

# The Future of Property & Facility Management



## **Contents**

Executive summary: Digital solutions will help Facility and Property Managers bounce back	3
2022 & beyond: Opportunities and Challenges for Property & Facility Management	4
Digitization allows facilities and project managers to adapt	7
What will it take for facilities management to digitally transform?	8
How digital will change Property & Facility Management: today vs. tomorrow	10
Communication and Coordination of multiple teams (internal & external)	10
Managing Operating Expenses	12
Planning operations for the future	14
Getting ready for a new world of facilities and property management	18



## Digital solutions will help Facility and Property Managers bounce back

It's not so long since the world was faced to deal with isolation and repeated lockdowns. Not only was office life suspended, but even shops, restaurants and factories were forced to switch to special modes of operation. Even now, many companies continue to support remote work, so the need for office space has not returned to its previous level.

However, shopping malls and entertainment venues are open for business again. Hotels are seeing an uplift in tourist numbers, and slowly people are returning to their workplaces in offices.

For facility managers (FM), the impact of the COVID-19 pandemic can still be felt. The future of the entire profession has changed, and leaders in the field are having to accept the following new realities:

• The dramatic transition to remote working in many companies has led to a permanent change in company culture – many companies do not want to return to work in offices, and those who have decided to retain their office space have changed to more flexible remote work policies to meet the demands of their workforce. Therefore, the demand for office real estate has not – and likely will not – return to the high demand of the pre-pandemic years.

- A forced move to e-commerce has also tempted shoppers to shop online more often than before. As a result, malls and outlets have to work even harder to attract both visitors and tenants.
  - Retail brands that have successfully adapted to the new online trading formats will be reluctant to return to the traditional stores, especially in non-prime locations.
- It will be essential to search for new opportunities and solutions to maintain the profitability of real estate. Increased efficiency will help FM companies to meet more varied demands with smaller and more geographically dispersed teams.

While the world will always need the services of FMs, the way they work has changed significantly in both the short and long term.

In this eBook, we look at some of the key changes that are going to affect the facilities management profession, then look at how digital technologies can support them to adapt to an unpredictable future.





#### 2022 & beyond:

## **Opportunities and Challenges for Property & Facility Management**

The last few years have brought companies new challenges and problems to solve, but at the same time new opportunities.

Changing market conditions have forced facility management organizations to look for new ways to serve customers. New services have been created, finding new ways to save money in commercial real estate by using space consolidation and new tools for real estate and asset management.

In the short term, facilities managers have responded to the new reality with measures such as hygiene improvements, increasing space for social distancing or changing communications, displays and signage.

These activities have helped minimize the impact of new conditions, yet the mid- and long-term outlook for the profession is uncertain, and many questions remain¹:

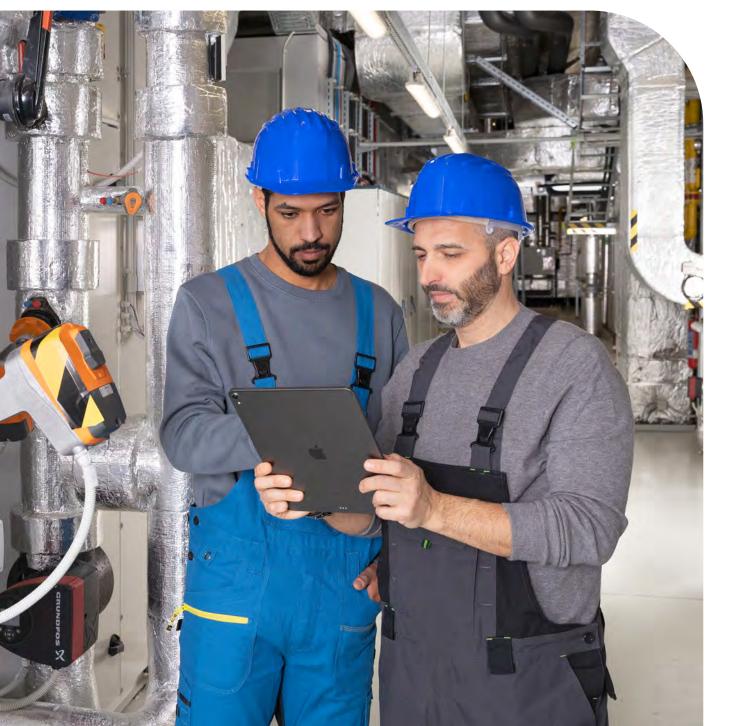
- Will we ever see a full return to workplaces?
- What does remote working mean for FM?
- Are hygiene measures set to be permanent or will they gradually fade away?
- Will physical changes need to be made to floor space, seating and building capacity?
- Are certain kinds of facilities going to close permanently?

 $<sup>^1 \,</sup> https://www.rics.org/uk/news-insight/latest-news/news-opinion/resilience-at-the-frontline--the-future-of-facilities-management/$ 

Now FM is going through a stage of renewal and restoration, in which it will face a number of problems.

- Minimizing operating costs in the face of rising facilities services costs and unexpected maintenance costs
- Hiring and maintaining a high-quality team
- Time management to focus on operational efficiency
- The need to increase generated income from real estate

The lack of long-term certainty around the future of FM is challenging. However, with the right strategy and processes in place, this should be seen as an opportunity to innovate. And, one of the areas where FM professionals can innovate immediately is through the use of digital solutions.







#### Digitization allows facilities and project managers to adapt

In uncertain times, flexibility is essential. And this is where digital tools can prove transformative for the FM sector.

Digitization is already making great strides into property and facilities management, and there is plenty of excitement around the possibilities for a range of technologies – from the Internet of Things (IoT) to connected lighting, next generation energy management to predictive maintenance. Indeed, one recent survey<sup>2</sup> revealed that 84% of facilities managers are already embracing digital.

Here are some of the key ways that digital technology is already changing the FM profession:

#### The move away from manual

Ever more FM and PM professionals have moved away from pen and paper task management to digital planning tools (either generic spreadsheets or industry-specific software).

#### Smart technology

Internet of Things (IoT) sensors can be placed around facilities to improve operational decision making. Sensors tell us whether rooms are being used, if lighting/electricity is being wasted, or even predict when pipes/machines/HVAC systems need to be repaired.

#### Analytics

By collecting more data, facilities managers can better manage their sites. They can identify pinch points and areas of waste. Analytics systems can help you identify, for instance, if a meeting room is being underutilized and costing you money.

By deploying digital technologies, facilities and property managers can expect to reap the rewards of improved productivity, time savings and increased efficiency. In a more unpredictable world, these benefits can have a significant and positive impact.

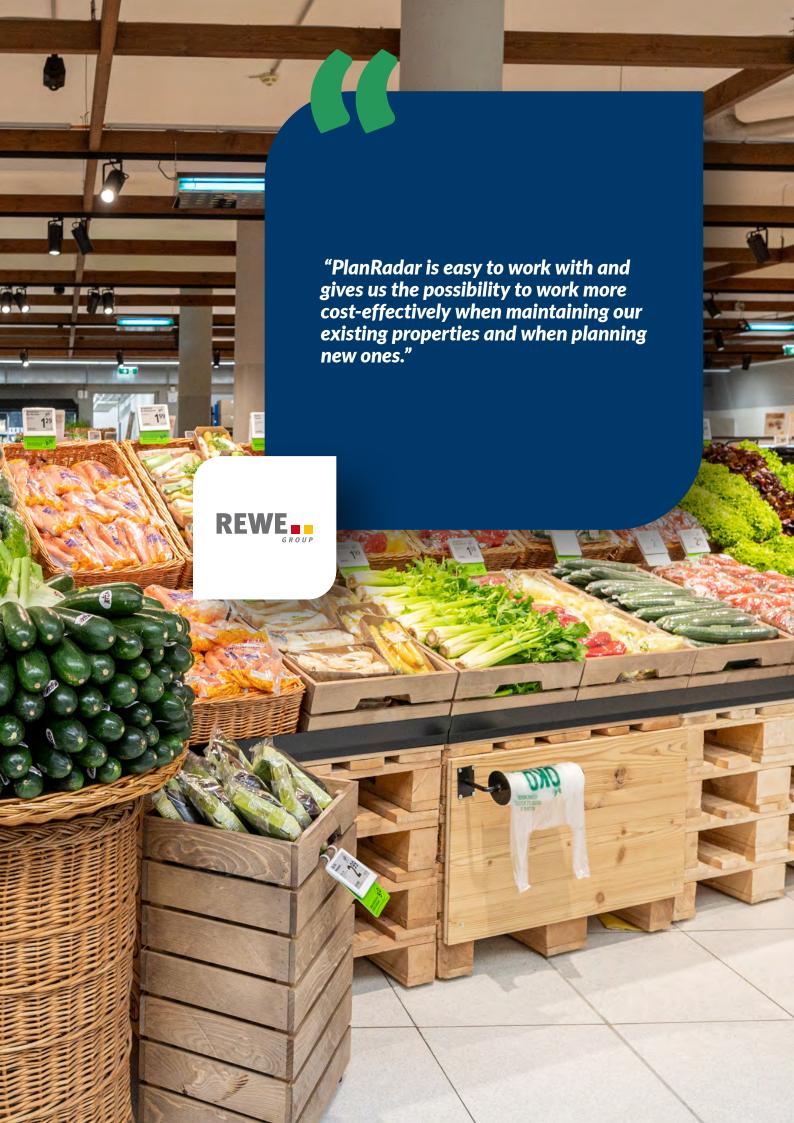
 $<sup>^2\</sup> https://cdn2.hubspot.net/hubfs/6964783/Downloads/Mitie-Digital Transformation Summary.pdf$ 

## What will it take for facilities management to digitally transform?

If FM's continue to rely on traditional, manual methods to physically visit sites, perform checks or plan for the future, they will be less productive than their competitors. Digital opens up countless opportunities to boost efficiency, save money and delight your customers.

In the next chapter we look at how digital transformation will change some of the key activities that facilities managers perform in the coming years.





#### How digital will change Property & Facility Management:

## **Today vs. tomorrow**

The long-term impact of the COVID-19 pandemic and the resulting changes to commercial space use have not only highlighted the existing problems of FM project management, but have also added new areas of responsibility.

Furthermore, with the potential for short- and medium-term declines in occupancy, property managers and FM professionals may have reduced access to resources as their customers face tough economic times.

The good news is that digital technologies can address many of these challenges while also allowing you to innovate and improve how your assets are run. Digital technologies are not just something used by office-based portfolio managers – they also provide tools that on-site managers and external maintenance teams can use too.

Here are some of the key ways that digital can transform the work of facilities and property managers.

## Communication and Coordination of multiple teams (internal & external)

Property managers and facilities managers are responsible for conducting maintenance and cleaning activities, as well as working with third-party service providers to repair and maintain crucial building systems like HVAC, plumbing, and electrical systems. They negotiate and prepare contracts for long-term maintenance activities and individual projects and supervise maintenance projects to ensure that they are completed according to expectations.

Some tasks are planned (inspections, cleaning, maintenance) while others arise spontaneously (repairs). This creates the need to organize internal and external teams on multiple jobs and time frames. Communicating and coordinating these teams is a primary skill for FMs.



## Traditional approach to communication and coordination

## Digital approach to communication and coordination

## Communication techniques

Usually relies on paper (checklists), calls and e-mails, which can be inefficient. In urgent cases it is difficult to share information with internal and external teams.

Using specialist facilities management mobile apps, communication with internal and external teams happens in real-time, in a single place. It is possible to share text, image and voice recordings on mobile devices. Digital plans or BIM-models enable property and facilities managers to know the exact location of teams, tasks, or features (including where pipes, wiring or HVAC systems are located).

#### Coordination

Monitoring the quality of work performed by externally contracted services is hard without being on-site. You must physically visit and inspect works.

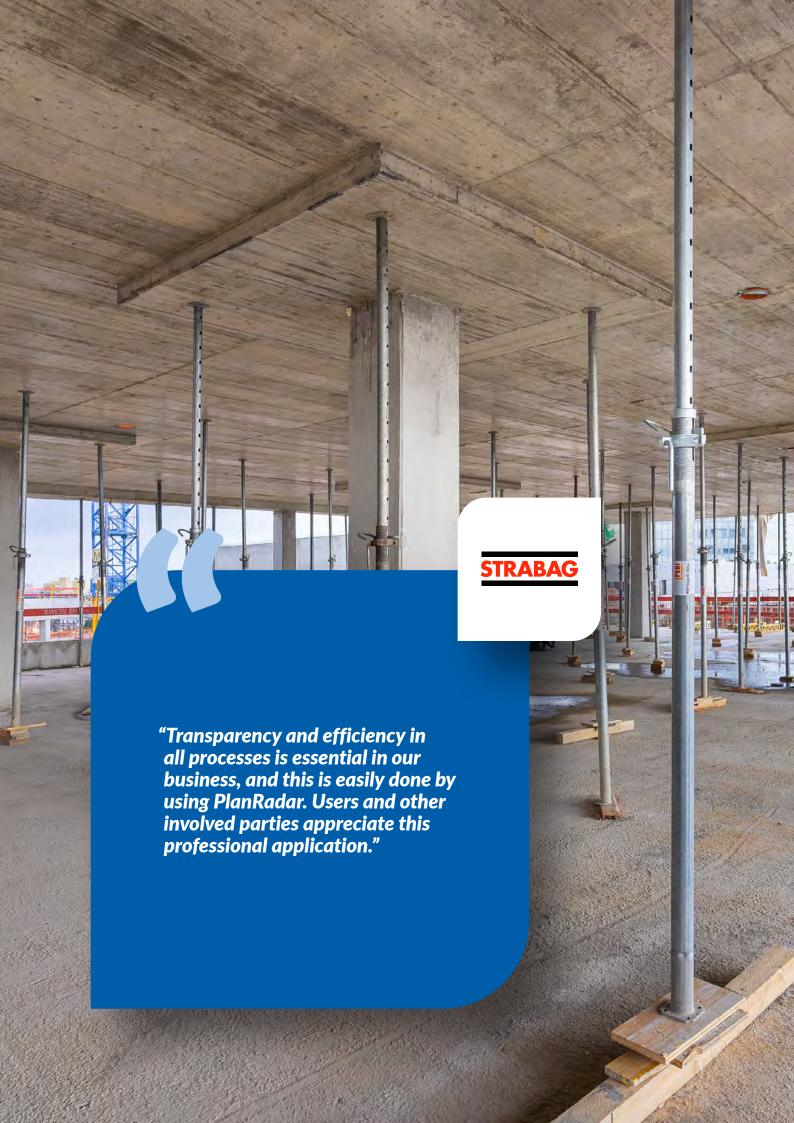
The use of mobile devices means that supervising contractors and sign-off of work can happen from any location. You simply indicate where work needs to be done on a digital plan and send this information directly to the contractor. They can then return information about the completed task, including images, and the FM does not need to be present to sign it off.

#### **Data collection**

Data collection is driven by the contractor, resulting in a lack of consistency in the information collected. Non-standardized data causes more administrative work.

You have access to a consistent, centralized record of who has completed which task, when items were maintained/repaired and how long it took. The collection of consistent data over years enables the construction of a digital twin of the asset. Data can also be collected while offline, enabling staff to work when they are not in range of a connection and syncing data automatically once a connection is established.





### **Managing Operating Expenses**

A core task for facilities and property managers is to ensure that the property generates income. To do this, it is essential to understand and manage operating expenses. Property managers must establish effectively costed services from contractors and repair companies and budget capital expenditures. To do this, they must collect and evaluate cost data and other parameters.

Operating expenses also tie into financial oversight as some improvements will require significant capital expenditures.

	Traditional approach to managing operating expenses	Digital approach to managing operating expenses
Data collection	Invoicing and cost data collection is slow and comes from multiple sources which makes it harder for the PM/FM to complete evaluations or status reports.	Using facilities management apps, cost collection can happen in real-time through customized forms to allow approval levels to be set and avoid unexpected costs. Operating expenses are tracked in a consistent format, enabling clear visibility of total operating costs for the building or project.
Real time oversight	Variances between quotations and final cost invoices are hard to track as the work is being completed.	Charts and graphs are automatically generated in facilities management software which help support rapid decision-making and give you an immediate snapshot of expenses.
Cost analysis	Incorporating data to assess workforce productivity (time spent), work order resolution times, maintenance cost per sq. ft. is very challenging, and operating costs are seen in isolation from other factors.	Combining activity data and user metrics can help evaluate different types of costs (utility costs, cleaning costs) but also workforce productivity more easily. Apps like PlanRadar can be connected to other software through APIs which allows for speedy data exchange across multiple platforms. Data is stored in a secure cloud location, and is accessible at any time - which enables new costs to be quickly compared with older projects.

### Planning operations for the future

Ensuring that a building operates at optimal performance, and predicting the needs of the asset (building structures, interiors and outdoor areas) is essential for ensuring that unexpected maintenance does not happen, or significant capital expenses do not occur without planning.

	Traditional approach to operations planning	Digital approach to operations planning
Information management	Fault recording happens on multiple devices in multiple formats, so records of the most recent maintenance work are not easily accessible. Maintenance data is collected in paper, using Word or Excel forms or on checklists that are not stored in a searchable database.	All activities, faults, completed tasks and data are automatically stored and managed centrally. You can easily access and search for content to find when tasks have been completed. The task can also be attached to a floorplan and along with important media - a photo, video or audio note to precisely describe the problem and fix its solution.
Report generation	The facilities or property manager must invest hours each week collecting data from multiple sources and processing it into a useable format. Depending on the information needed - as well as meeting legal and compliance requirements – report production can consume hours of an FM's time.	Due diligence checks through site surveys can be referred to when scheduled maintenance takes place at any time in the future. Data rich elements (including text, images, audio, videos and documents) ensure information is clearly communicated. Full reports can be automatically generated from submitted data from FMs and outside contractors.
Preventative maintenance	Schedules are static, while updates by other team members are not accessible to the rest of the team outside the office.	Technology can predict and schedule future repair and maintenance automatically through recurring tasks. Digital tools like PlanRadar automate the creation of tasks supporting the maintenance schedule, such as contract bid schedules, maintenance to be performed and payments due. Checklists for different services (HVAC, painters etc.) can easily be adapted from a consistent format with fields adapted for relevant data collection and

a consistent overall format.





# Getting ready for a new world of facilities and property management

Facilities and property managers have responded heroically to the dramatic changes we have seen in previous years. In the short term, they have responded by changing how they manage physical sites to improve hygiene and boost customer trust. However, in the long term, the profession needs to adapt to a very different world:

- New hygiene standards
- Potentially reduced staffing and resources
- · Lower revenue in the mid term
- Increased outsourcing
- Emergence of high-tech solutions like IoT

And this is where using new digital solutions can really change how the profession works. Mobile-based facilities management apps like PlanRadar provide FMs with a suite of tools for improving how they oversee assets. Designed specifically for the needs of the FM sector, PlanRadar brings you multiple features that mean your organization is future-ready:

 Task management: Allocate tasks to maintenance teams and request in-app photos or videos of repairs.

- Data collection: All activities, schedules, completed tasks and much more are stored centrally in a cloud-based, searchable and secure database.
- Report generation: Automatically produce reports that meet regulatory/industry requirements.
- Track costs: Fees for maintenance, suppliers and other expenses are all stored in one place, allowing you to quickly identify cost savings.
- Connects with external data sources: Need to bring in data from IoT sensors, utilize artificial intelligence programs or project management software? PlanRadar's APIs let you easily connect facilities managers to cutting edge tools and the other software you use.
- Digital plans with comparison functionality, supporting BIM models: Tasks are pinpointed on a digital plan, all drawings and real estate plans are always at hand on a smartphone.

To learn more about the many ways that PlanRadar helps facilities managers respond to the challenges and opportunities of the coming years, contact us for a demo today or start your 30-days free trial.





## 30 day free trial

