Riding the Wave
FM’s digital transformation
We’ve digitized our lives – why not our work?

We live in a world where the ability to access information and communicate with anyone, anywhere and at any time is right at our fingertips. Digital technologies are rapidly changing the landscape of how we work and live; our professional work devices are also our social devices, and they’re always with us — connecting us everywhere we go. As we quickly adopt the technology that allows us to digitally track our daily steps, post to a global social media platform or instantly stream a movie from the comfort of our homes or seat on a plane, there is a steady recognition that digitization is changing our behaviors and touching our lives in ways we never thought possible.
Entire industries are committing to digital futures, but regardless of industry, when, where and how people work has been radically altered. Today, it takes effort to disconnect from the world. The ease of ubiquitous connectivity to the internet and cloud technology allows employees to work from just about anywhere, dramatically changing the way organizations buy, sell, manage and use their offices, retail space, manufacturing sites, warehouses and distribution spaces. This isn’t just a trend — this is a continually evolving state of the workplace that is redefining how real estate and facilities are used, consumed and valued. Digitization is happening, and it’s our responsibility to use it to drive cost optimization and improve the employee experience.

Retailers and advertisers are working to alter the retail landscape, bringing products and services you need directly to you when and where you need them. Imagine a workplace that does the same — one that offers facilities services based on your location, time of day and routine, or a suggestion of someone sitting near you who may have the answer to your question.

Leading organizations encourage and foster collaboration, creativity and employee engagement — and are more successful in these areas when digital FM is introduced and consistently integrated across their portfolio.

The challenge for FM leaders is to embrace the opportunity that new operational technology affords them. Digitizing FM will allow them to strategically design space and services that align with business goals, employee attraction and retention as well as business productivity, while continuing to deliver safe, compliant and customer focused facility services that are also cost effective.

Jointly achieving operational excellence and transformative goals for facilities also requires a renewed focus on the basics. The value of digital enablement is only possible if solid foundational programs are in place and integrated with technology. Once core workflows are reengineered to become leading or best-in-class and then digitally enabled, teams can begin to leverage data and business intelligence to optimize work and capital planning and focus more time on strategic endeavors around employee experience, space utilization and smart building applications.
Data drives faster, more informed actions and operational excellence

In this era of digital transformation, leading FM teams have the capability to generate, collect and analyze extraordinary levels of data to help optimize their operations, increase transparency and help make informed, strategic business decisions. The key is to know what you want to accomplish with the data you’re capturing. With the use of Wi-Fi, sensors, location services, QR codes and RFID, teams can collect and aggregate data to get a digital picture in real-time — one that helps manage everything from equipment performance, remote controls and monitoring to space utilization, customer feedback ratings and real time, services ratings. Digitized FM teams can also check utility and electric consumption, fresh-air intake and air quality, as well as lighting quality and indoor climate control.

Successfully digitizing FM requires a strong foundation of asset and work order data to illustrate and understand how facilities operate, ultimately contributing to more strategic long-term planning. The collection of detailed property and equipment data, including information such as age, model, maintenance history, condition and the criticality of facility equipment, is the first step to create a sound foundation for digital enablement. Additionally, service request and work order data must be tracked consistently, and in detail. Access to clean work order data beyond the computerized maintenance management system (CMMS), by combining vendor, MRO and asset data, allows FM teams to perform more intelligent preventive and reactive work on equipment. It also enables:

- **Accurate spend and budget tracking**
- **Inventory effectiveness analysis**
- **Critical spares availability and analysis across sites**
- **Proactive planning to repair or replace underperforming assets**
With digital FM, work orders move beyond asset- and equipment-focused, to become people- and service-focused. Organizations recognize trends and find opportunities to improve the experience for their employees, guests and clients. Work order data can begin to track qualitative data as well as quantitative data: Are people happy with work that has been done or are there opportunities to improve? Supplier performance data can also be monitored, advancing transparency in the supply chain: Was the work timely, the billing accurate and are they meeting expectations? Through this collective data we can re-envision energy management programs to detect how well equipment runs, comparing it to like assets for normalized trends, and pinpoint under or over worked equipment. These historically static processes are becoming dynamic, allowing data like energy costs to inform decisions such as repair vs. replace, and to modify maintenance programs.

As organizations acquire more sophisticated data sources, such as sensors and other smart building systems, the ability to monitor performance degradation, modify maintenance programs and design capital plans further optimizes performance.

These organizations are not predicting failures, but instead preventing failure through optimized maintenance programs. The IoT enables remote control and a better understanding of the piece of equipment through analytics. If a thermostat is too high or too low at any facility, it can be remotely controlled, reducing the need for travel or a staff that is on call 24/7. This saves on costs across the board and minimizes the disruption to your business overall.

The results are only as good as the data you collect

For most organizations, collecting good, quality data is an enormous undertaking and typically requires a lot of effort. It’s not only about getting the data into a system, but also making sure it’s consistent and clean. To ensure the data collected is useful, robust data standards and governance programs must be outlined and enforced. Many organizations struggle with having a defined process and the right technology to collect all the equipment data and digitize processes. Some systems are antiquated, complicating the data collection process. On the other end of the spectrum are organizations that are well equipped with systems and technology, but do not have the ability to truly leverage the power of their data.

Unfortunately, data collection efforts are expensive, and FM teams have historically been challenged with obtaining the necessary funding. But smart choices can make this easier over time, and the good news is that now, more than ever, facilities are viewed as a strategic part of an organization’s ability to drive and meet business goals. There is now more realization that there needs to be a focus on facilities and an investment in collecting quality data and collecting it the right way. The financial commitment is a challenge for many organizations and the payback will take time, but most real estate and FM leaders agree that the effort and costs are well worth it.
Digital FM fosters happier, more productive employees

Continuing the journey, organizations are leveraging digital technologies to drive their employee experience goals. Digitization isn’t just about reducing costs; it’s also about improving the employee experience. The same rules for data standards and governance still apply, but from the perspective of the end user, organizations focus on improving operations to drive a better employee experience. For example, by using sensors to gain data on traffic and usage patterns within facilities, teams can begin to alter their building operations in ways that make access and space logistics better and users happier, more productive and even drive building efficiency. Perhaps there is an entire floor not being used in a facility, or café use is higher on certain days of the week. Sensor data, taken from beacons or RFID technology, will provide the information to make informed decisions about whether an unused floor should be closed, or if food preparation should be increased on routinely busier days. Allowing employees to preorder and prepay for meals, via an app, the day or evening before increases the efficiency of café operations and eliminates waste.

Enabling employee mobility is even more critical for organizations. Solutions like digital mail delivery and intelligent lockers not only improve the efficiency of your mailroom operations, but also enhance the employee experience by offering more flexibility to a mobile workforce. Allowing employees to reserve a workstation or conference room, or preregister visitors, is critical to increasing employee productivity.

Smart buildings offer more than relief to the electrical grid and the environment; they take data to proactively improve experience and operations, purposefully responding to the needs of the occupant. They connect people to technologies that make the workplace smarter — gathering useful intelligence from strategically placed sensors with an infrastructure that allows real-time evaluation.

Smart building applications are wide ranging and can include capabilities to integrate HVAC systems with lighting to make it more efficient, provide security and access controls, and adjust air quality, connecting and integrating many moving parts into a seamless, functional system. The value is not only a connected building and more efficient facility, but also an occupant experience where employees are happier, healthier and more productive. Although smart building technology is becoming increasingly more available and affordable, it still requires a very senior level of sponsorship and support from business leaders.
Digitization is complex — don’t get stuck in analysis paralysis

The goal for any business is not digitization for the sake of digitization. The goal is digitization to drive cost efficiency and a better employee experience.

No matter where your organization falls along the digitization spectrum, the most important place to begin is the end — what are your long-term goals? This requires connection to your organization’s corporate goals and strategy. Real estate and facilities goals usually stem from these corporate goals, and often include ways to drive productivity across the workforce, ways to improve service delivery and quality of FM services, addressing infrastructure challenges, as well as addressing the human experience, end user experience and goals surrounding HR and talent. A clear understanding of leadership’s vision for the workplace will help to identify where to focus these programs and where to put effort, time and investment into augmenting processes with technology and digitizing your FM delivery model.

Understanding these goals ensures that programs and processes are configured or designed to achieve the desired results. It’s important to understand the big picture challenges and strategic drivers, and then zero in on the tactics to deliver results. While some organizations will go full force into visioning, planning and creating a fully automated smart building, most organizations don’t have the resources to take this linear path to digitization. Usually the process is slower, often starting with efficiency opportunities and areas to change out manual processes for automated ones. Ultimately the questions to ask are: Where is the pain in the system? Are employees able to find and book conference rooms? Are facilities getting full utilization? Where is the opportunity? Where can you put processes in place that will make the experience better? Many teams spend too much time on strategy when once the strategy is set, the real focus and time should be on the execution and planning how it will work. Often the team will find that certain elements of the strategy may need to be refined.

This doesn’t mean you have to jump into having an entire smart portfolio. Think about the biggest challenges your organization faces and how you can make small investments in digitization that will put you on the right path. Gathering feedback with survey data from employees is one way to determine what those investments might be. The right questions, and good, quality employee data requires more than just asking if work orders are completed on time and if employees are happy with their workspace or the services they receive. Employee engagement surveys often do not contain the types of questions needed to garner more feedback on productivity killers in the workplace. It takes really digging into the granular level with very specific questions that will allow FM leaders to target issues: Are you happy with the coffee we serve? Do you use the fitness center amenities? Can you get a conference space when you need it? If not, why? Do current processes work effectively for you? If not, what would you suggest? Do the facilities accommodate your work and personal needs throughout the day? If not, what suggestions do you have for the facility that would make you more productive? Is there something you do not like about our space? Why? When you can tease out the problems with precise questions, you can fix them and focus on bigger challenges — but more importantly, you keep your pulse on the end user and their needs.
Accountability to goals drives digitization efforts

What does success look like for the company that has digitized? The answer will be different for all organizations. Most company’s goals are slowly shifting their focus from Corporate Social Responsibility (CSR) to a bigger and more encompassing picture of Environmental, Social and Governance (ESG), which includes brand, purpose, diversity and inclusion, talent attraction and retention, health and wellness, sustainability, supply chain transparency and operational excellence. Nearly all are focused on elements of cost savings, risk and compliance — driving a better experience while still reducing costs, increasing building safety and delivering consistency. Whatever the focus, success metrics will reveal progress toward meeting company goals.

The truth is that these factors are all important, and they’re all connected. Creating workplaces that offer unique employee experiences through digitization and sustainability efforts will help to attract and retain top talent, improve employee engagement and productivity, encourage innovation, and in turn, increase profitability. This is because digitizing FM enables employees to work in a friction-free, shared-economy environment, which allows them to move seamlessly through their day. They can customize their workplace experience to meet their needs, helping them to be more connected to and engaged in their work. The data on this is promising: organizations with highly engaged workforces are 21 percent more profitable than those with poor engagement¹. In addition, better data will also allow companies to break down silos and benefit from integration with enhanced processes, improved outcomes and the ability to bring it all together in a unified message that supports their brand and reputation.

Don’t forget to focus on the human side of your business

At the heart of this digital evolution is the human side of the equation. While organizations want to create smart buildings that integrate technology with sustainable practices — they want to drive meaningful and measurable results by creating a workplace that considers the wellness and wellbeing of its occupants. This is about more than maximizing space and reducing resources; it’s also about providing amenities and offerings that make their day move seamlessly and increase their productivity. It’s offering a superior level of care, touch and comfort, and experiences that measure beyond experience-level agreements and key performance indicators. It’s connecting employees to the world outside the office — a holistic approach that helps connect and cultivate a more positive workplace that will create happier, more productive employees.

No longer is the human experience a question of perception. Today, we can collect real time data to measure space utilization, feedback on amenities and the overall happiness of our employees and visitors — automating and digitizing to improve operations doesn’t overstep the human element. One negative client interaction can undermine the best technology any organization has to offer; there is a true need for exceptional, hospitality-focused, high-touch services that carefully consider human interaction and make an impression on both employees and visitors. Happy, engaged and productive employees are those who work in positive workspaces that are connected to the world outside of the office. Visitors who are taken care of during their stay walk away with a strong positive impression of your organization.

As leading organizations take on the convergence of technology with their business in a friction-free economy, FM is moving into the digital age with a continuous improvement mindset and seeking ways to fulfill the human needs of a diverse digital workforce — many who may not be working on the physical premises of a building, and a growing younger segment who haven’t experienced anything but a digital working landscape. FM leaders who approach digital transformation with a renewed focus on employees as end-users of space — and as humans who seek greater connectivity and meaningful work for organizations that foster work-life balance — will see measurable results, with increased productivity, the ability to attract and retain the best talent and an enormous contribution to an organization’s overall success.

For more information

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