



Future Trends In Facility Management

2017 Cleaning Industry Report

Trend Watching



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



Supplier
Alignment &
Sourcing



Logistics



Customers

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



Internet of Things (IoT)

Intelligent Buildings

Broadband Internet is become 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.



1. Facility insights
2. Real-time data points
3. Occupant communication
4. Worker empowerment
5. Worker deployment
6. Worker location
7. Increase productivity
8. Compliance
9. Sustainability tracking
10. Number of occupants
11. Equipment deployment
12. Asset management
13. Event notification
14. Area type usage

Action Plan

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



Questions & Answers