The world is changing when it comes to information in facilities management. For the first time in the industry, several critical advances are converging. The questions become, “What’s Happening, What Does it All Mean and Where are We Going?” While the topic is information, the issues and influences are core to the business of IFM.

What’s Happening?

Throughout the industry, the level of activity and change around the role and strategies is expanding. There are new forces at play. Facilities management as an industry and a profession has been experiencing sustained change for quite some time now – here are some of the highlights:

1. **Integrated Facilities Management (IFM) has been taken up by the industry** as a term and a function reflecting the integrated nature of the business, its processes and the types, sources and uses of information.

2. **Continued expansion and sophistication of outsourcing.** There is continued growth of large-scale, comprehensive outsourcing contracts – often with a combination of services and technology. Clients often leave the choice of technology to their service providers – “let them use whatever system makes sense for their business so long as we get the information we need in the format we need it in.”

3. **Increased demand for integration and business intelligence.** Business intelligence and analytics are impossible without effective integration of information from multiple sources and a common information architecture adhered to by all business partners. Effectively managing big data and innovative initiatives in IFM will be impossible without standards.

4. **Standardizing service offerings means standardizing information.** Service firms are looking to standardize their service delivery model, requiring consistency in the way information is used, aggregated and delivered.

5. **Emergence of new performance measures.** Over 25 years’ experience in workplace strategy is converging with high demand for greater clarity on workforce performance. This means new service lines, new operating
strategies, new performance measures, and new approaches to information and systems.

6. **Demand for improved benchmarking.** The shift to new performance measures comes at a time when the interest in benchmarking is higher than ever before. End users are looking for improvements in benchmarking of IFM costs and performance of IFM service partners. This focus puts pressure on benchmarking organizations to reassess ways of measuring the full range of IFM impacts.

7. **IFM costs are a key component of Total Occupancy Cost.** IFM costs are a significant component of Total Occupancy Cost for occupiers and therefore need to be linked as part of a hierarchy of costs and the chart of accounts.

8. **Asset management is getting greater attention including links to other functions.** The line between FM and IT are blurring, such as linking Moves, Adds and Changes (MACs) to telephony and networks. Intelligent building systems are more often the responsibility of FM. Systems monitoring and maintenance planning means greater understanding of assets and their maintenance needs.

9. **Deeper links between IFM and Finance.** The links between IFM and finance are deepening on a number of fronts, such as linking IFM expense budgets to capital planning, linking expense management to financial charts of accounts, and linking IFM to Project Management and construction budgets.

10. **RFPs for systems and services require data and systems integration.** RFPs for systems and services require integration of databases, systems and data standards. For example, OSCRE information exchange standards are becoming a requirement in RFPS for service providers to ensure that information is gathered and exchanged in consistent ways from all sources and systems.

11. **High demand for speed of transition and integration.** End users want speed. They expect their service providers and software firms to easily and quickly integrate their systems and data with corporate systems and databases. Service providers have to move quickly to transition into new accounts. The demand for speed emphasizes the value and importance of standards, and the quality of information the implementation of standards provides.

12. **The need to move away from proprietary standards.** Historically, many firms have defaulted to building their own internal or proprietary standards often from a blend of sources, such as IFMA and BOMA. The result is internal alignment around “standards” that don’t align with business partners and the
rest of the industry. This makes effective benchmarking impossible and systems integration extremely difficult and costly.

13. **Incorporating sustainability.** IFM has to address the increasing interest in measuring building and portfolio performance for sustainability purposes. While there has been some progress, an effective cost structure and performance measurement model has not been developed that captures the direct impacts of sustainability across the full spectrum of IFM, making reporting for sustainability much more difficult.

14. **Data governance and transparency is becoming a top priority.** Data governance means a common data model, high rigor around data quality, well-constructed contracts for data management, data ownership by key players in the IFM functions, and increased involvement of procurement, IT, accounting, risk management, audit and compliance business units. Data governance is also becoming a primary requirement in outsourcing contracts.

15. **Global operations call for international coverage.** Global portfolios and service contracts need consistent information across boundaries for IFM to be fully effective.

16. **Multiple business processes involved.** IFM and related information flows encompass multiple business processes. Examples include:

   a. Property management and lease administration
   b. Move management
   c. Operations and maintenance
   d. Facilities service requests
   e. Accounting
   f. Valuation
   g. Design, construction and project management
   h. Portfolio management
   i. Decision support and analysis
   j. Performance management reporting in areas such as workplace utilization, energy efficiency, risk assessment and mitigation, sustainability measures and IFM performance metrics

17. **Stakeholders include end users, service firms, software companies and more.** The stakeholders involved encompass:

   a. **Large corporations** with multi-service outsourcing contracts relying on their service providers to deliver service and the associated information required by the contract.
b. **FM service providers** who manage the day-to-day operations of IFM including collecting, consolidating and exchanging operational information with their clients and with each other.

c. **Building owners, managers and investors** have similar needs – to be able to consistently compare buildings, portfolios and services in areas such as cost, performance, and utilization.

d. **Lease administrators** need to be able to match costs to leases and accounts receivable/accounts payable with accurate, consistent, quality data that often comes from dispersed sources.

e. **Benchmarking organizations** need to be able to gather information from those submitting information in a consistent way for the results to be credible and comparable.

f. **Software vendors** need to ensure that their data model is able to support integration between customers’ systems and the systems of their business partners.

g. **Appraisers** need to be sure that they are gathering the right expense information to match against income in setting property values.

**What Does It All Mean and Where are We Going?**

There are specific implications and transformational change occurring in the industry as a result, including:

1. **Effective data governance will become a core competency.** The most successful end users and service providers will have strong data governance practices built into their business processes, contracts and data architecture.

2. **Information aggregation and systems integration will be critical.** Bringing information “into the middle” is a key to success. There are new market entrants from outside the real estate industry that could begin to gain traction.

3. **Services and systems together.** With end users and clients being agnostic to systems and looking for flexibility and value–add services, a new business opportunity exists as a combination of services and systems. The question is where is that going to come from? New market entrants could change the lineup of offerings in this area.

4. **Standards become more important than ever.** After a long road to reach this point in the area of information exchange standards, the convergence of these
influences and pressures means standards are in high demand. Alignment of information exchange standards will become a more prevalent strategy combining complementary standards such as OSCRE, COBie and others to provide flexibility in implementation.

5. **Gaps in standards will fill quickly.** The increased attention to standards focuses light on where there may be information gaps. Leading companies are looking at the full spectrum of standards today and identifying where the gaps are. Constructive collaborations will emerge to provide the leadership to fill the gaps and ensure the needs of the industry are met.

6. **New capabilities will be needed in IFM.** The capabilities in the IFM function will begin to focus on information stewardship, data governance and transparency, a focus on performance management, implementation of standards globally, and a better understanding of how to use this information for business intelligence and analysis to improve performance.

*This white paper is the first in a new series of communications and events focused on the future of information and IFM. To learn more about OSCRE, please visit our website at [www.oscre.org](http://www.oscre.org).*