Future Trends In Facility Management
2017 Cleaning Industry Report
In business, everything begins and ends with customers; therefore, knowing, understanding, and applying **customer trends** and insights will forever be a holy grail to industry professionals.
Upper Management Intervention

1. White collar decision maker
2. Outcome and results driven
3. Bottom line focused
4. Uses business intelligence metrics
5. Attracted to a menu of business solutions
6. Seeks operational efficiencies – most efficient way to deploy resources
Increased Buyer Sophistication

1. Millennial buyers

2. Technically savvy

3. Access to industry knowledge

4. Employ data-based decision making

5. Seek transparency and relevant metrics

6. Attracted to salespeople with financial capabilities (white collar skills)
Strategic Supply Chain Management

1. Fact-based strategic sourcing
2. Improved planning for procurement
3. Lower operational expenses
4. Increased visibility
5. Reduced inventory
6. Ability to track and monitor compliance
7. Real-time business intelligence
8. Supply chain partners that are aligned with current business priorities to improve overall performance
Buyer Bargaining Power on the Rise

1. Buying cooperatives / groups
2. Strategic Sourcing (GSA - FSSI)
3. Group Purchasing Organizations (GPO)
4. BSCAI Purchasing Advantage Program
5. Purchasers combining locations to drive price concessions
6. Transactional price / product bids
Outsourcing Prevails

- Integrated Facility Services (IFS)
- All market verticals are evaluating outsourcing
- Total cost reductions
- Reducing human resource responsibilities
- Defining outcomes (clean buildings)
- Measuring quality and developing an effective RFP are the greatest challenges
Departmental Financial Analytics

1. Operational forensic techniques
2. Benchmark data
3. Workloading
4. Risk assessment of area types
5. Labor optimization techniques
6. Inspection and improvement
7. Zero-based budget methodology
8. Return on investment (ROI)
Industry Standards

1. Validate business processes
2. Define best practices
3. Establish standard operating procedures
4. Provide a prequalification tool for outsourcing
5. Serve as a department gap-analysis framework for evaluation and improvement
Human Resources Complexity

1. Effective human resources management policies
2. Worker safety compliance. OSHA is more active.
3. Changes to Affordable Care Act (ACA)
4. Equal Employment Opportunity Commission (EEOC) enforcement
5. Management, supervision and worker skill training
6. Worker productivity
7. National Labor Relations Board (NLRB) compliance
8. Robotics
Sustainability Sustains

1. Workplace wellbeing
2. Corporate social responsibility (CSR)
3. Sustainability policy creation
4. Life cycle costing analysis – alternative flooring
5. Reducing front line worker injuries
Broadband Internet is becoming more widely available, the cost of connecting is decreasing, more devices are being created with Wi-Fi capabilities and sensors built into them, technology costs are going down, and smartphone penetration is sky-rocketing.
## Action Plan

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<th>Trend</th>
<th>Implications</th>
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<td>Greater Upper Management Intervention</td>
<td>Shift message from tactical to strategic</td>
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<tr>
<td>Increased Buyer Sophistication</td>
<td>Match sales model / process to buyer</td>
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<td>Focus on Supply Chain Management</td>
<td>Integrate supply chain management into key account marketing</td>
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<td>Buyer Bargaining Power on the Rise</td>
<td>Position your organization to profitably participate</td>
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<td>Outsourcing Prevails</td>
<td>Develop service provider-specific programs</td>
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<td>Departmental Financial Analytics</td>
<td>Become fluent in the financial metrics that drive your customers’ success</td>
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<td>Industry Standards</td>
<td>Commit to industry standards and learn how to help your customers achieve compliance</td>
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<td>Human Resource Complexity</td>
<td>Leveraging labor-saving solutions is at a premium</td>
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<td>Sustainability Sustains</td>
<td>Weave sustainability into the fabric of your organization</td>
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<td>Internet of Things</td>
<td>Evolving technology – keep an open mind about the product technology</td>
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