



▶▶ Under the patronage of **H.E. Dr. Abdullah Belhaif Al Nuaimi** - Minister of Infrastructure Development



▶▶ 17<sup>th</sup> Edition

—  
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Le Meridien Dubai Hotel  
& Conference Centre  
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Under the Theme:

**Enhancing Maintenance  
Through Big Data Management**

▶▶ **Facilities Management**  
**FM development within a**  
**GCC regulatory framework**

# ▶▶ **FM development within a GCC regulatory framework**

- **Facilities management**
- **Standards and regulatory framework**
- **Technology and data**
- **Contracts and KPIs**
- **Industry development**

# ►► Facilities Management

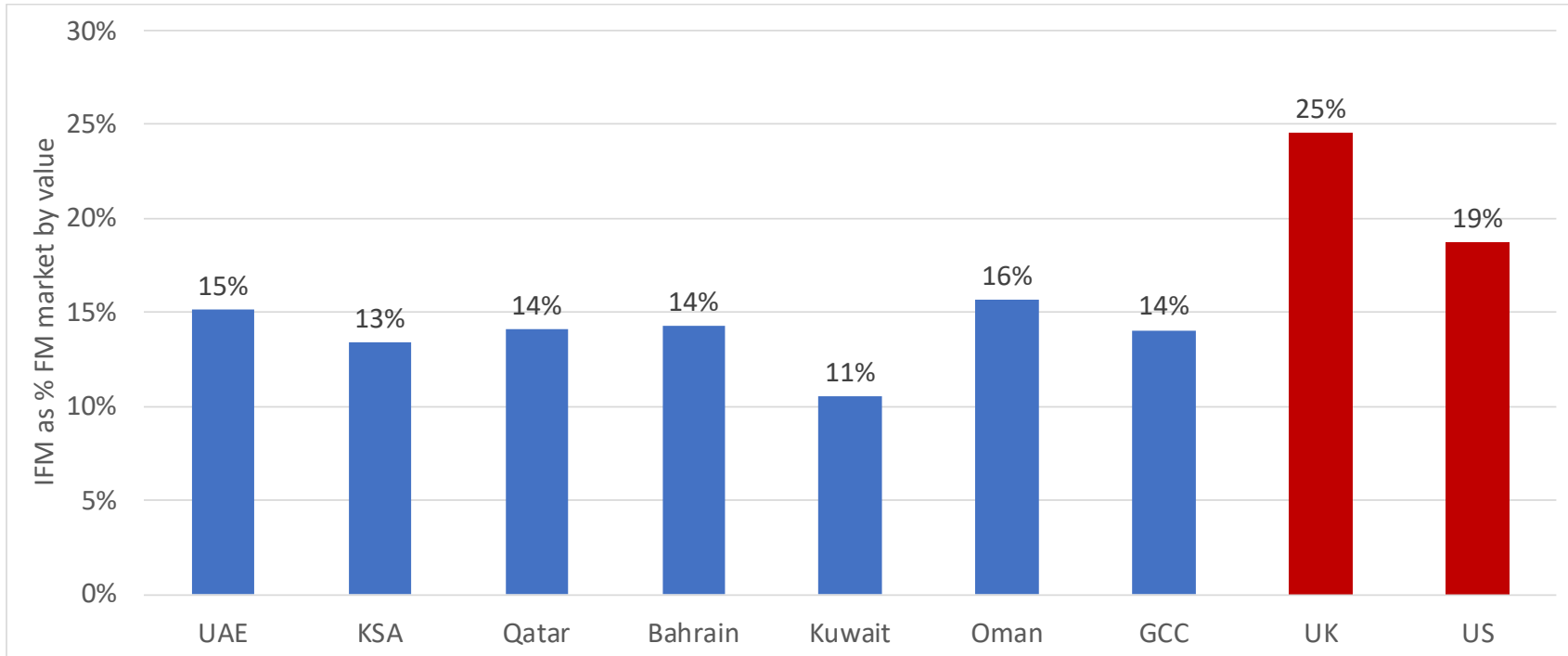
## Definition of FM (ISO 41001)

*“Facilities Management is the organizational function which integrates people, place and process within the built environment with the purpose of improving the quality of life of people and the productivity of the core business”*

- Alignment of FM with broader strategic objectives of the organisation
- Integration of a wide range of services to deliver target outcomes
  - Building O&M; support services; environmental services; IT and telecommunications; property management
- Single organizational function (in-house or outsourced) responsible for integration

# ►► Facilities Management

## Integrated Facilities Management (IFM) penetration in the GCC



# ►► Facilities Management

## Development of an integrated FM model

- By far the bulk of FM in the region is purchased and managed at an individual service level
- IFM adoption limited to large - mainly multinational - corporations and developers
- Government initiatives in the region are encouraging greater integration within the public sector, e.g:
  - Mashroat (KSA)
  - Musanada (UAE)

# ►► Facilities Management

## *Discussion*

- *How relevant is the ISO definition of FM to the region?*
- *Do you see the region moving towards a predominantly IFM model going forward?*
- *What are the implications for the local industry?*

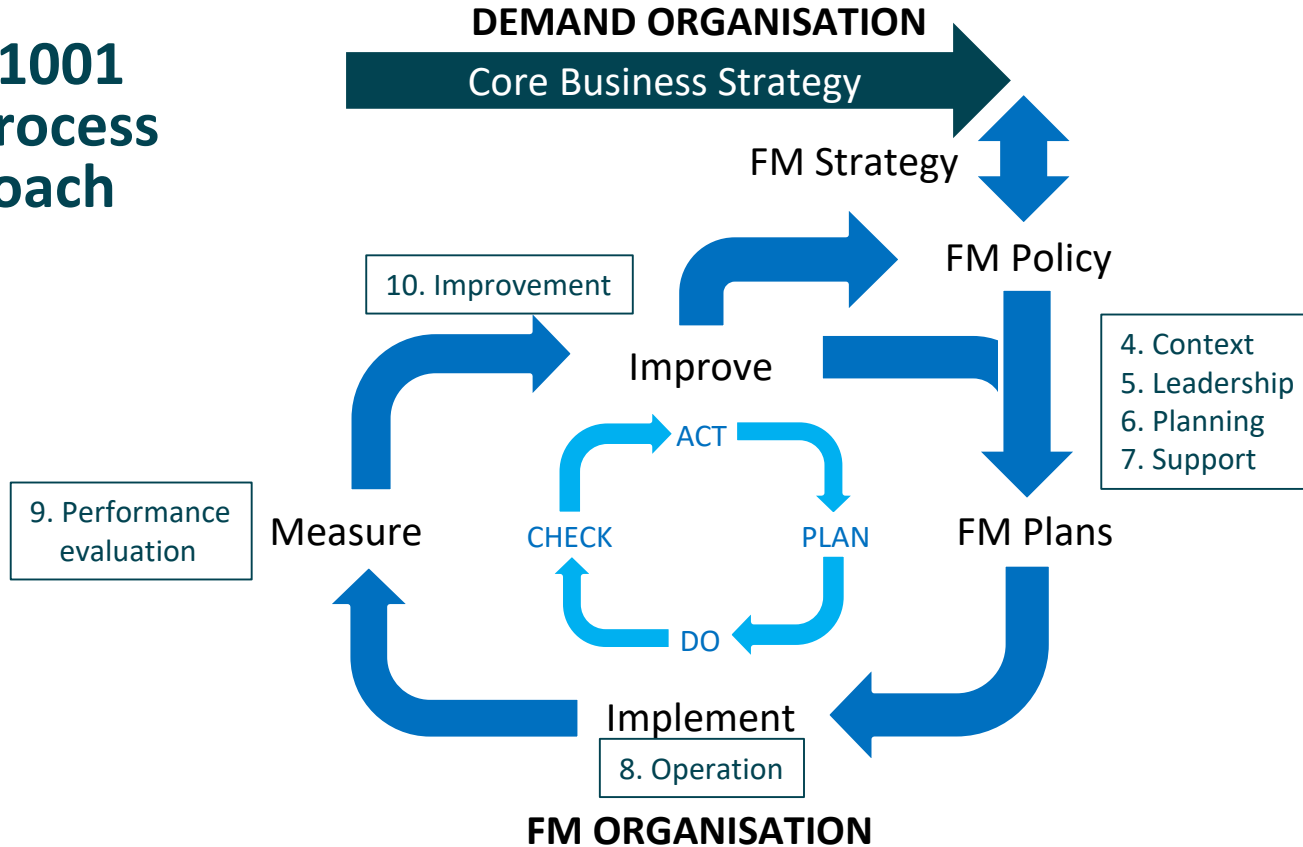
# ►► Standards and regulatory framework

## ISO 41000 (2018)

- ISO 41000 provides an international standard for FM
- Issued standards cover FM management processes (41001); strategic sourcing (41012); other areas to follow
- Supersedes EN 15221 and other national standards
- Approaches align with the broader quality standard accreditation ISO 9001, already adopted by leading firms in the UAE
- MEFMA recommends accreditation to the new standard by member firms

# ►► Standards and regulatory framework

## ISO 41001 FM Process Approach





# ►► Standards and regulatory framework

## Current situation

- ISO 9001 accreditation is common among larger firms in UAE but rare elsewhere in the region
  - A few of the largest UAE firms are now ISO 41000 accredited
- ISO accreditation is rarely a PQQ requirement
- Local accreditations (e.g. MOMRA in KSA) focus on scale and personnel qualification with little emphasis on process, quality or performance

# ►► Standards and regulatory framework

## National initiatives: e.g. Mashroat KSA

- Detailed standards, procedures and support to complement ISO standards
- Focus on:
  - O&M manual (standards, procedures, plans etc.)
  - Core technology / data requirement specifications (asset register; CAFM system)
  - Organisation enablement & training
  - Performance monitoring dashboard

# ►► Standards and regulatory framework

## *Discussion*

- *Do you see any trends in the application of international standards to contracts in the region?*
- *What are the advantages / disadvantages of a common set of detailed standards and procedures such as the Mashroat O&M Manual?*
- *How do you see things developing in the future?*

# ►► Technology and data

## Data capture and use

- Capture and use of asset, activity and performance data is critical to the development of an effective FM operation
  - Essential for the application of advanced productivity-driving technologies
- Adequate asset and activity data is currently captured on around 50% of surveyed GCC sites, performance data in less than 10% <sup>(1)</sup>
- Poor quality / inadequate data capture is cited as the #1 impediment to the adoption of new technologies in FM <sup>(2)</sup>

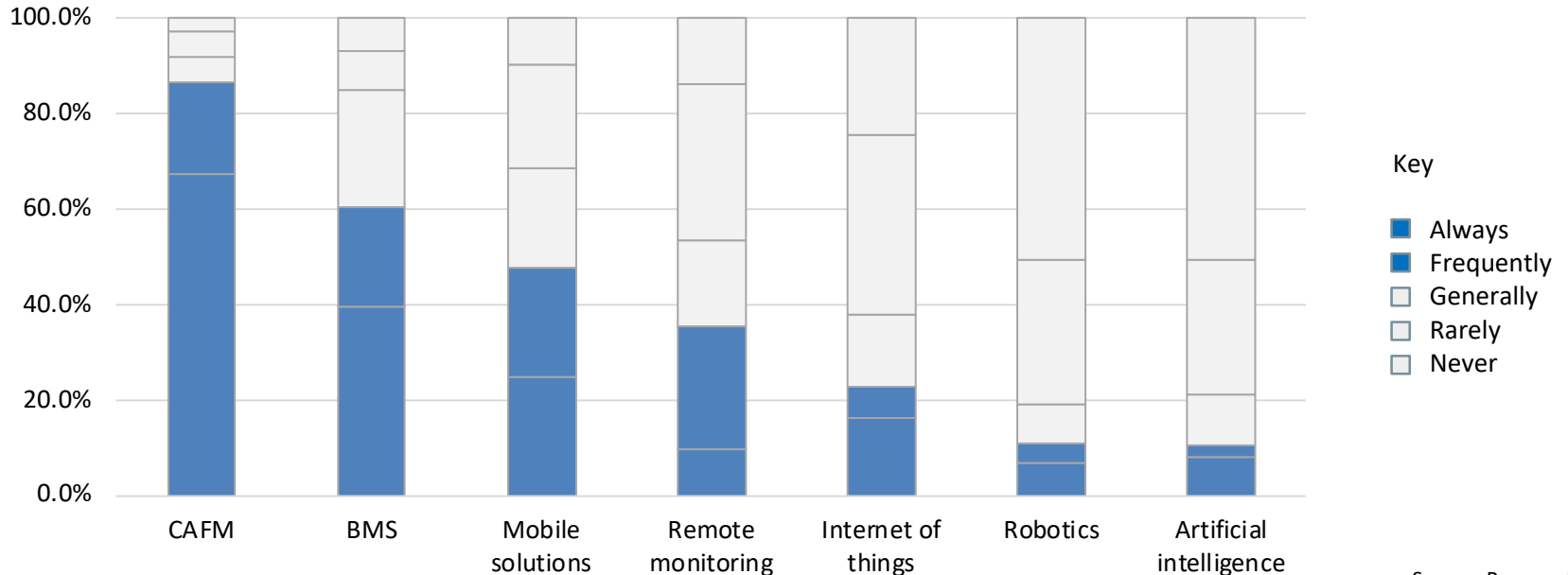
Source:

- (1) Credo Business Consulting
- (2) Rosmead / MEFMA technology survey, 2018

# ►► Technology and data

## Penetration of technology into current FM contracts

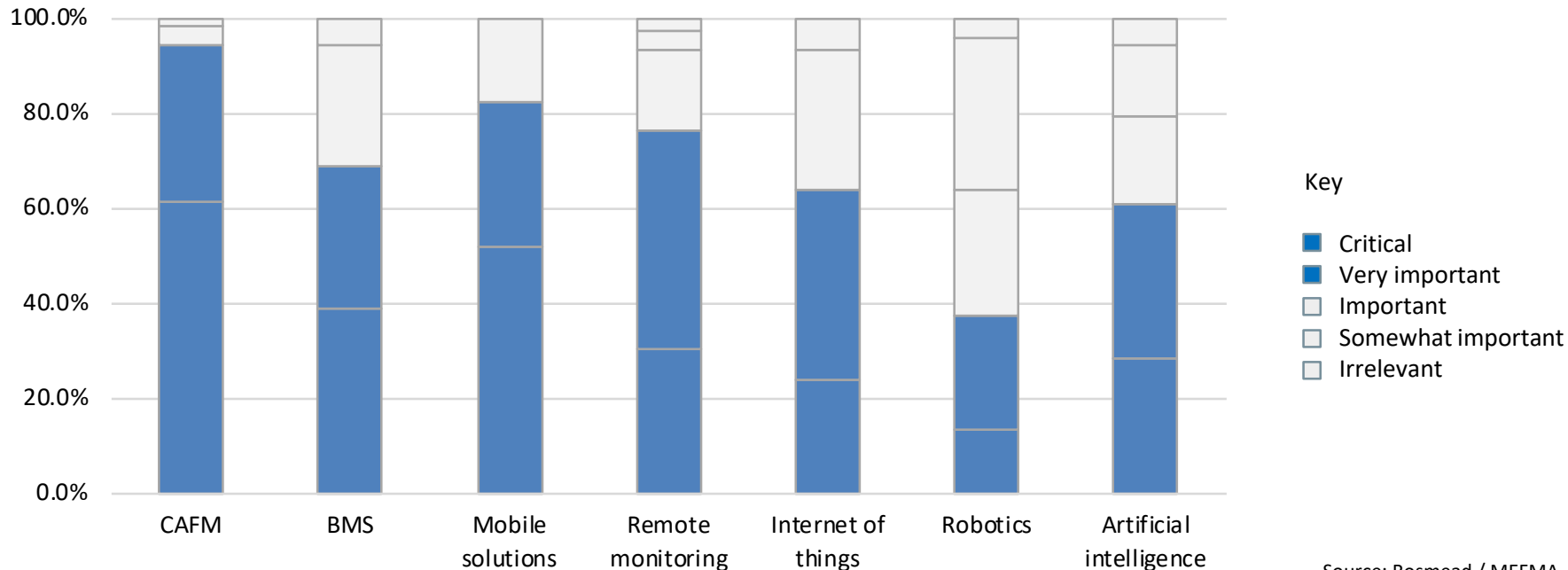
To what extent was technology incorporated into contracts your firm won in the past 12 months?



# ►► Technology and data

## Future importance of technology to FM business

How important will these technologies be to successful FM businesses over the next 5 years?



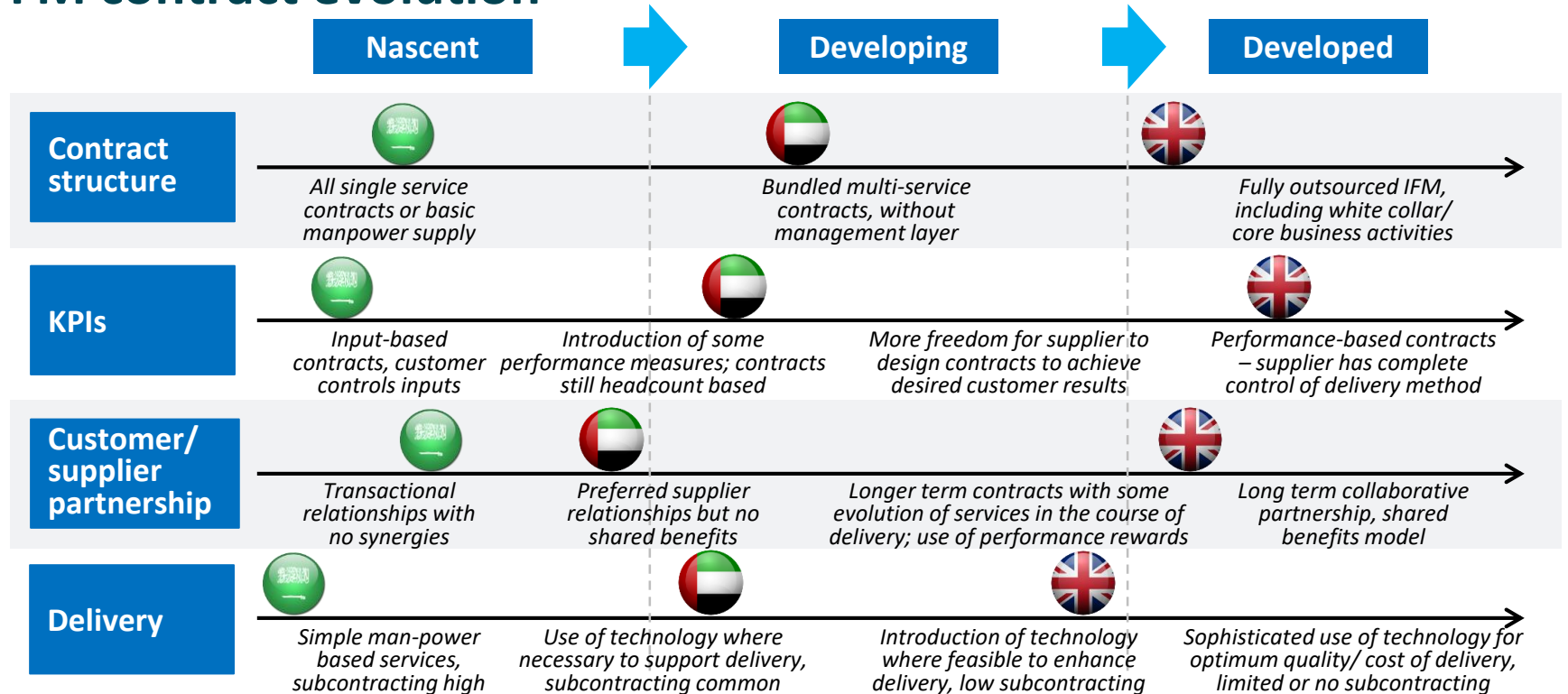
# ►► Technology and data

## *Discussion*

- *How well does the industry in the region utilize the basic FM technologies (asset register, CAFM, mobile solutions)?*
- *Where do you see the major benefits from new technologies (e.g. IoT, AI, robotics) going forward?*
- *Will these technologies have a significant impact in the region over the next 5 years?*

# ▶▶ Contracts and KPIs

## FM contract evolution





# ►► Contracts and KPIs

## High-level FM KPI framework (illustration)

KPI	Measurement	Best practice target
1. Customer / end user satisfaction	Facility users' satisfaction with FM service provision (surveyed)	80% - 100%
2. FM cost / m2	Overall cost of FM services	130 – 140 SAR / m2
3. Equipment maintenance cost / replacement asset value	Major equipment maintenance costs (e.g. HVAC, elevators, power distribution)	1.5% - 2%
4. Critical equipment availability	Availability of equipment essential for facility operation (e.g. HVAC, refrigeration, fire alarms)	98% - 100%
5. Reportable injuries per 200,000 manhours	QHSE Compliance	<2
6. FM team (including contractors) Saudisation	Participation of Saudi nationals in management and delivery of FM services	>20%
7. Contract SLA / KPI target compliance	Overall performance of FM service providers against contract terms	100% / >80%

# ►► Contracts and KPIs

## *Discussion*

- *What is your experience at introducing outcome-based contracts? What were the problems and how did you get over them?*
- *How effective is KPI-based performance management at improving FM performance to world-class standards?*
- *Over what time period should countries make the transition?*

# ►► Industry development

## Elements of industry development strategy

- To support the development of a high-quality and competitive FM industry, regional governments / delegated bodies can provide a framework comprising regulation, guidelines and support in the following areas:
  - Quality standards (process, technical, HSE)
  - Contractor / supplier accreditation
  - Contract structures, regulation and arbitration
  - Education and training
  - Best practice research and experience sharing

# ►► Industry development

## *Discussion*

- *How can GCC Governments best create the conditions for the development of a high-quality and profitable local FM industry?*
- *How can international firms best contribute to this process?*
- *How can the industry avoid a race to the bottom in long-term profitability for the industry as seen in Europe and the UK?*