

FM – Learning From Experience

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FM- Learning From Experience

Areas for discussion:

- Where is FM effective?
- What marks out high performers?
- Lessons for in house service providers?

Where is FM effective

Where the services :

- ▶ provide customer satisfaction (or at least do not dissatisfy its customers/ stakeholders).
- ▶ provide value for money – to the stakeholders and the organisation.
- ▶ provision is accountable – financially and in terms of its performance.

So How Do We Know If Our Service
Provision is Effective?

What Marks Out High Performers?

- More than a 'gut feeling', based on the knowledge that your (in house) customers think your are doing ok – or at least nobody complains.
- The service has
 - the right people (including the right customers!)
 - sound knowledge base
 - level of expertise
 - level of service performance.

What Marks Out High Performers?

- Service Managers **know** that services they are providing
 - meet or exceed their customers/ stakeholders expectations.
 - meet organisational requirements;
 - add value (for money) to the organisation
 - are accountable – both financially and in their performance.
 - service delivery is creative/innovative.

What Marks Out High Performance

- Service Managers know
 - how their service provision compares with that of their relevant peers.
 - and use appropriate service assessment methodology to evaluate their service provision.
 - and use performance information to retain or improve the required level of service provision.

So What is An Appropriate Performance Assessment Methodology?

- Provides clearly demonstrable benefits - not just ticking boxes.
- Gives good payback for effort expended.
- Is suitable for use in the public sector.
- Strikes the balance between customer and organisational needs.
- The results/outcomes are meaningful.
- It is flexible and appropriate.

Lessons for in-house service providers

Learning from (the) experience (of others) to find ways to demonstrate

- accountability
 - financial accountability.
 - performance accountability.
- value for money
- customer satisfaction
 - services are meeting customer/stakeholder expectations.
- creativity and innovation
 - learn from the experience of others - be creative about sharing and comparing.
 - find what works in terms of most appropriate techniques to evaluate service performance and then use the information you get from the process.

Learning from Experience - Seeking To Answer The Following Questions...

How can you be sure that

- be sure that you are meeting/exceeding their customers expectations?
- ensure your services provide value for money?
- demonstrate accountability?
- know which performance measurement methodology will provide the most useful results when measuring performance in FMSS?
- determine what, if any, benefits are to be gained from cross sector comparisons?

Services Under Consideration

- ✓ Administration/Room Bookings
- ✓ Caretaking/Security
- ✓ Porterage
- ✓ Catering
- ✓ Cleaning
- ✓ Grounds Maintenance
- ✓ Reprographics
- ✓ Post Room
- ✓ IT Support
- ✓ Reception/Switchboard
- ✓ Surveying

Performance Methodologies...

- ▶ Benchmarking
- ▶ Statistical Process Control
- ▶ Data Envelopment Analysis
- ▶ Performance Prism
- ▶ Performance Dashboards
- ▶ Balanced Scorecard
- ▶ Six Sigma

The Techniques and Their Perspective

➤ Operational Perspective

- Benchmarking
- Data Envelopment Analysis
- Performance Dashboards
- Six Sigma
- Statistical Process Control

➤ Strategic Perspective

- Balanced Scorecard
- Performance Prism

Learning From the Experience of Others

Reviewing:

- Which services are being managed?
- How each service is rated within the overall facilities profile?
- Awareness and use of the range of performance assessment techniques.
- Questionnaire sent to 348 contacts in local authorities in England and Wales. - 115 responses.

Some Initial Findings

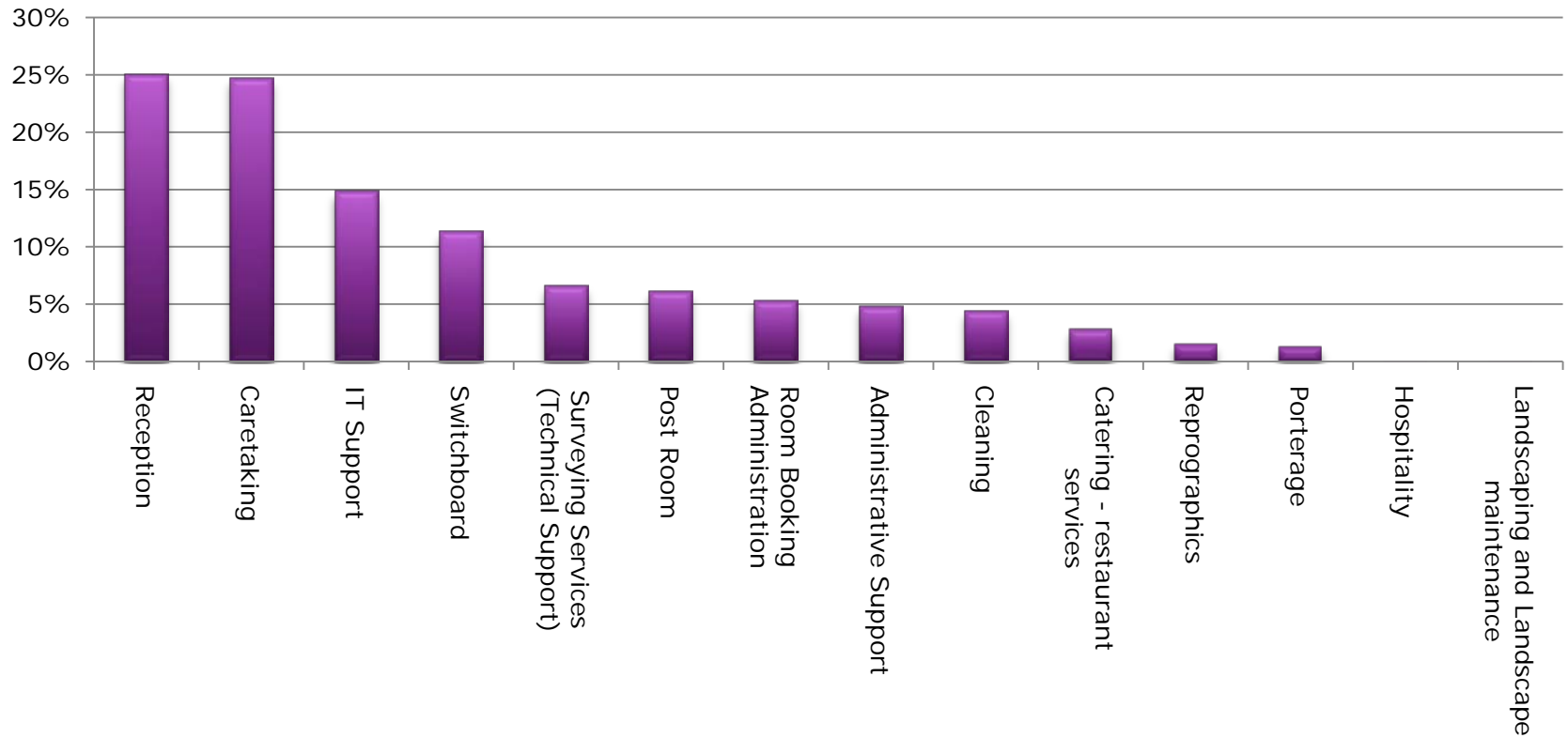
Services Managed....

n=108

Service	% Managing Service
Cleaning	83.3%
Caretaking	78.7%
Porterage	72.2%
Room booking administration	63.9%
Mail Room	46.3%
Administrative support	45.4%
Surveying (technical advice)	42.6%
Landscaping and landscape maintenance	40.7%
Reception	29.6%
Reprographics	25.9%
Switchboard	19.4%
IT Support	9.3%

Service Rated Most Important – Within Overall Portfolio

N = 95



What Do You Think About Performance Measurement In Managing Facilities Services.....

- ▶ It has a key role to play - 57.10% agree
- ▶ It can help managers achieve higher levels of customer satisfaction - 61.1% agree
- ▶ It can help managers demonstrate accountability in service provision. - 48.9% agree

Key Reasons for Assessing Service Performance

	Not important	Slightly important	Neither important or unimportant	Important	Most important	Response
Cost of service provision	0	0	0	11	7	18
Customer satisfaction	0	0	1	6	8	15
Assessing the service process (to test best practice)	0	3	11	2	2	18

How Do You Select An Assessment Technique?

	No Knowledge of it	Overall Ease of use	Ease of data collection	Ease of interpreting data	Applicable to a range of services	Requires little/no training specialist knowledge to use it	Allows meaningful comparison with other service providers	Is widely used in the public sector	Is used by both the public and private sector	Response
Internal Benchmarking	2	24	24	27	28	21	19	16	11	42
Competitive Benchmarking	6	10	11	10	19	6	17	8	8	36
Non Competitive Benchmarking	5	15	11	15	23	8	20	14	8	39
Functional Benchmarking	9	7	7	9	12	7	14	3	4	32
Cross Sector Benchmarking	9	8	7	7	12	5	14	2	4	34
Balanced scorecard	12	11	6	8	12	3	2	7	2	34
Data Envelopment Analysis	27	2	1	3	2	1	3	1	4	34
Performance Prism	30	2	2	1	3	0	1	1	2	36
Performance Dashboard	25	6	4	6	7	4	5	5	4	36
Six Sigma	29	0	0	1	5	0	1	0	2	35
Statistical Process Control (Shewart's or Control Charts	29	2	2	3	2	2	1	0	4	36

Which 'Operational' Techniques Are Used In Practice?

	Not familiar with	Familiar with but not used	Used for FM Services	Don't consider it suitable for FM Services	Used but not for FM Services	Not used in my organisation	Respondents
Internal Benchmarking	1	15	27	0	11	3	54
Competitive Benchmarking	5	15	21	4	6	5	55
Non Competitive Benchmarking	7	16	24	2	7	2	57
Functional Benchmarking	13	19	13	2	3	4	53
Cross Sector Benchmarking	11	20	9	3	7	7	54
Data Envelopment Analysis	34	8	1	2	1	6	51
Statistical Process Control/Shewart's Charts or Control Charts	33	9	0	3	0	7	51
Performance dashboard	29	9	5	1	4	6	53
Six Sigma	34	9	1	2	0	7	52

Which Strategic Measures Are Used In Practice?

	Not familiar with	Familiar with but not used	Used for FM Services	Don't consider it suitable for FM Services	Used but not for FM Services	Not used in my organisation	Respondents
Balanced Scorecard	15	19	2	4	9	4	53
Performance Prism	37	10	0	1	0	5	52

Use of Techniques in Demonstrating Performance

	Service provider	Operational manager	Senior Management (eg Head of Dept)	Strategic Management (eg Directors)	Customers	Respondents
Internal Benchmarking	26	33	32	22	15	41
Competitive Benchmarking	19	27	31	29	18	37
Benchmarking	16	30	30	25	15	37
Functional Benchmarking	15	27	21	13	4	32
Cross Sector Benchmarking	13	21	23	21	8	31
Balanced Scorecard	11	13	17	18	6	27
Performance Prism	1	3	8	8	1	12
Statistical Process Control (Shewart's or Control Charts)	5	4	5	6	1	11
Performance Dashboard	9	10	15	8	6	17
Data Envelopment Analysis	6	10	10	6	5	14
Six Sigma	4	5	8	7	1	14

Action Taken As A Result of Performance Measurement

Response	Number Responding
Review and potentially amend your service processes as an outcome of the comparison, to closer match 'best practice'.	5
Only review your service process/delivery if there is a significant difference in your figures compared to the organisations you are comparing with.	6
I check the responses but do not take any particular action as a result.	0

Reasons Why People Don't Measure Performance

n=19					
	Don't agree	Slightly agree	Agree	Totally agree	Respondents
Practical reasons - eg performance measurement doesn't work.	9	8	1	0	18
Political reasons - there is insufficient support for doing it because it is not a vote winner	13	3	2	0	18
Managerial reasons - it is hard to do effectively as 'softer services' are difficult to define and therefore measure.	5	8	5	0	18
Psychological reasons - worried you might discover and provide a 'stick' for someone else to beat you with.	14	3	1	0	18
Competing pressures - consequences of failure on other tasks is greater than benefits to be gained from performance assessment.	5	5	6	3	19
Services may be called the same in different organisations, but organisational differences make comparisons meaningless.	1	9	7	1	18

Reasons from Survey - Don't Measure Performance

n = 24	
Reason	Respondent
I am too busy.	5
I think it is a waste of time.	0
Results gained don't justify effort expended.	6
Not a service priority.	8
Not an organisational priority.	3
Have never found a method that provides information that is relevant to my service area	4
Other reasons	9

What May Encourage Use of Performance Measurement in FM Services

n = 17	
Factors	Number of Respondents
FM Serviced Performance Indicators Were national performance indicators.	17
Performance related pay for managers	3
Performance related pay for the whole team	7
Other (please specify)	0

Summary and Conclusions

- Where is FM effective?
 - Satisfied customers, value for money and accountable service provision.
- What marks out high performers?
 - Right people and a sound knowledge base.
- Lessons for in house service providers?
 - In light of the above, performance measurement perhaps used less than would be expected.
 - Benchmarking most used – but other techniques can be useful – knowing which is appropriate.
 - Creativity in use of techniques and with comparison partners worthwhile?

A Final Thought About Accountability

“The obligation to demonstrate and take responsibility for performance in light of agreed expectations. There is a difference between responsibility and accountability; responsibility is the obligation to act; accountability is the obligation to answer for an action” Human Resource and Skills Department, Canada (2006):

Thank You - Any Questions?