



Leader of the Year Thought Leadership Debate

London 2019



David Carr

Chief Executive, Bouygues Energies & Services UK
BIFM Leader of the Year 2018





Contents

List of Attendees	3
Foreword	4
Introduction and Perspective	5
Efficiency	6
Technology	8
Connectivity	10
Innovation	12
Data	14
Collaboration	15
Executive Summary	17

List of Attendees

David Carr

Chief Executive
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BIFM Leader of the Year 2018

Nigel Bunclark

Director of Property Transformation
Competition and Markets Authority

Ian Burr

Head of Property Management
Landsec

Jeremy Campbell

Director of Business Development
EMCOR Group UK plc

Chris Coleman-Brown

Head of Estates
Lendlease

Kerry Conneely

Head of UK Facilities Management
ISG

Gaynor Delaney

Head of Estates and Facilities
British Geological Survey

Sean Gibbons

Head of Global Facilities Management &
Real Estate
F. Hoffman-La Roche Ltd.

Gordon Headley

Global Human Resources Director

Sofie Hooper

Head of Policy
IWFM

Chris Jeffers

Director - Facilities Management
Consultancy
Mott MacDonald

Chris Kenneally

Chief Executive Officer
Cordant Group

Joanna Lloyd-Davies

Director
JLD Consultants Limited

Andrew Lunt

Managing Director
Salisbury Group

Matt Mannion

Head of Business Development - Facilities
Management
Skanska

Alexi Marmot

Professor of Facility and Environment
Management & Director Bartlett Global
Centre for Learning Environments,
University College London

Amelle Mestari

Procurement Director
Bouygues Energies & Services UK

Howard Murray

Facilities Director
Canonical Limited

Andrew Neale

Head of Facilities
Tesco

Glynn Newby

Operations Director
Bouygues Energies & Services UK

Benedicte Reguer

Executive Assistant
Bouygues Energies & Services UK

Emmanuelle Rodarie

Head of Marketing and Communications
Bouygues Energies & Services UK

Andrew Smart

Head of Occupier Services & International
Mitie / Source 8
BIFM Leader of the Year 2017



Foreword

“One of the main challenges the UK faces is the need for improved productivity”

While the UK's economic performance has an obvious impact upon market demand and growth, the recent Facilities Management Outsourcing Market Report states that the UK FM industry has demonstrated itself to be capable of growth in both lean and buoyant times. As an economist, I find this productivity puzzle fascinating and I strongly believe it is an exciting time for FM and Workplace organisations to play an active role in helping the UK economy tackle this productivity challenge.

Our ability to embrace technology and innovation, to integrate, visualise and monitor data will be key enablers to ensure we can respond quickly to an ever-changing environment. They will also drive continuous improvement and develop strategic value which will positively impact our industry.

In May 2019, as part of my role as IWFM Leader of the Year 2018, I created and chaired a debate with 18 industry thought-leaders who shared their views on how FM and Workplace organisations can drive corporate performance and productivity. I am pleased to share the result of these discussions in the following pages.

A handwritten signature in black ink, appearing to read 'David Carr'.

David Carr

Chief Executive
Bouygues Energies & Services UK

British Institute of Facilities Management
(BIFM) Leader of the Year 2018

Rebranded as Institute of Workplace and Facilities Management (IWFM) November 2018

In these ever-changing times, we have a duty to ensure our people are trained to tackle the challenges that the world constantly demands.



Introduction and Perspective

This industry provides an absolute snapshot of the challenges the UK economy is facing. We are spending a lot of time looking at agile solutions and how we should deliver more effectively through strategic influences and core activities, adding overarching value to the core business.

Having the right infrastructure in place (e.g. digital, transport) is key to maximise the benefits of technology. And yet, the real frustration for our frontline workforce is connectivity. How will we ensure technology for all, so that it doesn't become another two-tier structure? How do we make sure innovation and creativity work universally and are widely adopted to improve efficiency, effectiveness and ultimately people's lives? How will we harness the power of data and ensure it is used effectively?

In these ever-changing times, we have a duty to ensure our people are trained to tackle the challenges that the world constantly demands. How do we ensure that the great teams around us today develop properly and take our industry forward? How do we become more collaborative and communicative with our staff, our clients, supply chain partners and each other? If we can embrace these challenges, then our industry is guiding our clients through their productivity challenges and the way they progress their businesses. When we achieve this, we will have an industry which improves productivity and delivers what our clients really need. The key to resolving all of these challenges is through developing and nurturing our people.

Efficiency

How do we help our clients on their productivity challenge?

We can assist our clients in many ways by enhancing their work environment but are we considering our impact on their productivity? Are we thinking about the overarching commercial risks? Do we engage at the right level within our clients' organisation to achieve mutually beneficial solutions? How do we help our clients to work through these productivity challenges?

“The way we procure... needs to evolve to reflect the change of narrative, moving away from the cost and focussing more on strategic, value-added aspects such as sustainability, energy efficiency, the effectiveness of services, and continuous development of our people.”

Sean Gibbons

Listening to and understanding our clients' strategic focus and ensuring we communicate on the true value we add, is essential. Purposeful collaboration is key to delivering the ideal solutions and the critical move away from the 'race to the bottom'. Successful partnering with clients will enable FM providers to offer bespoke services and better manage expectations.

Ian Burr says: 'If you really want to engage in productivity there is an initial price for the activities. As we work with our clients, we learn more about their requirements and together seek routes to best deliver the services. This collaboration should make us more productive, whilst ensuring that the staff are properly trained, rewarded and motivated. With year on year efficiencies, the cost could well reduce as services

become more efficient'. As Chris Jeffers explains: 'We must manage expectations. We are usually putting a contract in place between two parties with very little engagement from our delivery staff. We need to be better at understanding our clients' expectations but also explain what the market can realistically deliver.' Gaynor Delaney adds: 'From my perspective, as a client, one size doesn't fit all. Different sectors have different needs and therefore, require different solutions. The focus must be about adding value and delivering quality services'.

Sean Gibbons added: 'There is a need for consistent data and the use of common language. Also, the requirement to balance efficiency improvements against how these may impact effectiveness, quality, compliance, etc. We must consider how our portfolios perform, establish what 'best' looks like in our industry and the solutions must reflect where our businesses aspire to be. This will ultimately benefit our teams and our clients'

The way we procure also needs to evolve to reflect the change of narrative, moving away from the cost and focussing more on strategic, value-added aspects such as sustainability, energy efficiency, the effectiveness of services, and continuous development of our people. Being able to provide evolving, reliable and improved services is key to building long-term and sustainable relationships with the client. The importance of membership bodies such as IWFM, RICS, CIPS and trade bodies has also been highlighted to ensure the FM and Workplace industry has a voice and impact on strategic issues like energy efficiency, social value and air quality.

Sofie Hooper picked up on the point of quality and value in relation to social value. To help drive FM best practice, IWFM is working alongside the National Social Value Taskforce to deliver a framework that allows organisations to measure value through their service delivery.



Nigel Bunclark cautioned: 'We need to be careful what metrics we chose. If I reflect on the work we did using the IPD GEMCode on space density and cost per square foot, it was useful for measuring the efficiency of real estate teams and also coincided with the recession. Ultimately we were achieving more with less and were rewarded for improved cost efficiency. A few years later, we understood better how we were degrading the working environment for the most important asset, the people, reducing their efficiency and effectiveness. We didn't always maintain the balance of our attention on quality. Now we must think differently. We now focus more on quality.'

Alexi Marmot added: 'Although service contracts are highly specified, FM staff can at times deliver additional value by, for example, recognising early signs of mental health issues for individuals in the places for which they are responsible. This goes way beyond productivity and delivers critical value in person to person relationships.'

David Carr's summary

Efficiency is driven by what our clients need. This will be delivered through comprehensive understanding from initial engagement, then reacting, predicting, and working closely with our clients through service delivery. We must utilise an agreed approach to all metrics, ensuring we deliver services that match their requirements and create value. That value may not necessarily be cost-driven, it is about understanding and augmenting their expectations, basing our solutions on the most effective outcomes. Considering each client as a bespoke opportunity is essential, this shapes the delivery of our services to provide the best value for all. As an industry, this mind-set will drive productivity.



Technology

How do we ensure that technology empowers people to undertake their activities better?

Technology has to work and be user-friendly to enable everyone to adopt it. Gordon Headley added: 'As an engineer, the design needs to be right, it has to work. People need to understand how to use it so that they don't turn it off. We need to make it relevant.' When technology is simple, it will work for clients as well as for staff, adding value at both ends. Currently, we have a juxtaposition where our homes are better equipped than our workplaces.

Chris Coleman-Brown comments: 'Our industry cannot afford to catch up. We must embrace today's up and coming talent, who have grown up as digital natives and expect agile connectivity. It is important we create and curate digital layers that enable a new approach to workplace facilities management, client ownership and occupation combined'. If the FM and Workplace industry doesn't grasp the value of technology, other industries will subsume us. Entering into dialogue with

our clients will determine the appropriate collection and use of data tracked through technology, contributing to smarter outcomes and forward planning.

Matt Mannion points out: 'It's important that we collect data accurately. When data is captured correctly it creates trust in the technology and the subsequent reporting. Investing in more automation of data collection will help, but in between, we will need to be smarter in how we manage and record this via CAFM Systems for example to build this trust. There are many platforms available and this can sometimes confuse matters, hindering efficiency. Nevertheless, I do feel we are moving in the right direction.' We must tackle infrastructure challenges and ensure people have the relevant information and skills to make the most of the technology available.

'Are we educating our workplace managers to adopt a tech-savvy mentality?' questions Jeremy Campbell. If well-utilised, technology will help individuals to enhance their understanding of how their buildings are operating and

be able to make better informed long term decisions.' Kerry Conneely added that they see themselves as 'technology incubators, however, their challenge is data overload, particularly in intelligent buildings. Our constant focus is the utilisation of BIM, the question is how we interpret that information as the informed client and utilise it to develop our strategies.'



Technology should be making life easier for all parties

Linking people to technology is important. Andrew Smart says: 'There is a danger that we look for a single technology solution in the workplace. There is a whole suite of technologies that help us understand how to better manage the assets and it's all about efficiency, response times and planned preventative maintenance. There are additional solutions that look at how the buildings are being used (heat mapping, occupancy sensors, smartphones, etc.), even more technologies which interface with people and customers directly. If we start to think about customer interface in the workplace and how we deal with that, then we can understand the impact. Getting people to comprehend what we are doing and why is part of the holy grail of FM. Key to managing client expectations is providing information in real-time along with managing demand for user-led services, for example, I find utilising technology to order a coffee from my desk is wonderful.'

Moving away from process and procedures to human collaboration, engagement and experience can only make things better.

The services we provide in the buildings we operate are critical. As Joanna Lloyd-Davies commented '...it is all about trust, communication, humanity and the interface with human beings. Having said that, logging activities creating appropriate data is essential.' The importance of developing more positive relationships must be high on all agendas. By getting closer to our clients, we will be able to understand more and deliver better.

Happy clients should result in a happy team. However, we can't leave it at that. By supporting and educating our teams, we enable easier communications and develop relationships. Andrew Neale introduced Tesco's innovative, collaborative, and technology-driven concept, which has wellbeing at the core of its functions. This flexible building where staff can interact with customers and suppliers to develop and present new initiatives, assess new products, technologies and trends, is very well utilised, far exceeding original expectations and improving productivity.

David Carr's summary

Technology should be making life easier for all parties. When utilised efficiently, technology supports service delivery, automatically collecting relevant data, producing activity tracking, managing specific interventions and routine tasks whilst providing visibility on costs for budget purposes. We must ensure that technology works strategically for the benefit of all. Training and development in all aspects of technology are essential as well as ensuring that we collectively understand why the specific data is being collected and how this will be used for the benefit of the service delivery. We must ensure technology is simple to use across the spectrum and rationalise the diverse platforms used throughout our industry. Whilst utilising technology, we must be careful not to forget the value in human interaction. This human element is crucial for a successful client relationship. Technology can enhance client relationships, not replace them.

Connectivity

How do we deal with the connectivity challenge both in terms of digital and physical?

David highlighted how his time was under-utilised in the commercial heart of the city recently due to a total lack of connectivity. This re-emphasised the connectivity issues for our frontline staff. How do we deal with the connectivity challenge in terms of both digital and physical? How do we turn this around? How does this drive our industry forward and educate the wider UK economy who face the same challenges?

It was unanimously agreed that infrastructure solutions (including fibre) have been historically determined by monopolies and this has compounded inverse advancement of communication services. It was noted that connectivity in underdeveloped countries seems to be more effective as a result of it being driven primarily by cellular providers. The general perspective is that physical infrastructure networks are lacking in the UK.

'When it comes to enhancing digital connectivity...' Sofie Hooper highlighted: '... some countries like the Netherlands open their building reception areas to the public. There is a growing prevalence for high-profile, open reception areas which welcome visitors supporting touch down operations where refreshments, comfort facilities and open-connectivity are freely available.'

With Destination buildings becoming more prevalent, we need to ensure the IT platforms are stable enough to manage this additional load and cybersecurity must be high on the agenda.

Transport is also a challenge. The lack of infrastructure for a low carbon fleet is unacceptable. Although the willingness of most businesses is incontrovertible, there is a substantial lack of charging facilities and availability of electric vehicles. Leveraging industry influence, we should strengthen our position with local authority clients particularly to encourage the incorporation of charging points in their street lighting



services (for example). Local authorities, developers, landlords and occupiers must be encouraged to share responsibility for creating and hosting charging points. The search for charging points detracts from efficiency and productivity, generating unnecessary stress for vehicle operators. We need to explore other alternatives to enhance physical connectivity e.g. bicycle.

The consensus is that the use of hydrogen and advancement in battery technologies will create new options in the near future.

Alexi Marmot added: 'Transport can be seen a disruption to the environment that may become less essential in the future as electronic communication continues to challenge the need for face-to-face presence. We're only at the beginning of this change.'

Our industry is highly technology-driven, we must remain at the forefront of these technological advances to maximise our service offerings and value-added outputs. As an industry, we must engage more with technology developers to create solutions that will add value to our operations.

David Carr's summary

Advancement and adaptability are key. As an industry, we must engage at the right level of debate to overcome the current shortfalls in provision. We should influence the connectivity providers as we are suffering from the lack of service. Leading the charge with our key clients and developers in promoting and endorsing the need for immediate attention to the lack of infrastructure provision is essential. With the upcoming rollout of 5G, the upgrade to the digital infrastructure is critical. As an industry, we have direct links with Central Government in raising these barriers to our businesses. It is our responsibility to put our intellectual power directly into Central Government on this issue.



"Our industry is highly technology-driven, we must remain at the forefront of these technological advances to maximise our service offerings and value-added outputs."

Alexi Marmot





Innovation

What is innovation? How do we take advantage of innovation to address simple and complex subjects, improve the quality of life on the frontline and foster collaboration throughout the business?

Managers need to be engaged and proactively listen to frontline staff whose knowledge and experience will drive evolution, possibly revolution in service delivery. We must support these vital client-facing individuals in all their activities. For our staff to be effective and innovative, they need to feel valued and heard. Moreover, rewarded and acknowledged appropriately.

As most ideas come directly from our frontline colleagues, we need to encourage, promote and embed this culture. Andrew Lunt added 'The more management dictates, the less productive and creative our staff will be'. We must develop our solutions in tandem with our frontline staff to create competitive advantage.

Expectations need to be managed and not all ideas or innovations can be implemented. Existing ideas or innovations should be used to maximum effect and increase efficiency. Sean Gibbons added

'We don't need to innovate if we have incremental improvements. We must look at ideas that work well and improve their efficiency. Sometimes we get lost looking for the next big idea but in reality, we need to incrementally improve ideas and innovations that are already there. We can learn from the German manufacturing industry who have a long-standing and commercially successful approach of making incremental improvements that translate into sustained competitive advantages'.

Chris Kenneally offered insights from recent employment research which highlighted the societal effect that the comfort of the work environment and rewards are still more highly valued as opposed to developing technical skills for future career choices.

As an industry, we should be focusing on big ideas generated by Nobel Prize Winners and economists, developing them into solutions for the longer term. We should take advantage of and consider this in true cross-industry collaboration with academia. The FM and Workplace industry is encouraged to continue to fund PhD students to enhance our industry expertise.



“The role of management is fundamental in promoting collaborative behaviours and empowering staff.”

David Carr

Gaining investment for big innovations may pose considerable challenges. It may well be that recruiting people with new skills, from wide industry sectors, to drive new ideas forward will help to progress this within the FM and Workplace industry.

We need to be better at encouraging and promoting creative solutions within a zero-blame culture. This will unleash exciting career opportunities to attract highly talented and motivated individuals at every level throughout our sector.

We recognise skills shortages are prevalent and we must provide an environment for success wholeheartedly supported by learning and development, where our employees are empowered to deliver outstanding results, meeting and often exceeding our clients' expectations: they must have the autonomy to fulfil that remit.

David Carr’s summary

We need to recognise that incremental enhancements and natural evolution can create innovative benefits as well as big change ideas.

We must engage with our people on the frontline in order to appreciate the current circumstances before jointly enhancing the services to deliver further value. The role of management is fundamental in promoting collaborative behaviours and empowering staff. This will create opportunities for personal career development as well as the organisation becoming a perceptible employer of choice, where personal input is truly recognised. We have to recognise that there is a need for investment but with the level of margin in our industry, this will always be challenging. Perhaps we should consider collaborating more extensively with both academia and our industry colleagues on major service developments and the introduction of artificial intelligence.

Data

What do we collect? Why do we collect it?

With the huge amount of data collected, we have great data assets but the need to articulate what we need to collect is paramount.

How do we use the right data available, communicate it quickly and share it with the right people to measure the current output and drive change?

The idea of a standard format for data collection within the industry was considered at length including the consistency of data collection and analysis. However, each client has specific requirements and we need to use the data collected to inform and enhance output for future service delivery solutions. It is therefore critical to analyse the data and communicate the purpose of the output to our teams.

“We are working on the consolidation of data collected across all areas of our business and have now employed the services of an aggregator to consolidate but also to help us understand the value it creates.”

Howard Murray

The focus must be to work with clients to understand the data they need. However, a business may not know what data it could mine and how it could add value to areas not previously considered. There are considerable issues with industry data compatibility and normalising platforms will be helpful. Perhaps we collect too much data and retain obsolete information. However, we must be intelligent about what data we retain as some may need to be kept for long term reference. The use of the data changes over time, especially with life cycles and what will become relevant in the

future; focusing on both retrospective and predictive use must be determined. Data skill set analysis will enhance and regulate the outcomes being delivered and the changes for the future.

Howard Murray stated ‘We are working on the consolidation of data collected across all areas of our business and have now employed the services of an aggregator to consolidate but also to help us understand the value it creates.’

It is important to focus on what each party is endeavouring to achieve and why they need specific data. We collect huge sets of data as an industry: once each party understands why what and how data can be used along with the resultant impact on the service delivery this will clarify the exact data to be collected. Predictive data skill sets become even more critical in the industry.

It was agreed that relevant data should be easily available and understandable. Data which is not needed should be destroyed with only critical information being retained.

David Carr's summary

Our approach to collecting relevant data needs urgent refining. We must understand what information we collect, and why. It needs to be translated into easily understandable outputs, which all parties can comprehend, and, above all, to enhance the whole service offering.

Utilising the right data in the right place at the right time is the key to effective use and we must recognise that the use of data will change. Different life cycle management may make the data more relevant in the future. Data analytics including predictive data skill sets will become far more critical in the industry. Achieving that predictive nature, harnessing and presenting it in a way that is beautifully simple and easily understood is our challenge.

Collaboration

How do we become more collaborative with our clients, our staff, supply chain partners and workforce to create a sense of common goals? What is the role of collaboration in terms of making our industry more productive?

With turmoil in the market in recent times, the need for collaboration is far greater to meet and exceed the requirements of our clients. Gaining the opportunity to understand the goals and ambitions of all parties is paramount to achieving successful service delivery and productive outcomes.

Trust is essential from the outset in any business relationship. Those who demonstrate their personal and corporate commitment to a strict moral, ethical and social code will be appreciated.

Working alongside clients to achieve open, fair and realistic goals is imperative to ensure all parties achieve agreed outcomes. The service level agreements should be developed jointly achieving a transparent process which can be tested by all parties throughout the term.

A lively debate ensued incorporating distressed clients and challenges in commercial arrangements: this highlighted the need to proactively undertake full risk assessments and being prepared for all eventualities. Being able to challenge the other party throughout the term without devaluing relationships is paramount.

Following comments by Chris Kenneally relating to the automotive industry, it may be that we should follow their example, providing opportunities for a standard set of services. The creation of a standard dashboard is already on the agenda with the RICS and other bodies, and if we don't take the initiative, others will overtake our position in the market. Our unique selling points will be in the delivery of the standards of the services. We should focus on the key day-to-day frontline challenges that our clients are



facing. This could include reception, WC facilities, car parking and so on. We must focus on their pain points as a clear demonstration of our overall understanding of their pressing needs.

In new build environments, we should take responsibility by working closely with architects to help them understand the intent of the building and how its use may be maximised and flexed over time. The design content must be relevant. Alexi Marmot added that we must remember that architects think of very different issues. Collaboration with architects results in a better end product.

Amelle Mestari commented that it is essential to have trust and clear communication. Opportunities must be provided to clearly understand requirements as they develop, with the potential to improve or change the service delivery if challenges arise.

Contractors must be aware that vitality in service provisions must be maintained throughout the contract. Service providers should proactively propose ideas to continuously improve the service delivery and discuss eventual changes with their

clients, not wait until the renewal of the contract. A relationship must be developed at all levels as the contract evolves. This is essential to keep communications fluid between parties and achieve client satisfaction.

Collaboration is essential in a service-driven arrangement. Standardisation of data will assist in the comprehensive understanding of the service level agreements in tandem with communicating the vital objectives set at the outset. This is a potential area where industry collaboration may well be pertinent in delivering this common understanding. Collaboration supported by ISO 44001 (the recently published international standard for Collaborative Business Relationships) assists a new generation focus on organisational culture, behaviours, leadership and management systems. This creates a flexible base for trust, joint business planning, risk, knowledge and information sharing.

The Institute for Collaborative Working (ICW) provides access to resources, partnered research and valuable insight from thought leaders across international business on how to develop, affect and improve collaboration between multiple parties.

“If we are to succeed in the future and add sustainable value, then effective collaboration should become integral.”

Jeremy Campbell

Jeremy Campbell outlined that working and learning through a collaborative framework brings diverse capabilities together to achieve progressive outcomes. Solutions evolve by thinking together creatively. If we are to succeed in the future and add sustainable value, then effective collaboration should become integral.

There are other industry Alliance Frameworks that support relationships, core objectives and deliverables with all parties managing appropriate risks. In theory, these provide effective and efficient support for project management processes, delivering productivity and wellbeing, with all parties working to the same goals and celebrating success together. We should all focus on positive outcomes when creating and delivering new business arrangements.

David Carr’s summary

As an industry, we hold a position of trust supported by overt moral, ethical and societal business practices. We must develop open and healthy channels for dialogue with our clients and within FM teams, ensuring the opportunity for appropriate challenge and service change when required. We must be responsible and accountable for all our activities. This may well include dialogue with architects, engineers, HR and other professionals in the creation of new environments. We should work with ISO 44001 to support our collaborative engagements.

Executive Summary

David Carr's thought leadership debate provided an ideal occasion for business leaders in FM and Workplace to identify and share the challenges and opportunities in the industry to drive corporate productivity.



The importance of truly considering each client as a bespoke opportunity was highlighted as key to shaping effective and evolving service delivery, supported by clear communication and collaboration at all stages, ultimately providing the best overall value.

Technology must work strategically and technically for the benefit of all parties. It must be simple and appropriate while using state of the art applications. Our overarching challenge is to rationalise the assorted platforms utilised throughout the industry and consider the development of standardised industry reporting.

Service enhancements can be delivered by incremental change and continuous improvements and by investment in innovation. Large investments are particularly challenging in our low margin industry, hence a pressing need to collaborate and learn from our frontline service teams to drive continuous improvements.

FM service providers should embrace the power of data presented in consistent formats to predict outcomes and guide effective and efficient operations.

Finally, the FM and Workplace industry must retain its position of trust, supported by overt moral, ethical and societal business practices. Working with ISO44001 (and other respected industry processes) will support collaborative engagement, encourage best practice sharing and ultimately drive improved corporate performance and productivity.

**Bouygues Energies & Services UK is
a global leader in energy, digital and
industrial transformation.**

Our global expertise in facilities and workplace management coupled with our drive for innovation and efficiency enable us to bring bespoke solutions to our trusted clients.

Working for both the public and private sectors, across a variety of markets including healthcare, education, local government, utilities and commercial buildings, we make your building work harder and transform your end-users' experience.