Facilities management: the business enabler

In a business context, Facilities Management (FM) helps to align the organisational objectives and missions so they can be achieved successfully. FM is a key function in managing facility resources, support services and working environment to support the core business of the organisation in both the long- and short-term (Chotipanich, 2004). Although FM offers a wide range of FM services, different organisations have different sets of combination; in other words, there is no uniform service package which works perfectly to any organisation (Atkin and Brooks, 2009).

FM has become significant to various kinds of organisations, as an emerging service that can support and enhance their business value. An efficient FM is a contributing factor of a total organisation success. It contributes to the delivery of both strategic and operational goals. On a daily basis, FM is a service that can provide a safe and cohesive working environment, contributing to the overall work performance and business success. Myeda et al. (2011) also signified the importance of a good coordination of support service and system to ensure a smooth operation of a business.

Grimshaw (2003) suggests that FM functions can be separated into the six following concepts:

1. Technical: It is concerned with maintaining the practical utility of the physical infrastructure to ensure that it supports the core activity of an organisation (operational maintenance).

2. Economic: It guarantees the efficient use of physical resources by controlling cost (financial control).

3. Strategic: It is concerned with the planning of physical resources to support organisational development and reduce the risk for the client (change management).

4. Social: It is concerned with the physical infrastructure which must meet the user needs within their organisational roles (user interfacing).

5. Service: It is concerned with the provision of non-core support services (support service).

6. Professional: It indicates social responsibility for people in the workplace (advocacy).

Evolution of FM over the past decades has seen FM from being just another service provider to being upgraded as a business enabler. Even in 1995, Tranfield claimed that the role of FM had gradually evolved from merely helping the organisation to survive to acting to enhance its potential in the industry. The new role as a business enabler is based on the three imperative approaches of FM’s role that
are “integrating”, “aligning” and “innovating”. Figure 1 shows how FM functions have evolved over the years in the industry, and how FM is being uplifted to a whole new level in the eyes of other industries and practitioners.

Figure 1. Evolutions of FM functions over time

The role of FM as a business enabler can be seen from a strategic point of view, where FM should provide relevant information to help the top management to formulate business strategies, plan and control organisational activities, facilitate decision-making process, plan the use of limited resources efficiently and effectively, improve business performance, enhance shareholder values, safeguard business assets (tangible and intangible) and ensure corporate compliance. To achieve an optimum success, FM and the business or organisational sector need to have a mutual understanding which would help to bridge the gap between primary business and support activities, i.e. core and non-core.

The role of FM in facilitating organisational performance, and thereby in providing competitive advantage, is widely acknowledged (Amaratunga and Baldry, 2000). In most organisations’ strategic plans, one of the components being emphasised is the linkage between FM and organisational mission or objectives. A synchronisation between these elements benefits organisations in various ways:

- provides a focus for consistent strategic planning decisions;
- establishes an ethics framework;
- communicates the nature of the organisation to stakeholders;
- enables purpose and direction to be assessed and controlled through resultant objectives; and
- empirically proven that strong corporate values positively correlate to higher profitability.

One way to link the delivery of FM with the organisation’s mission and objectives is by having a set of FM strategies. These FM strategies can be formulated to match with the overall approach of an organisation, including the business vision. An organisation with formulated FM strategies and organisational objectives will successfully ascertain optimum efficiency in the survival strategy and increasing prosperity of its future. It also has better potentials to improve its competitiveness level in the industry and to deliver sustainable growth, which in turn will subsequently maximise the market valuation and enhance its reputation.

Public and other industries need to realise the benefits that FM can bring to the business and organisations (Figure 2). The conduct of efficient and effective FM is a continuous approach to meet FM and organisational objectives. It supports the raise of work performance standards and skills. This shows that FM introduces a quality-driven approach to the whole operation purpose and conduct. FM also increases resource optimisation and encourages a more established corporate image. A strategic FM delivery also increases asset and property value. This then drives high-performance outcome and also increases the asset and property value. All these benefits are linked to one another in a major goal to uplift the performance and success of an organisation.

Figure 2. Benefits of FM to the business and organisations

In conclusion, FM holds a strong role as a business enabler. It supports organisations not only from the operation side, but also the business continuity and both short- and long-term organisation goals and success. FM brings organisation to the strategic way forward,
and this role should be integrated into all business and organisation strategic plans to offer an added value to the organisation itself. The recognition of this strategic role will give FM the opportunities to contribute to business success and to aid the delivery of competitive advantage.

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References


