Outsourcing facility and real estate services can be of immense strategic advantage to hospitals and health systems. Sometimes referred to as “shared services,” outsourcing not only delivers benefits in the form of reduced costs, streamlined operations and better facilities management, but also in allowing hospital leadership to focus on its intended, core competencies. And despite a common misconception that outsourcing is synonymous with downsizing, in reality it can create enhanced and expanded career opportunities for current and future employees.

There are many reasons to leverage external resources in the area of facilities and real estate services. With property, plant and equipment comprising nearly 50 percent of most health systems’ assets, the scope of services may include standardizing and optimizing building operations, energy and sustainability systems, purchased services, leasing and lease administration, clinical and biomedical engineering, and labor/workflow management. In each case, delegating those functions to an experienced, qualified third party minimizes costs, drives efficiencies and improves quality by tapping the previously unrealized potential of personnel, assets and infrastructure. Here are the top 10 reasons to outsource:

10. Improve the quality and productivity of the workforce
Many in-house healthcare real estate and facilities departments lack a well-defined defined career path. Partnering with an experienced real estate firm can significantly enhance and intensify not just the quality of the operations workforce, but the quality of their work experience. The work environment is enriched with industry leading training, competency testing, technical mentoring and goal setting, translating to a more satisfied workforce with multiple professional growth opportunities. That boosts productivity, and aids in employee recruitment and retention.

9. Deploy the latest systems faster, and with less cost and risk
Computerized maintenance management software (CMMS) and other systems are a proven way to reduce facilities costs and increase efficiency. But the time, expense and risk involved to select and implement such systems can be daunting – or even prohibitive. Partnering with a major real estate firm can provide faster, more cost-effective, less risky access to all the latest tools and technology.

8. Obtain better metrics/performance measurements
Just as a major firm can provide faster and more cost-effective access to the latest maintenance systems much more quickly and costeffectively than an individual organization could deploy those systems on its own, it can also provide access to all of the latest performance measurement tools. Leveraging a real estate partner’s existing, proven platforms allows healthcare executives to clearly see inefficiencies and make strategic, wide-reaching, beneficial decisions that significantly impact the bottom line.

7. Comply with documentation more efficiently and accurately
Outsourcing to a trained, experienced partner the time-consuming task of real estate and facilities documentation and compliance allows healthcare executives to focus on other mission-critical activities. An astute partner can deploy at team of skilled professionals to keep up with regulations, manage life safety equipment, complete CMS validation surveys and ensure compliance with time-consuming but mandatory documentation.

6. Reduce risk through principal supplier relationships
Shedding the risk of real estate and relying on the experience and industry savvy of a qualified partner can significantly mitigate unknowns. There is intrinsic monetary value to this knowledge. You don’t know what you don’t know, and the experiential data an experienced partner provides pays off exponentially. Having a partner in the know about the local and national real estate markets can significantly reduce that risk.

5. Delegate energy management for savings and sustainability
Trained, accredited energy and sustainability professionals can provide the experience, credentials and know-how to enable healthcare providers to achieve their objectives in the areas of portfolio energy management, sustainability, utility procurement, energy assessments, and Leadership in Energy and Environmental Design® (LEED), Green Globe and ENERGY STAR certifications. Energy and sustainability processional
can enable providers to dramatically reduce their carbon footprint and significantly contain costs, while allowing them to focus on their core mission of healthcare delivery.

4. Ensure maintenance of all capital assets, not just real estate
Health systems are inundated with time-consuming, complex functions that fall outside of their true mission of providing outstanding healthcare. Forming a strategic alliance with a firm that excels in the areas of facility management, medical equipment management and other healthcare related functions will result in increased efficiency and cost savings, while allowing health system executives greater focus on the core business.

3. Enjoy best-in-class capital management
Allocating scarce capital wisely – whether acquiring new, replacing old, or maintaining existing property, plant and equipment – is incumbent on healthcare leadership. But, prioritizing real estate and facilities budgets, including how much to allocate for things like repair and replacement, can be challenging. In addition, departments or programs that lack a direct revenue or ROI component might lose priority. Outsourcing capital management to an expert real estate partner can maximize strategic planning and allocation of dollars. A qualified real estate expert proactively analyzes and plans for short- and long-term needs, resulting in significant cost savings and preservation of valuable assets.

2. Generate more revenue
With the aging population and an expected increased number of insured under healthcare reform, preparing to handle increased volume profitably is a key goal of healthcare executives. With all of its resources dedicated to enhancing the performance of facilities and real estate, a third-party expert can identify solutions to meet system growth initiatives whether for new space or by reconfiguring existing space. And, consider the amount of time healthcare executives spend on real estate and facilities matters. The opportunity costs can be substantial, detracting and distracting leadership from other critical responsibilities. Outsourcing to dedicated real estate experts gives back those valuable hours, which can then be devoted to business efficiency and revenue generating opportunities. In addition, optimizing and standardizing the quality and look of real estate will enhance those marketing efforts.

1. Reduce occupancy costs
Leveraging the experience and relationships of a seasoned real estate partner translates to widespread cost savings, streamlining and efficiency. This can be applied to such critical functions as procurement, optimal resource allocation, energy efficiency, electric systems, medical waste, chiller maintenance, water treatment systems, landscaping and snow removal through an already firmly established national and regional supply chain.

About Jones Lang LaSalle Healthcare Solutions
Jones Lang LaSalle’s national healthcare solutions group works with hospitals, health systems, developers and investors throughout the nation delivering program management, strategic consulting, financial strategy, transaction and sustainability advisory services and facilities and property management. Through its work, the Healthcare group drives efficiencies and enhances quality through the unrealized potential of real estate assets and infrastructure.

About Jones Lang LaSalle
Jones Lang LaSalle (NYSE:JLL) is a financial and professional services firm specializing in real estate. The firm offers integrated services delivered by expert teams worldwide to clients seeking increased value by owning, occupying or investing in real estate. With 2010 global revenue of more than $2.9 billion, Jones Lang LaSalle serves clients in 70 countries from more than 1,000 locations worldwide, including 200 corporate offices. The firm is an industry leader in property and corporate facility management services, with a portfolio of approximately 1.8 billion square feet worldwide. LaSalle Investment Management, the company’s investment management business, is one of the world’s largest and most diverse in real estate with $45.3 billion of assets under management. For further information, please visit our website, www.joneslanglasalle.com.

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