdom indicated respective savings of 12% in equivalent services. This was a positive yet improvable result for Nicolas Cugier who believes that, in addition to increasing productivity, "once the required service has been provided and suitably adapted, further success can only be ensured by establishing a dialogue

IN DATES: Two important dates that have marked your career path?

2010 Chosen as FM Director at the Thales Group
2012 Signing new FM contract for France

IN FIGURES: Two figures that are significant in the context of your profession?

2.6 MILLION m2 is the total surface area of all the Thales sites in the world
230 MILLION is the annual FM budget in Euros at the Thales Group

IN TIME: How do you distribute your tasks throughout the day?

Discussions with the different sites (30%)
Discussions with the service providers (30%)
Management (20%)
Researching new ideas (20%)

between the main players involved: the ordering party, the service providers and those who benefit". It is predicted that new contracts will be signed for other European sites during 2013: in Italy, the Netherlands or Germany for example. The Copernican Revolution continues!

Nicolas Cugier

Professional Experience After only three years in the profession, he was voted Work Environment Director of the year at the 2012 Arseg Awards Ceremony. Between journeys across the 56 countries which make up this entrepreneur's extensive playground, Nicolas Cugier, FM Director at the Thales Group, found the time to sit down with us.

What would you typically find on your desk at work?

Lots of books, journals, models of aeroplanes and Thales 4x4 cars, the Arseg trophy and a few medals...

Are lunch breaks usually spent at a restaurant or at your desk with a sandwich?

It is usually a sandwich as I do not have much time but never at my computer! I prefer to have lunch in a restaurant when I can as I enjoy company.

The most attractive work environment you have visited?

A long time ago, I visited a lakeside carpentry business in Ganvie, Benin. I went to collect check-in desks for an airport I was working on there. More recently, I discovered the nicest workspace that we have at Thales. It is in Sydney, in a port that we manage for the Australian Navy, in the bay, just across from the Opera House.

Your role in the work environment: was it just by chance or do you believe it is your calling?

I previously worked as Manager of the Export Department at Thales which involved negotiating sovereign contracts to ensure state security as well as dealing with issues concerning country borders

and sovereignty. I discovered this new role by chance but also because I felt I needed a change. In my previous job, I observed the demise of territories whereas, in this new role, I have seen how actions can remain linked to the space in which they are carried out.

What would you do in another life?

I would be an explorer! It was my childhood dream and it is for this reason that I followed a professional career that involved travel and discovery.

A must-read book?

A book that every work environment professional should read is The Practice of Diplomacy written in 1716 by one of Louis XIV's greatest diplomats, François de Callières. It is a timeless classic that, in my opinion, summarizes exactly what we do; it describes the art of negotiating which encompasses the capacity to listen, to practice diplomacy and to demonstrate kindness and understanding.

What do you like most about your job?

In my opinion, it is the fact that it is deeply revolutionary, raising certain important issues: defining of our work and its future ecosystem, defining its relationship with place and time, performance, and the link with subordination. It gives us the possibility of change in order to ensure a greater overall collective intelligence.

What are the next projects you have planned?

A reporting tool to be shared between Thales and its service providers which will allow us to measure the quality of services using a modifiable algorithm. A second project which I am particularly passionate about is the implementation of an equal dignities rule to be applied to employees, the ordering parties and the service providers in order to increase awareness of the importance of respecting the role of others in the workplace and of enhancing one another's performance.



Sustainability drive by Dutch museums

Collaborative approach by museums results in large steps towards measurable sustainability in the museum sector

by Gerrit Jan Vaatstra and Sander van den Berg

Museums are currently working very hard on improving their sustainability. Based on their own experiences, as well as experiences from abroad and from other sectors, they are jointly developing a method for making their sustainability measurable, comparable and visible. In so doing, they are aiming to take up a leading position among sustainable museums in Europe.

Sustainability as the basis of a new image for museums

2013 has been a busy year for the museum sector in the Netherlands. Various developments have been in the news, such as the royal reopening of the Rijksmuseum, the temporary relocation of the Van Gogh Museum and several new exhibitions. Unfortunately, there is another side to the coin, as substantial cuts have forced museums to reallocate their budgets and even to reduce staff numbers. In these turbulent times, a large number of museums are

increasingly looking at the important role played by sustainability.

The incentive to start thinking about sustainability may come from risk management, e.g. in order to avoid any negative publicity. In addition, cost reductions are a major driver for sustainability, with the desire to cut energy bills often playing a central role. Increasingly, museums are discovering the added value of sustainability and it is expected that it will assume a greater role in the image they project of themselves in the Netherlands



and abroad. Extending the lifetime of cultural heritage and making it available to the public for longer means that sustainability is central to the very raison d'être of a museum.

Initial cost reductions by making buildings more sustainable

A large number of the approximately 1250 Dutch museums are dependent on funding from (regional) government. Of the total amount made available in government grants, around one half goes toward building and energy costs. The reductions in funding have forced museums to cut their costs.

Structural savings are possible by increasing the sustainability of building-related systems and lighting. On average, the lighting and climate control systems account for approximately 70% of the energy consumption in museums. By optimizing lighting and building systems, it is easy in practice to achieve savings of 10% – 15%. Limited budgets, however, mean that large-scale investments are generally not possible at the moment. One solution is to outsource the climate control systems by means of an ESCO structure, as is the case for example with the Victoria

& Albert Museum and the National History Museum in London. This involves the energy-efficient climate control system (combined heat and power) being managed by an external specialist agency (energy service company) which, in return for an agreed payment, supplies the museums with guaranteed levels of heat, cold and electricity.

A striking example in this area is LED lighting, which has been installed, among other places, in the recently reopened Rijksmuseum in Amsterdam. This enables savings (energy and maintenance) of at least 50% to be achieved on lighting costs. Another example is the Van Gogh Museum. Last winter, the museum was refurbished and a geothermal heating/cooling system was installed. Both these measures ultimately pay for themselves, but require a large initial capital investment. Simpler (i.e. cheaper) measures which can be adopted by museums include energy monitoring and the relaxing of strict climate requirements. This latter measure involves allowing a broader range for the climate requirements (which are often set at 20°C and 50% relative humidity). This should, of course, be determined in close consultation with the curator.

Museums do not necessarily wish to be pioneers themselves, but they do need someone to lead the way in this area; it is a question of museums learning from each other and working together. At present, eight museums are working with Corporate Facility Partners (CFP) and the Dutch Green Building Council (DGBC) on developing the BREEAM sustainability label for museums. BREEAM-NL In-Use indicates how sustainable the museum building, the managing organization and its users are. In addition, the methodology also clearly shows where greater sustainability can be achieved and highlights the potential cost savings.

Connecting to the organization's core values

An important next step is to develop a sustainability policy and approach that have broad-based support and are



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Sustainability drive by Dutch museums

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in accordance with the core values of the organization. The aim is to integrate sustainability not just in terms of risk management or cost savings, but as a way of contributing to the strategic goals of the organization. To make this clear to people, it is important to define success factors and performance indicators for sustainability and to include these in the policy plan. By formulating the success factors and performance indicators (with targets) for People, Planet and Profit, you can demonstrate, in concrete terms, how closely interwoven sustainability is with your organization's business operations. In addition to existing measurement indicators, the CSR Performance Ladder can help in the formulation of additional themes and indicators for business operations. The performance ladder is based on ISO 26000, the international standard for corporate social responsibility.

Internal support for growth in sustainable performance

If the sustainability goals transcend departmental boundaries, it also creates an incentive for further internal cooperation. In practice, however, internal conflicting interests and agendas are often a major stumbling block for a joint rollout of sustainability. In addition to clear direction from senior management, the communications department can enlist 'sustainability ambassadors' to play an important role in informing and engaging departments and employees. Furthermore, a sense of involvement can be created by brainstorming sessions with employees, in which they themselves think about concrete applications within their own

departments. In the short term, it is possible to achieve a certain amount of success based on the efforts of the (individual) departments, but for long-term success an approach with broad-based internal support is crucial. Good coordination between the technical services, the collection management department and the internal employees will pave the way for further energy savings. For example, the separation of waste will be made much easier if a change in employees' attitudes can be achieved.

Pressure on funding leads to increased collaboration

The significant fall in funding has forced cultural institutions to think about how they can fulfill their goals with reduced financial resources. Since most of the cultural budget is spent on buildings and personnel, these are often the most obvious areas in which to economize. The effects of the cuts are now becoming increasingly visible as a result of redundancies in various museums. In a survey by the Netherlands Museums Association, a quarter of respondents say they will be cutting back on their (educational) activities. Another 8% anticipate that they will be forced to close their doors in the next few years.

The solution lies in extensive collaboration within the museum sector, something that is confirmed by the findings of the Asscher-Vonk committee.

The art of letting go

Collaboration not only contributes to business continuity (Profit), but can also open the door to a joint approach in terms of People and Planet. Initiatives are already underway in the market for tackling sustainability in a collaborative manner.

The role model museums in the UK, such as the Tate, the Victoria & Albert

and the National History Museum, appear to focus on sustainability primarily from the perspective of their buildings. In this case, sustainability is expressed in terms of reductions in energy and CO₂, possibly supplemented by BREEAM for new builds. An approach to sustainability with broad-based internal support is often still lacking. The departments in which sustainability does play a role frequently seek to cooperate with colleagues at other museums.

In the Dutch market, we can see collaborative initiatives appearing in the form of mutual benchmarking (MusEAna). Initiatives are also being deployed on a local level to achieve sustainability by means of cooperation. One example of this is the Plantage in Amsterdam. This is a group of sixteen cultural institutions, including the Jewish Historical Museum, the Tropenmuseum and the Hermitage Amsterdam, which work together in the field of sustainable business operations and tourism. In addition to the aim of reducing CO₂, their collaboration also gives them the power to purchase collectively in a sustainable manner. A key success factor for this type of collaboration is a willingness to let go of some direct influence on specific projects. For example, in the case of purchasing, one or more museums might be responsible for the purchasing process for a larger group of museums.

Opportunities in the chain

Market developments are forcing many museums to look for other ways of keeping their collections accessible to the public. In order to make themselves less dependent on public funding, other sources of income are becoming increasingly important for museums. On the one hand, this might be by reaching a wider audience, on the

other hand by means of cooperation with:

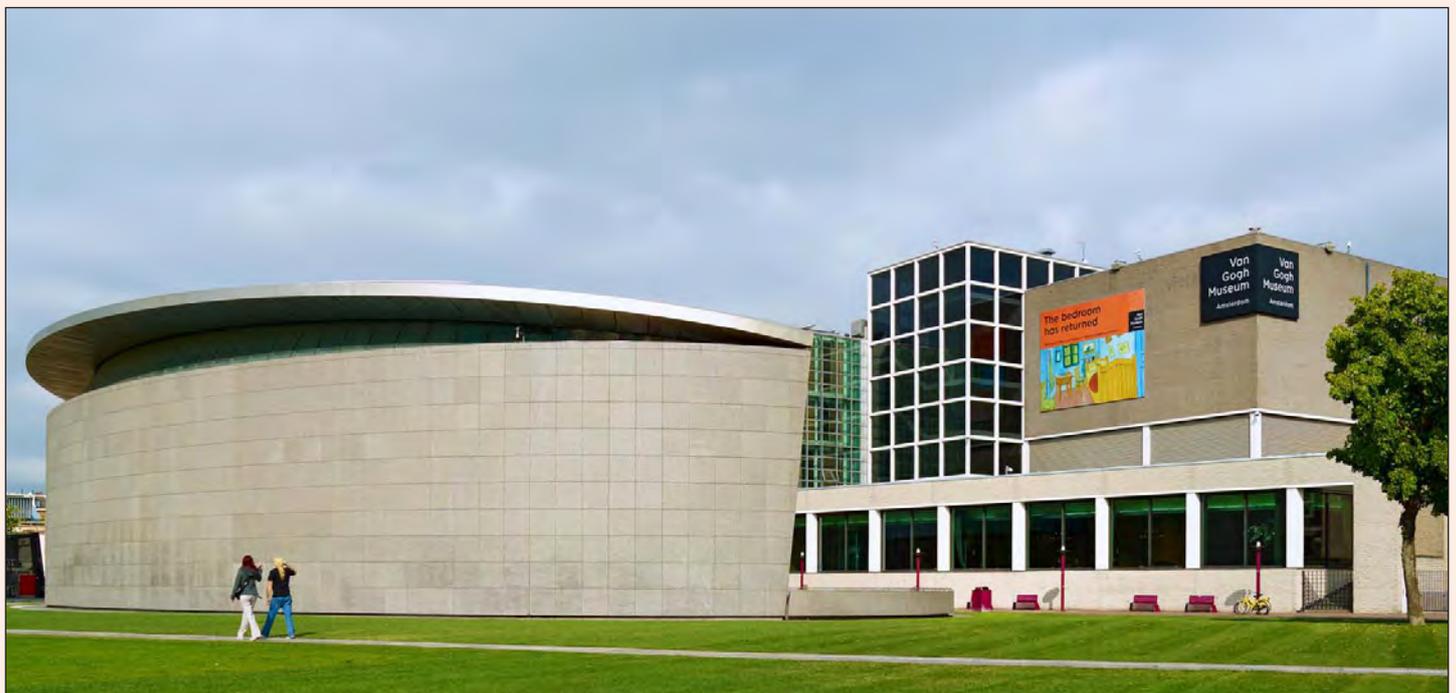
- industry (e.g. packages/sponsorship)
- institutions outside the cultural sector (e.g. education)
- other cultural institutions:
 - services (web hosting / art transportation / storage / purchasing)
 - personnel (staff exchanges at exhibitions / specialist projects)
 - marketing (advertising each other / combined tickets)

Joint approach the key for museums as leaders in sustainability

The various initiatives, such as the development of the BREEAM label for museums, show that the sector is taking significant steps towards implementing sustainability in a collaborative manner. The next step must be to create broad-based support within the organization for the sustainability goals and approach, in order to ensure a long-term improvement in sustainable performance. In addition, cooperation in the chain offers good opportunities for achieving improvements not just in Profit, but also in terms of People and Planet. If there is sufficient willingness to cooperate, museums in the Netherlands will be able to catch up and even promote themselves as leaders in sustainability throughout Europe.

The museums involved in this project:

The Van Gogh Museum, the Kröller-Müller Museum, the Van Abbemuseum, the Tropenmuseum, the Valkhof Museum, Amerongen Castle, Het Nieuwe Instituut and the North Brabant Museum.



Chairman's report Chairman's report after the Members Meeting in Sofia and in Preparation of the Members Meeting in Helsinki

Prof. Ron van der Weerd
Chair EuroFM



As I stated in the previous edition of EuroFM Insight:

"EuroFM is at its roots a network organization where members

are in charge and where members by meeting each other in formal, informal and social settings discover new ideas, projects and new FM developments.

Building bridges is a central task for the EuroFM organization and its board.

For me the impressive and historical Karl's bridge in Prague was and always will be a beautiful metaphor for that idea. And we created many bridges in Prague.

We also crossed the well-known bridge over the Atlantic to visit WWP Philadelphia 2013: a splendid WWP, well organized and at a beautiful venue in downtown Philly. Again, I give my compliments to our IFMA friends and colleagues. It was a great convention!

We created a bridge to Bulgaria where, in Sofia, our members meeting was hosted by the Bulgarian Facility Management Organization. Everything proceeded very well and was professionally organized. It really was impressive. We attended a beautiful welcome reception at a charming venue, overlooking the city of Sofia followed by positive meetings of the network groups, scientific presentations at the University campus, a city tour, and a wonderful dinner party. There were even interviews with the local press since FM is an upcoming industry in Bulgaria. Sofia and Bulgaria are now

in many FM hearts.

A bridge was also created with the real estate world, resulting in the first joint seminar between RICS and EuroFM in Brussels on November 6th. Both organizations are expected to attend the MIPIM exhibition in Cannes next March.

In Prague, there was also a bridge created with the Middle East



which will result in a presentation of Ali Alsuwaidi (Idama Facility Management Solutions, GFMA, MEFMA, Dubai, United Arab Emirates) on FM in Super-Tall Buildings at The International Work Space Seminar in Groningen, the Netherlands on February 4th and 5th 2014. He will be there together with

other famous international scientists and writers on Workspace design like Franklin Becker, Jeremy Myerson and Julian Treasure.

It is shaping up to be a great event for FM providing us with the specific knowledge that makes FM so unique: linking space and infrastructure to people and organizations (EN 15221).

So, a lot is going on. We launched an initiative together with REUG to see if we can set up a European Certification for the job description of a Site manager.

We are preparing the Educational EuroFM Winter School in Helsinki, followed by the EuroFM members meeting also in Helsinki on February 12th-14th, 2014.

We have set up a system that will also make it possible for students outside of Europe to attend the student poster competition at the EFMC in Berlin June 4th-6th. It is now looking like we will have a three year long sponsorship for that student poster competition.

We are working on the next step in our collaboration with RICS and we will be present as EuroFM at the MIPIM fair in Cannes and we will join the meetings regarding the development of ISO standards on FM.

And of course, together with our partners IFMA and GEFMA, we are working hard on the EFMC in Berlin June 4th-6th 2014. Knowing Berlin and having experienced the organizational talents of our German FM friends I am sure that Berlin will also be a great success.

I am looking forward to all the activities and developments.



Ron van der Weerd, Chair of EuroFM

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Practice Network Group

Susanna Caravatti-Felchlin, Chair



Report

At the invitation of the Bulgarian FM Association, BGFMA, we held the latest PNG Meeting at the University of National and

World Economy (UNWE) in Sofia, where currently more than 40 full-time students are studying FM.

Firstly, we discussed how FM specialists could bring more value to the management of public buildings as this is a current topic concerning Bulgarian FM Managers. FM is becoming increasingly a strategic issue rather than a technical one. With the change in the economy, FM managers have the chance to optimize processes to leverage supporting services for the core business. Furthermore, we also exchanged case studies where FM had worked closely together with Real Estate Management to ensure sustainable solutions right from the beginning.

Olav Saeboe, from Norway, is EuroFM's representative at the ISO committee developing International FM Standards based on the European Standards EN 15221. He presented the activities of his workgroup "FM –

Guidance on the sourcing process and development of agreements" (ISO 18480-2) and we discussed changes to the debated standards. The standards will cover fewer details and focus more on the strategic elements of FM. It is important to not only focus on external service agreements but also to develop internal service levels.

To introduce the EN 15221 to the FM community and other interested parties, the Swiss Facility Management magazine "fmpro Service" has started to publish a series of articles about the FM standards. The first three articles were translated into English and are available on the EuroFM homepage (see News of October 9th).

The next PNG meeting will be held in Helsinki, Finland, at the Laurea University of Applied Sciences from February 13 to 14, 2014. Besides getting to know the local FM Association, we will discuss FM benchmarking in different industries and learn about the status of the FM market data project from the project leader Jos Duchamps.

A good place to meet FM professionals will be at the EFMC 2014 taking place in Berlin at the beginning of June. You will find the program of the Business Sessions at www.efmc-conference.com. The day before the conference, the PNG will meet for its second meeting in 2014. The invitation and agenda will be distributed in spring time.

Education Network Group

A.J.M. Otto MA, Chair



During the EuroFM members meeting in Sofia, the ENG held two meetings.

On the first day, the ENG meeting had a regular agenda with different topics.

1. Based on the proposal of the RNG, it was agreed to add during the Berlin EFMC (June 4-6, 2014) a separate poster competition to master students.
2. The following conditions were proposed and agreed on for the bachelor and master competitions:
 - Pre-selection will be a minimum of 8 students and maximum of 15 students from a minimum of 4 universities. There will be a maximum of 2 people to present each poster.
 - The Jury for the Bachelor contest will be composed of a member of the Practical Network Group, an IFMA member and one RNG member. Whereas, the Jury for the Master competition will consist of one Practical Network Group member, one IFMA member and a member of ENG.
3. Pekka Matvejeff from the Laurea University Helsinki, Espoo, Finland provided us with the latest news on the Winterschool 2014 along with the project "Service, Innovation and Design".
4. Irene van der Werff from the Hanze University, Groningen presented her project "Research on International Students: Looking Back and Looking Forward". Irene shared the outcome of her research

on the dilemmas and motivation of international students during their orientation and place of study.

5. Universities were invited to participate in "The Fresh Connection". The Fresh Connection is a web-based value chain management learning environment built around a cross-functional business simulation. Participants make strategic and tactical decisions in the value chain of The Fresh Connection, a virtual producer of fruit juices. Participants are active professionals in the areas of Value Chain Management and Logistics as well as students. At least 6 Universities, with 4 students each and a coaching lector, are needed to begin this game.
6. Finally, we briefly discussed the idea to reduce the frequency of ENG-meetings to twice a year. Opinions were shared; but for the moment, we will continue as before.

For the second day, the ENG meeting was scheduled for a site visit. Everyone was invited to participate in the FM company visit to the Multifunctional Sports Hall Arena Armeec Sofia which was specially organized for the Education Network Group of EuroFM.

The main function of MSH-Arena Armeec Sofia is to provide Bulgarian athletes with the best facilities for sporting activities.

The design of the hall is made in compliance with all international federation rules regulations for organizing and running World and European Championships as well as high level commercial tournaments, such as the "World League" and others.

Over 25 types of sports can be practiced at the MSH-Arena Armeec Sofia. We had an interesting tour and had the opportunity to ask questions. All members were enthusiastic about this way of utilizing the ENG members meeting.



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Research Network Group

Prof Keith Alexander, Convenor RNG



An important element of the EuroFM Research Network strategy is to improve communications both within the

group, with the EuroFM membership and externally with the international research community. At the recent RNG meeting in Sofia, Pieter le Roux agreed to co-ordinate communications and to represent the research network on the board of European FM Insight and on the International Editorial Committee (IEC). Pieter will also liaise with the EuroFM secretariat in restructuring the RNG web pages as part of the broader development of the EuroFM website. Pieter's role will ensure a better understanding of the leading role the RNG play in advancing knowledge and has the full support of colleagues in the research network.

Introducing Pieter le Roux as the new Network Communications Coordinator



Important Issues in Coordinating Research.

The effectiveness of network communications is seen as vital

to the development and vitality of the EuroFM Research Network. The need for a more effective coordination was already expressed during the Research Network Group (RNG) meeting in Waedenswil (February 6-8, 2013), and discussions on this topic were continued during the RNG meeting in Sofia (October 9-11, 2013). The development and implementation of a coherent communications strategy covering all aspects of the network operations are seen by all members of the RNG as a crucial step towards facilitating an effective research network community. In this respect, the first steps have already been taken in terms of implementing proposals for the future organisation and operation of the RNG as an online community. In order to better facilitate the ordering and structuring of research,

leaders have also been appointed to the three current working groups: added value, sustainability and innovation. In addition to these, Brenda Groen – in consultation with the RNG convenor, the newly appointed Communications Coordinator (Pieter le Roux), and the EuroFM Secretariat – has made progress with updating and coordinating the RNG members' database. Currently, the updated list is being circulated for confirmation, correction and amendment. All members of the network are urged to review the database and to identify additions and corrections to their own entry and to identify other necessary changes according to their personal knowledge.

EuroFM meets BGFMA.

From October 8-10, 2013, the autumn meet of EuroFM was held in Sofia, Bulgaria. The meetings were hosted by the Bulgarian FM Association, and took place at the University of National and World Economy (UNWE). For the Research Network, it meant a full program for all three days, including a one-day workshop, research exchange and the RNG business meeting. During the meeting, RNG members had the opportunity to meet seven practitioners, academics and researchers from Bulgaria, discuss FM research, and to invite future involvement in the network.

The research workshop, 'Advancing Knowledge in FM', reviewed EuroFM research in the past, present and future. The results of the workshop are contributing to an RNG project and will inform a series of short videos to mark the 25th anniversary of EuroFM. Elsewhere, researchers from Bulgaria talked about the nature of FM in a developing Eastern European country. They identified particular challenges for research and practice in the country and provided an understanding of the state of FM. An open discussion identified common themes and provided new insights on familiar issues.

Research Network Meeting, Sofia.

On Thursday, October 9, 2013, the Research Network met, most fittingly, in the library of the University of National and World Economy. Chaired by Keith Alexander, the 'Research Exchange' enabled participants to share and discuss current research interests and to extend EuroFM knowledge. The exchange focused primarily on the activities and results of the three working groups. From the presentations, it was evident that the working groups are extremely efficient in terms of research output, but that due to a lack of proper network communication coordination, the results are not effectively communicated to all members of both the RNG and EuroFM. In this respect,

the functioning, or rather, the desired functioning was discussed by all members and it was agreed upon that filling the vacant position of network communications coordinator has become a matter of urgency. As well as adding this topic to the agenda of the business meeting, all members of the network were requested to update the description of projects and postgraduate research for inclusion on the RNG web pages and for discussion at the next meeting in Helsinki in Spring next year.

During the meeting, the annual RNG programme for 2014 was also discussed. The centre piece of the RNG programme will be the EuroFM Research Symposium at EFMC 2014 in Berlin in early June. In total, 39 full papers are currently being refereed for publication and selected for presentation at the three-day Symposium. EuroFM research workshops will be hosted by HTW University on the first day of the programme.

In terms of network meetings for 2014, the three working groups are currently formulating their plans for the new year. Spring and Fall meetings are planned for Helsinki (10-14 February) and London (final date to be decided) respectively. Both of these meets are to be organised by the Working Group on Sustainability in FM (WG2) and their research topic will provide the focus of the meetings. The first formal meeting of WG2 will be hosted by Aalto University as part of the Helsinki meeting.



The Strategic Role of FM: Discussion of the Recent Joint EuroFM/RICS Seminar in Brussels.

On November 6th, the RICS (Royal Institution of Chartered Surveyors) Europe organized the global launch of their new FM guidance note on the strategic role of Facilities Management. This event, which was jointly organized by EuroFM and RICS, was attended by guest speakers and experts from the facilities management community from across Europe. The global FM guidance note entitled "Managing Facilities to Enhance Organisational Performance" focuses on facilities managers and corporate real estate professionals responsible for managing commercial property worldwide. The newly launched guidance note provides recommendations on developing, implementing and evaluating strategic plans for optimally managing and servicing both individual buildings and property portfolios.

Keith Alexander, Chairman of the RNG, participated in this event,

and shared the initial findings of the project "Advancing Knowledge in FM" as was done during the research workshop in Sofia. In doing so, he concluded that there seemed to be a difference in the way in which the topic of the strategic role of Facilities Management is being viewed by EuroFM and RICS. The position of RICS was subsequently summarized in the press release which focused on the newly launched FM guidance note and their research entitled "Raising the Bar". Given the difference of opinion, the RNG has taken it upon itself to address this issue from the perspective of EuroFM. In the next edition of EFMI, a number of the participants of the EuroFM/RICS event will be asked to reflect on the topic of the strategic role of Facilities Management, and to discuss the differences with the perspective held by RICS.

Looking Forward.

In addition to the discussion on the strategic value of FM from a EuroFM perspective, the next issue will also focus on how to improve the coordination of research activities amongst all members of both the RNG and EuroFM in general. To facilitate this coordination, concrete developments in the three RNG working groups (WG1: The Added Value of FM, WG2: Sustainability in FM, and WG3: FM Innovation) will be presented.

In the upcoming months, members of the RNG will be preparing for the next EuroFM meeting to be held in Helsinki from 12-14 February, 2014. As mentioned already, the focus will be on sustainability issues, and how these can be addressed in a concrete and value-adding manner through research so as to produce more tangible benefits. The EuroFM meeting in Helsinki will also include a weeklong (February 10-14) Winter School organized by the Laurea University of Applied Sciences. The topic of the Winter School will be "Service Innovation and Design", and will be held at Laurea's largest unit, LaureaSID, in Espoo. Applications for the Winter School close on December 15th, 2013.

Closer to home, the Dutch FM Research Network will have their next meet on January 17th, 2014. During this meeting researchers from the various FM schools in the Netherlands will congregate to share on-going research in FM. A summary of this event will be given at the Helsinki-meeting of the RNG, and will in the future be communicated via the RNG section of the EuroFM website.

Finally.....

On behalf of all members of the RNG, we would like to wish you all a joyous festive season, and prosperity in your FM-research in 2014!

