



Facility Management Reporting in Facilities: The Value of Metrics & KPIs

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Meet Our Presenters:

Laurie Gilmer, PE, CFM, LEED AP, CxA

- Vice President at Facility Engineering Associates
- IFMA Instructor, Subject Matter Expert, committee leader and contributor



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- Principal at Facility Engineering Associates
- IFMA Instructor, Subject Matter Expert, Author, leader and contributor





Learning Objectives

- Understand the role of organizational drivers in choosing KPIs
- Choose the right metrics and KPIs
- Identify the elements of a good facility management report - who are your stakeholders and what do they need to hear?
- Demonstrate alignment with organizational mission



Agenda

- Demonstrating alignment
- Connecting with stakeholders
- Elements of a good report





Starting with the end in mind...

KPIs

doesn't mean skipping to the end.



What is Important to Your Organization?





What is Important to Your Organization?

Be the best
widget producer
in our industry

Provide quality goods
at a good price to our
customers

Preserve our
nation's
treasures

Extend and
preserve life

Provide full
service to our
clientele

Provide world
class guest
service

Be a world class
educational
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Maximize profit
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What does this mean for facilities?

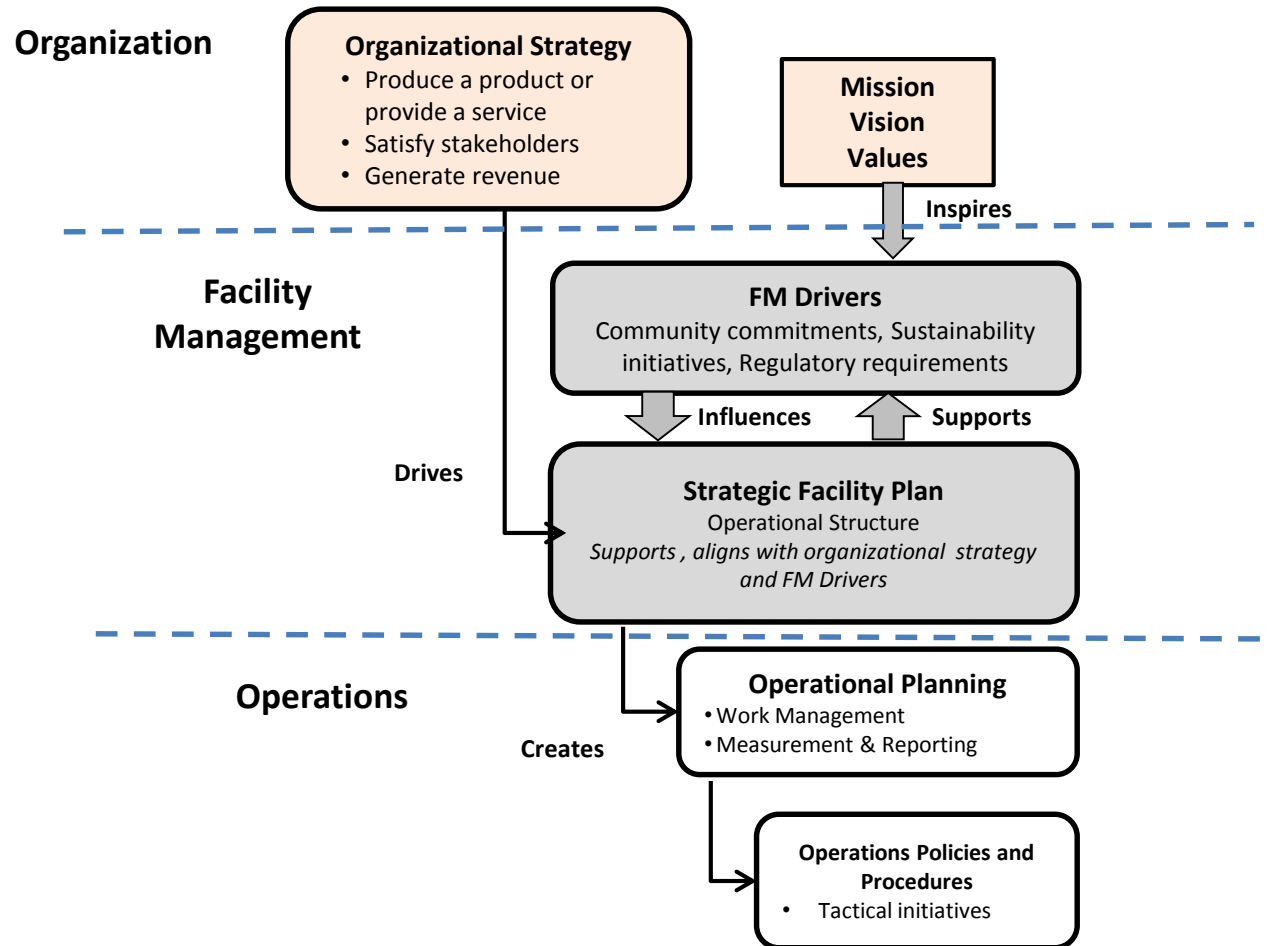
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Alignment



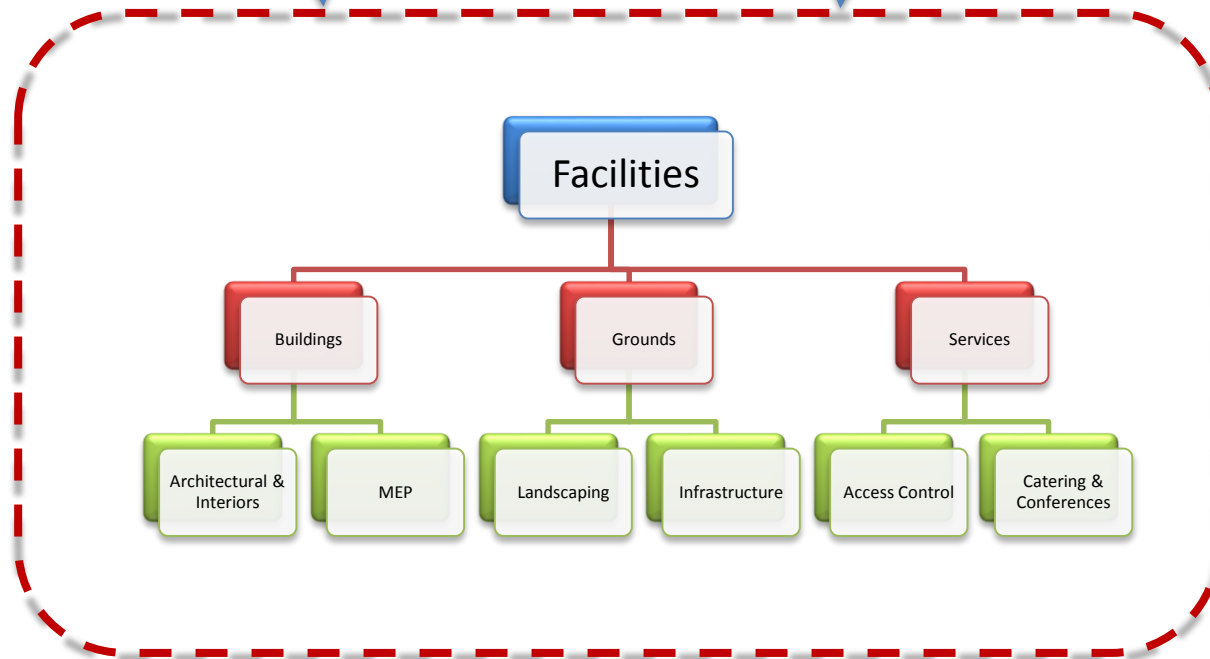


Internal Stakeholders

Support Services

- HR, IT Finance
- Service Providers
- Vendor

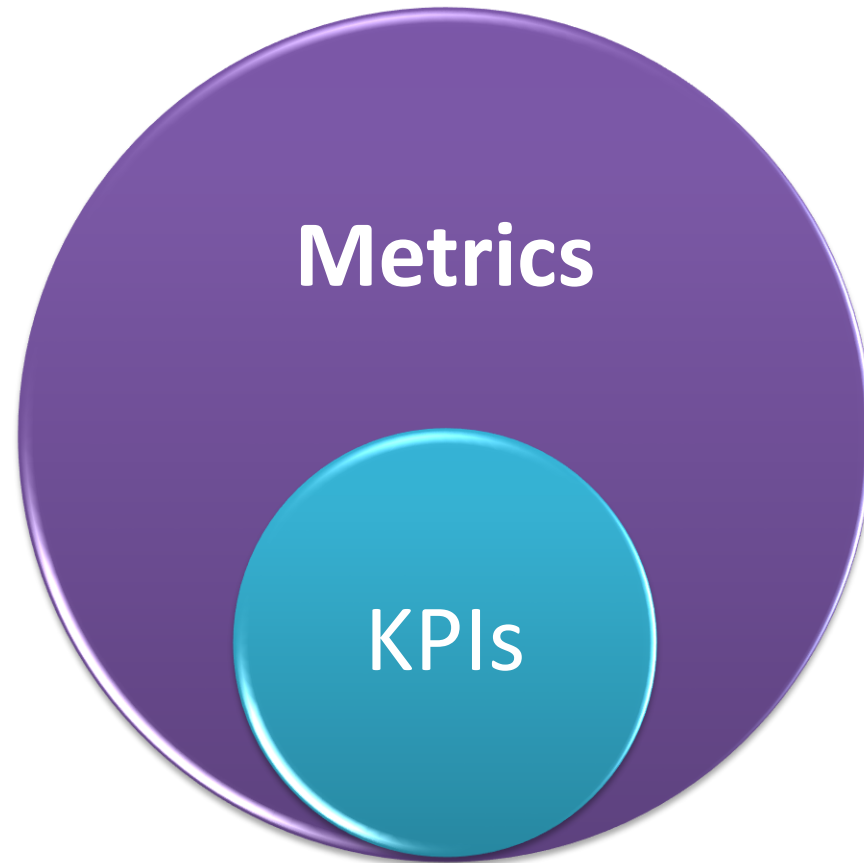
Customers





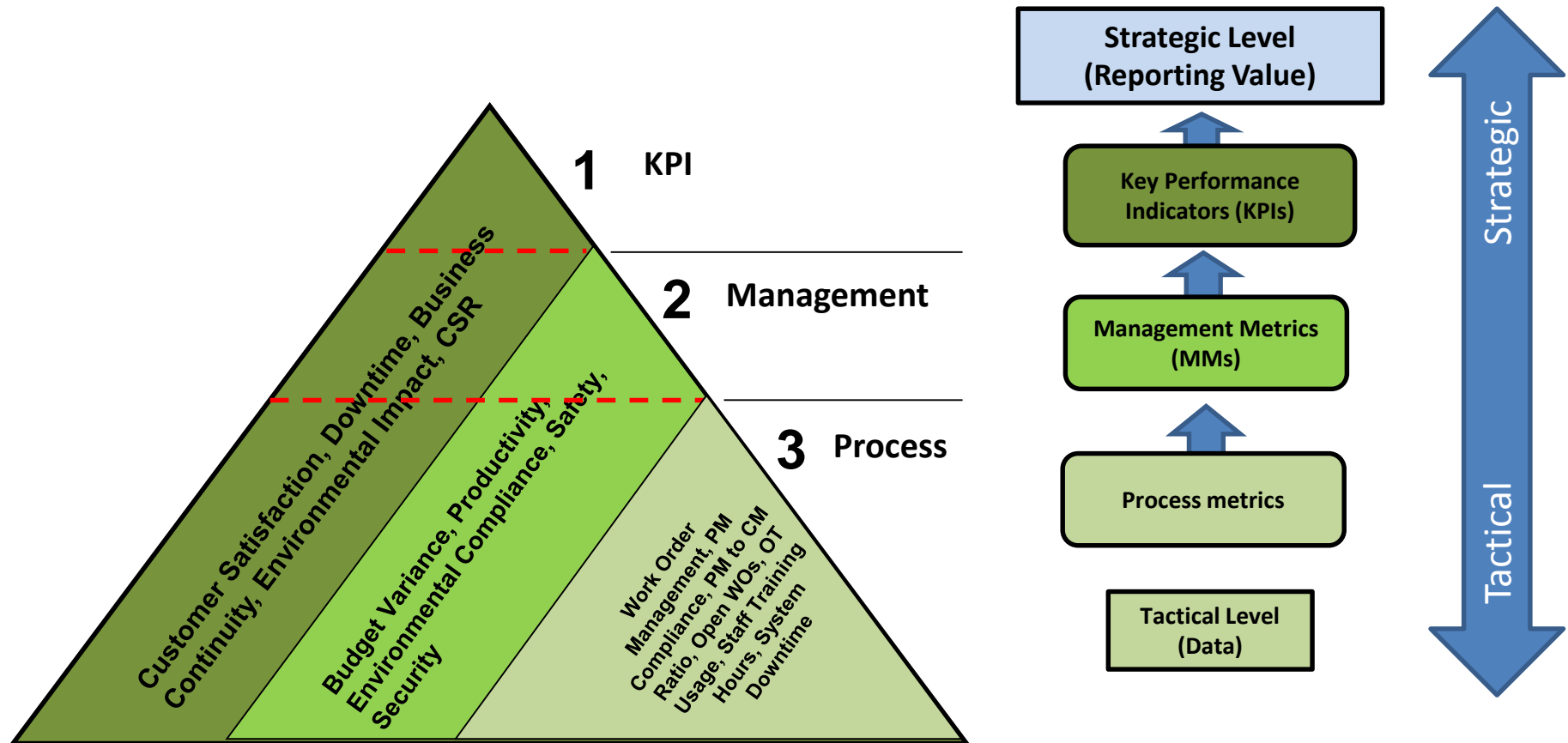
Metrics vs. KPIs

A KPI is a core metric that defines top level success



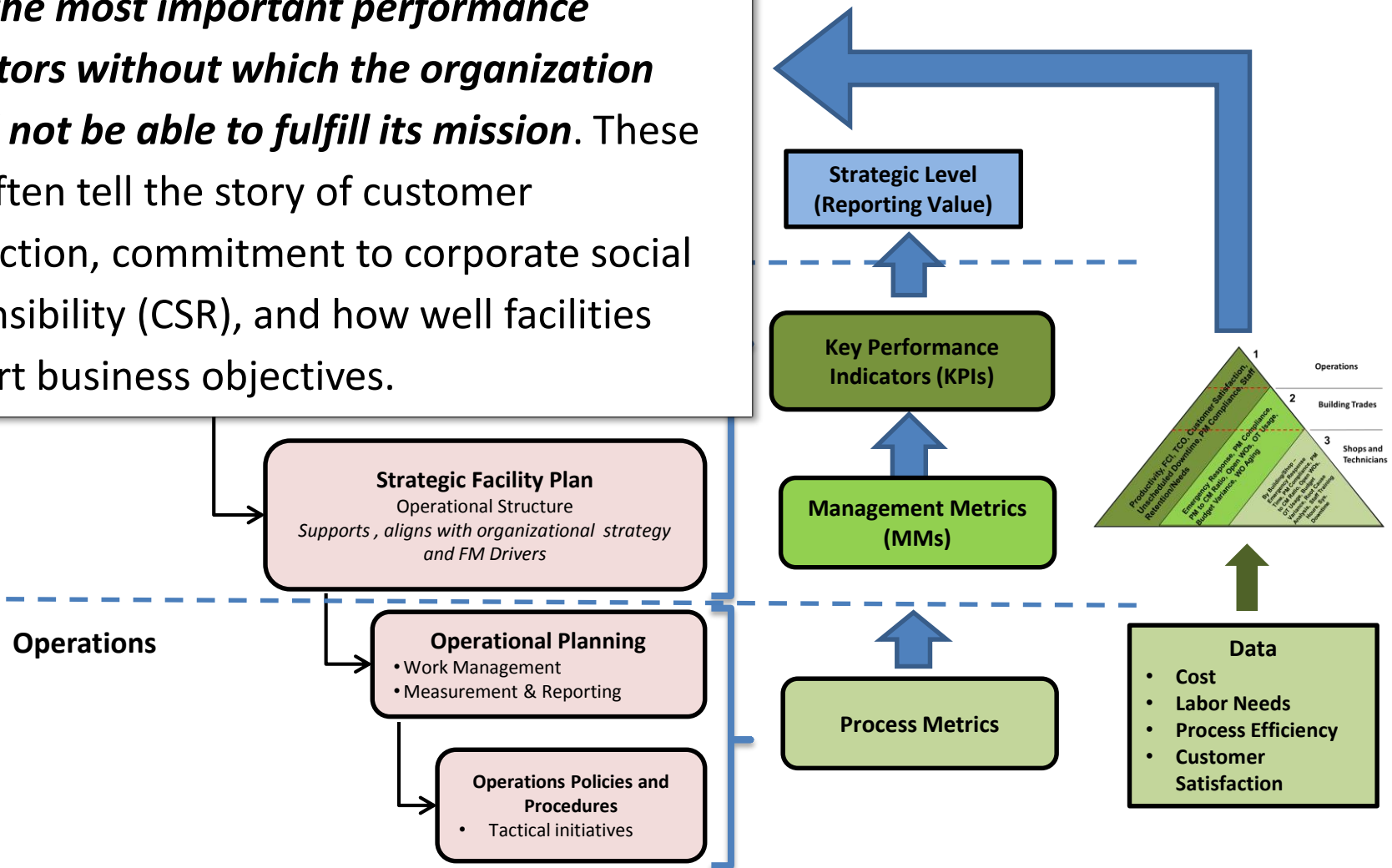


Metrics at Organizational Levels





KPIs: the most important performance indicators without which the organization would not be able to fulfill its mission. These KPIs often tell the story of customer satisfaction, commitment to corporate social responsibility (CSR), and how well facilities support business objectives.





Desired Outcomes

Outcome	How Will You Know?
Have great customer service	<ul style="list-style-type: none">• Timeliness of response• Reliability of services• Work quality• Positive interactions
Manage finances well	<ul style="list-style-type: none">• Improve capital budgeting process for long term needs• Cost effectiveness of work performed• Cost of facilities
Improve reliability	<ul style="list-style-type: none">• Manage scheduled down-time for lowest impact• Improve critical system reliability• Perform the right about of maintenance at the right time



Choosing Metrics

Be the best
widget producer
in our industry

Category	Item	Value	Unit	Notes
Production	Widget A	1000	Units	Standard production
	Widget B	1200	Units	Standard production
	Widget C	1100	Units	Standard production
	Widget D	1300	Units	Standard production
Quality Control	Defect Rate	0.5%	%	Target: 0.2%
	Scrap Rate	1.2%	%	Target: 0.8%
	Rejection Rate	0.8%	%	Target: 0.5%
	Customer Satisfaction	4.5/5	Score	Target: 4.8/5

Desired Outcome	How Will You Know?
Have great customer service	<ul style="list-style-type: none">• Timeliness of response• Reliability of services• Work quality• Positive interactions
Manage finances well	<ul style="list-style-type: none">• Improve capital budgeting process for long term needs• Cost effectiveness of work performed• Cost of facilities
Reduce down-time	<ul style="list-style-type: none">• Manage scheduled down-time for lowest impact• Improve critical system reliability• Perform the right about of maintenance at the right time



Agenda

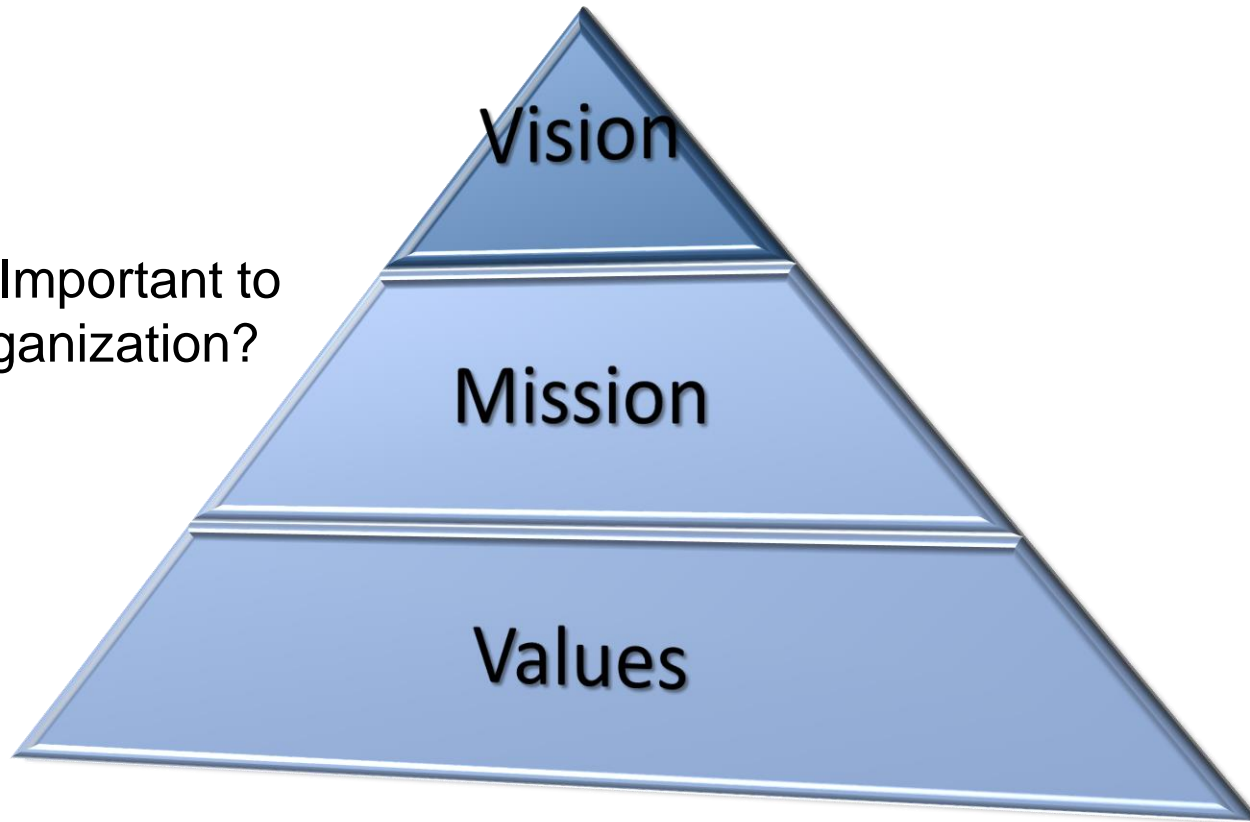
- Demonstrating alignment
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We Started Here...

What is Important to
Your Organization?



Now, tell the story!



The Perception: Facilities is a Cost Center





Facilities is an Investment in Organizational Success



The FM's challenge:

- Reduce Cost
- Add Value



Understand How Decisions Are Made

- Know how your organization views facilities, numbers and finance, and the intangibles



- Know how your organization makes decisions

- Think (slow)!



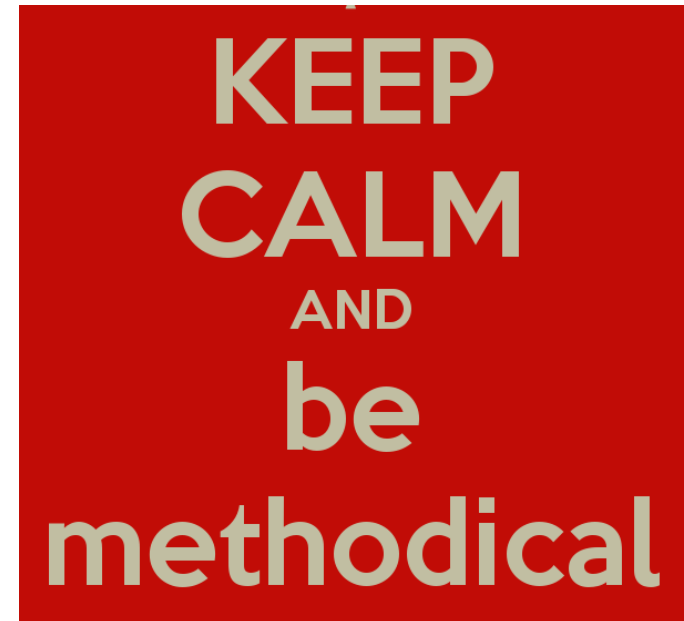
Thinking Fast and Slow

System 1



- Automatic
- Instinctive
- Emotional

System 2



- Slow
- Logical
- Deliberate



Understand How People Think



Motivation



Cognitive Biases



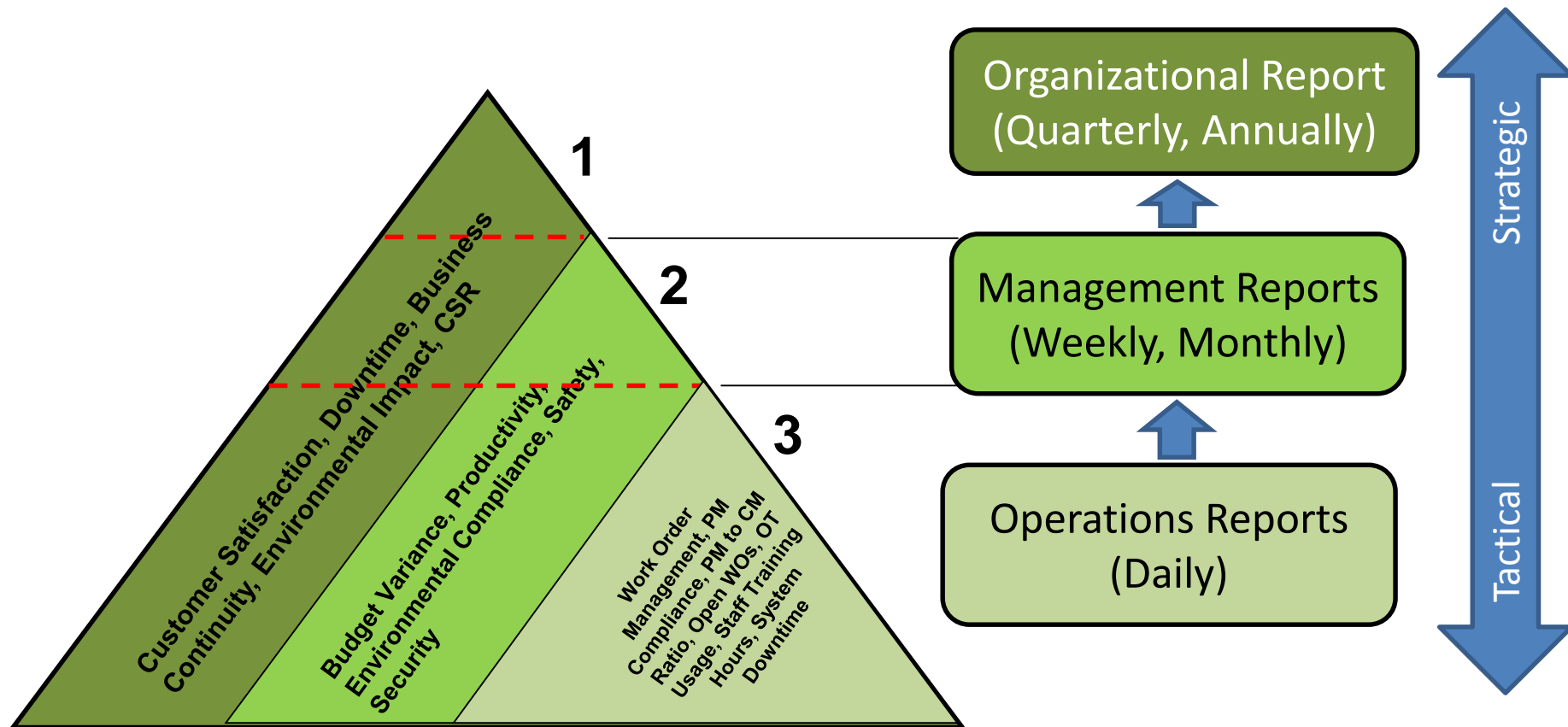
Cognitive Biases that Effect Business Decisions

- Excessive Optimism
- Confirmation
- Loss Aversion
- Sunk-Cost Fallacy
- Status Quo





Reporting at Organizational Levels





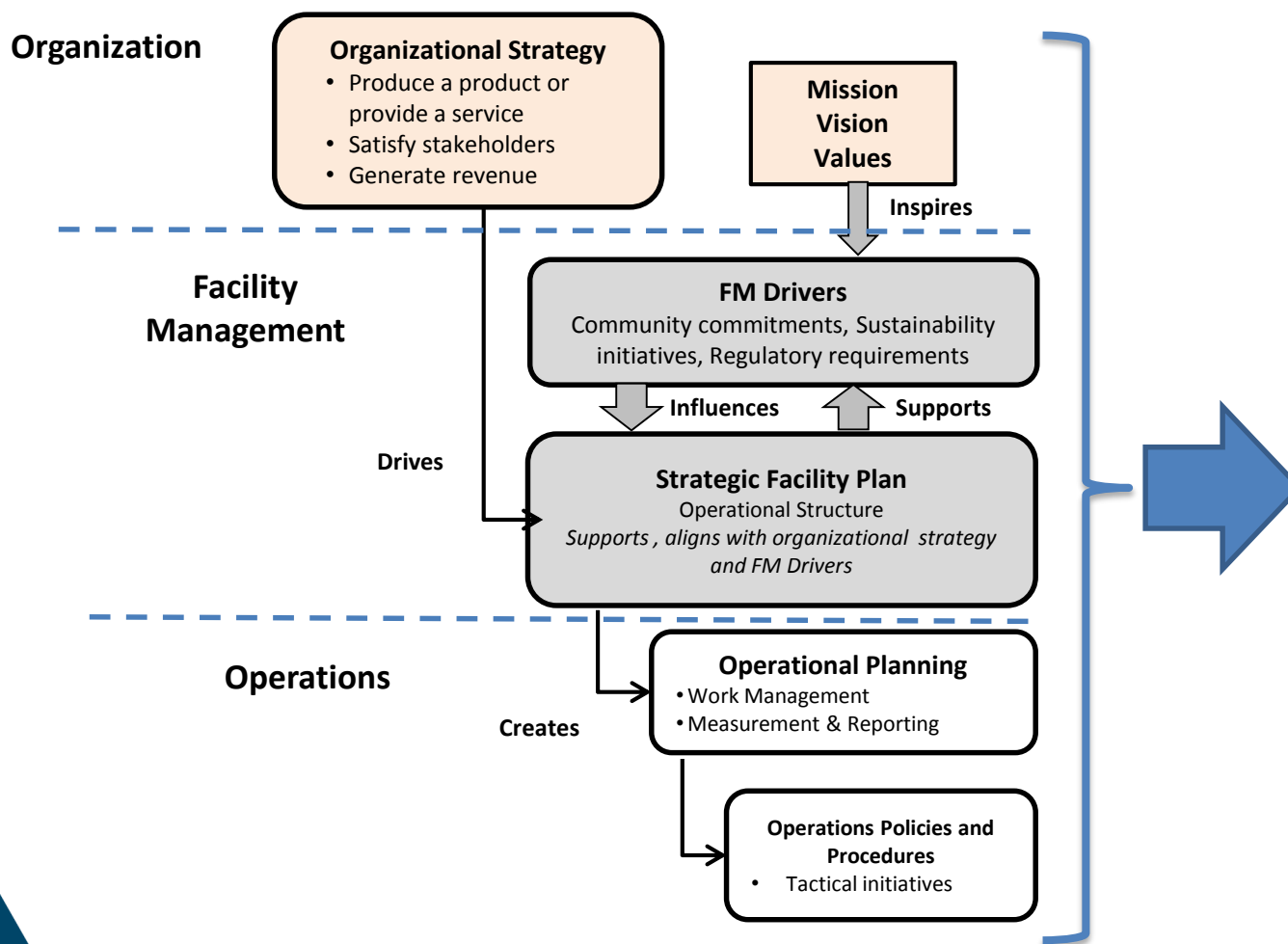
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Purpose of a Report



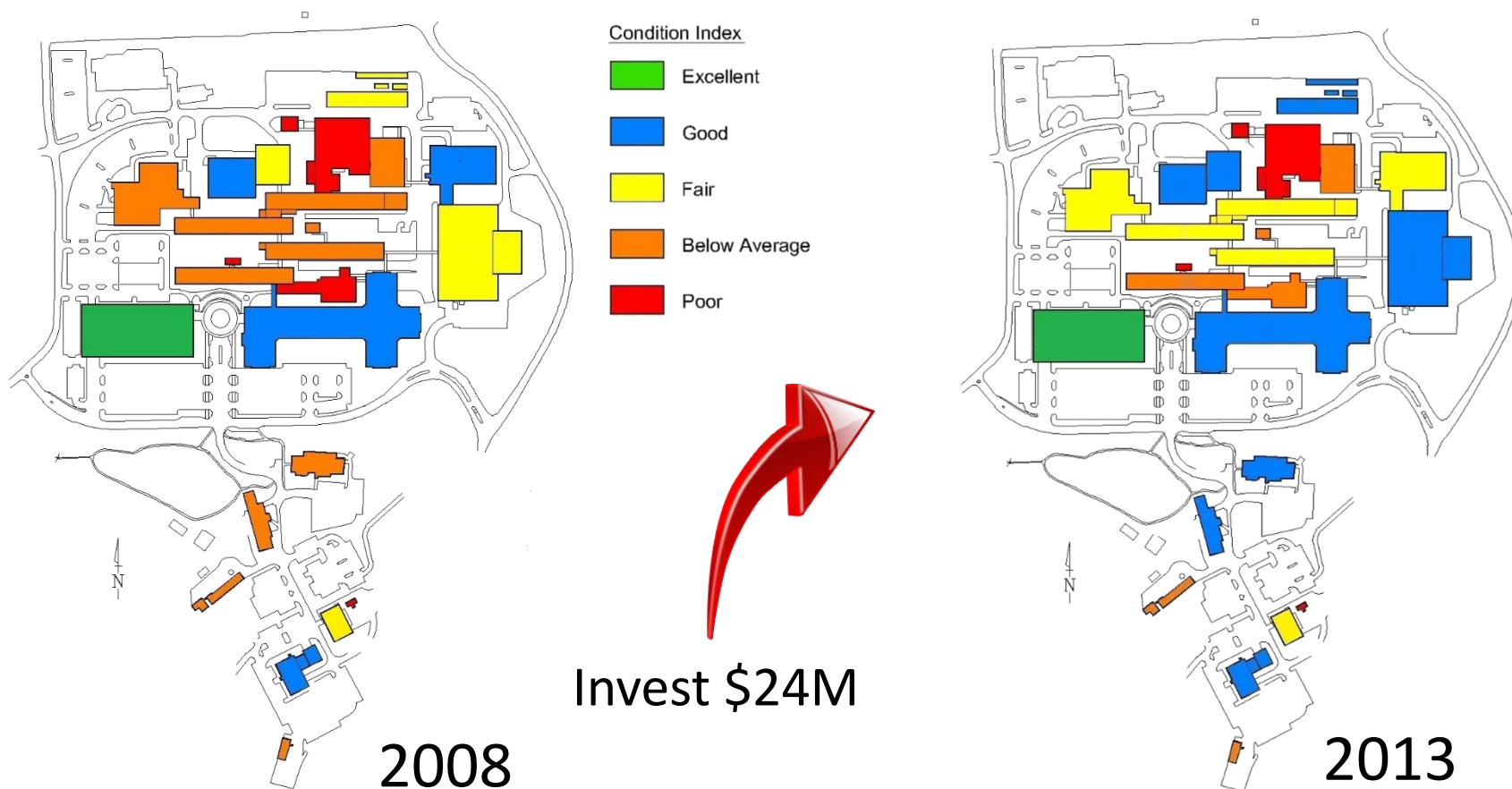


Sketch it Out





Use Graphics



Mission Criticality & Capital Needs



Use Trends

Healthy People Impact Profits

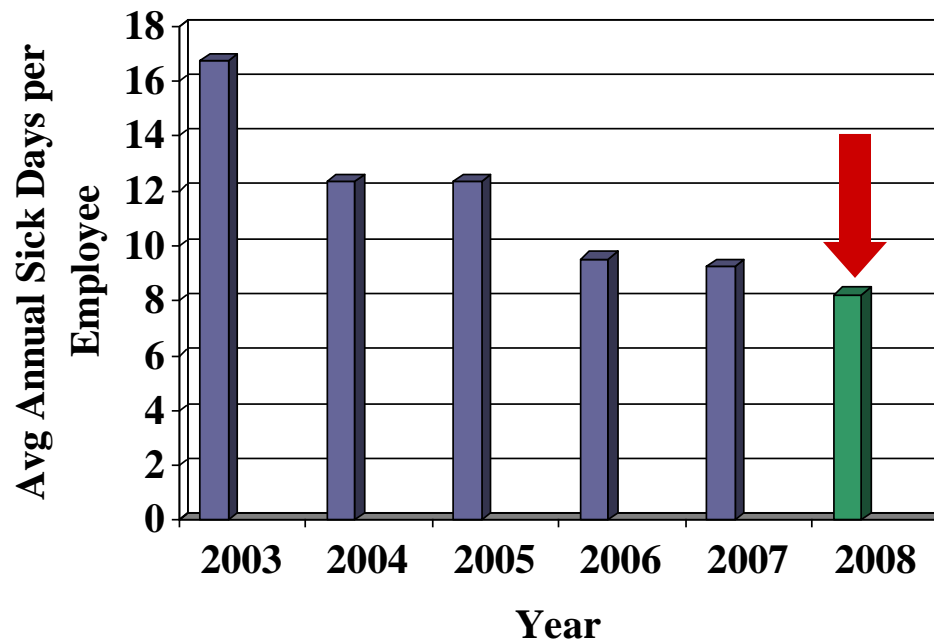
Through these programs, the company reduced employee sick time

Reducing sick time by

- 1 day
- per employee
- per year...

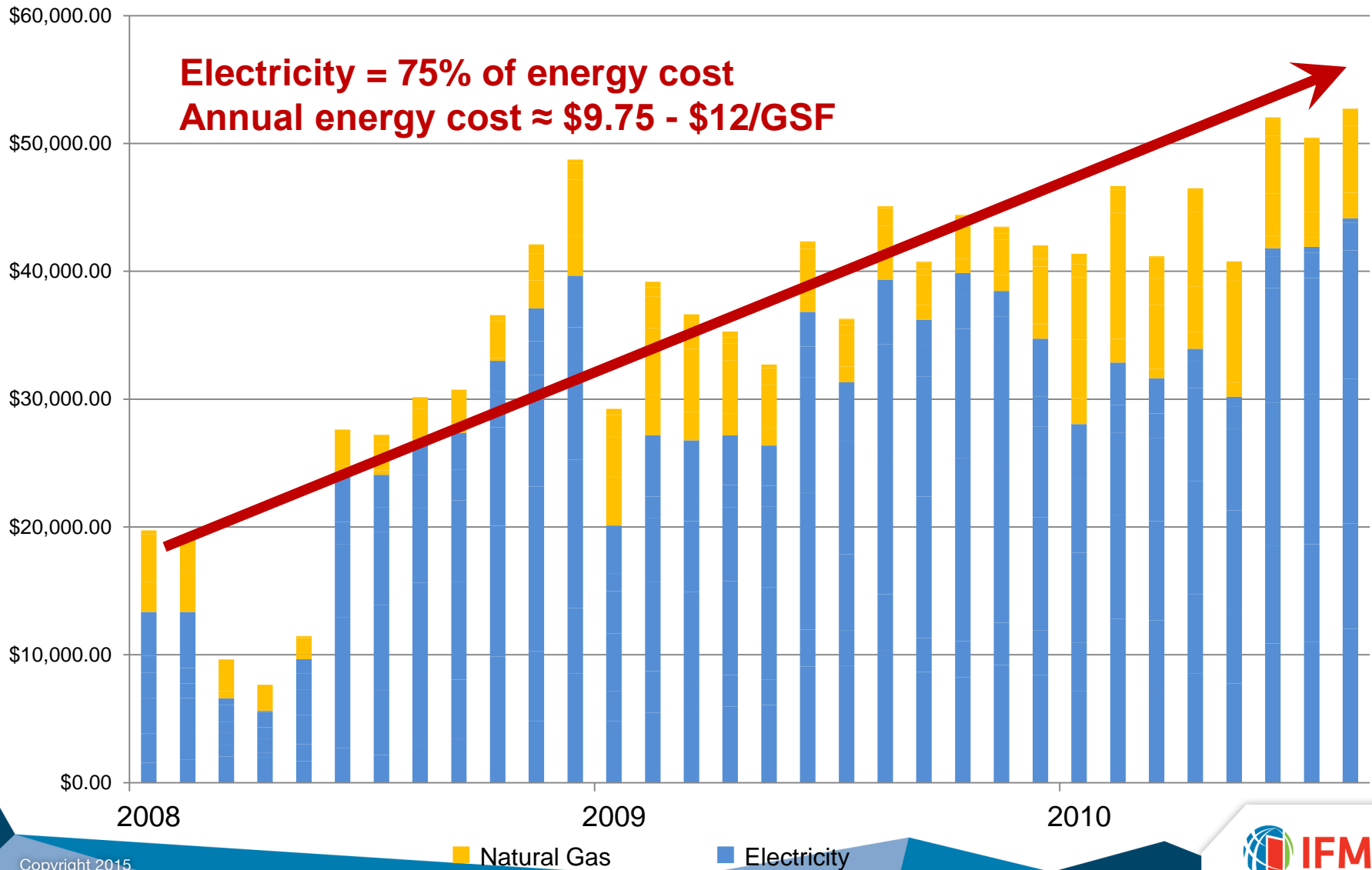
Estimated savings: \$105,000 each year

Based on 1,750 employees, average cost \$60/employee



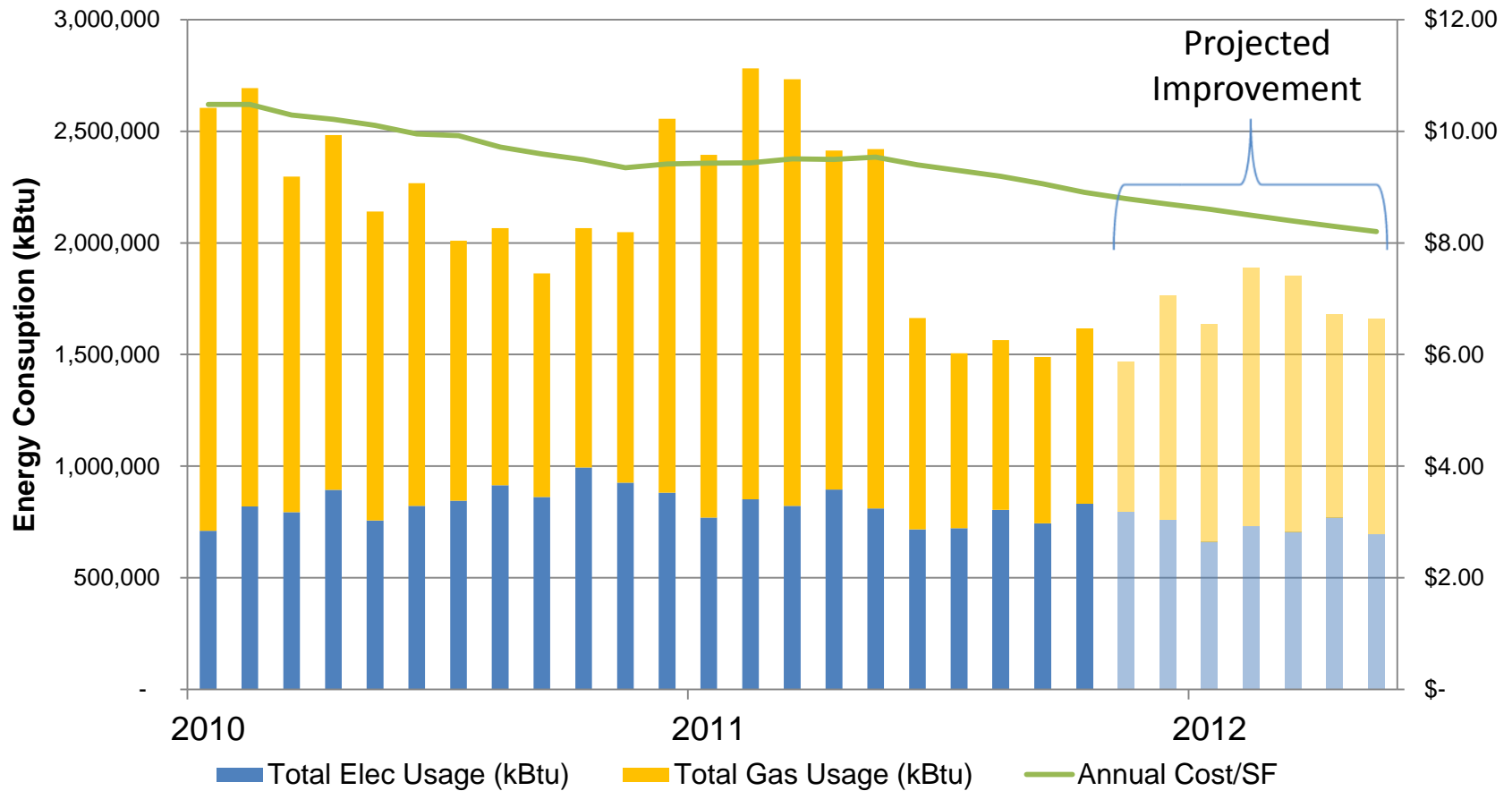


Use Trends





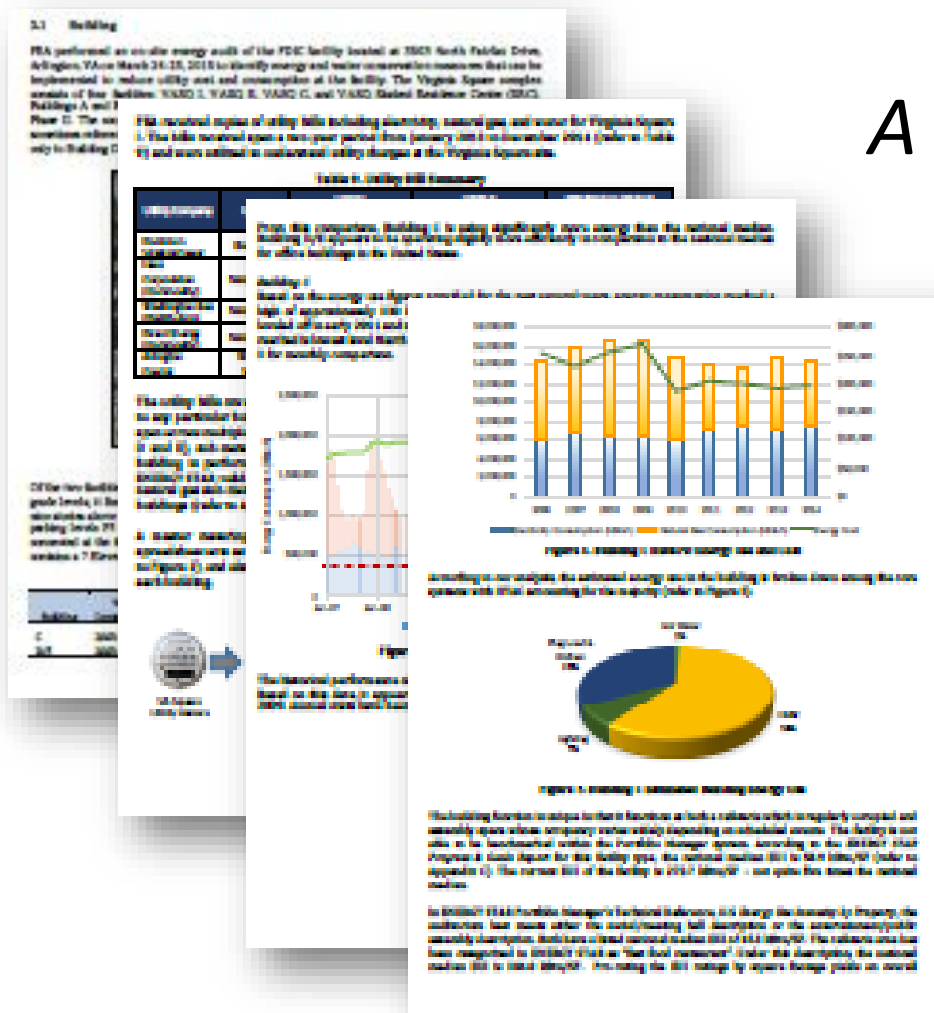
Include the Future





A good report will be...

- Succinct
- Targeted
- Evoke a response



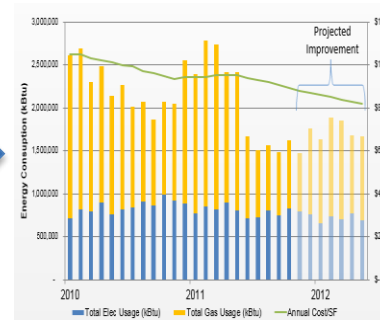


Summary

- Organizational drivers inform metrics and KPIs
- Choose the right metrics and KPIs
- Demonstrate alignment with organizational mission
- A well crafted report tells your audience what they need to understand past performance and future expectations



FM





Questions?

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**Be sure to evaluate the session online at the Attendee
Service Center <http://tinyurl.com/mwo9zxj>**



Thank You!

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