

## Energy costs cut by about 50 percent

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# European FM insight

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## EuroFM Aims for Closer Ties with Individual Members

Frank Buschmann

**At the moment, Albert Pilger is still vice-president of EuroFM. In 2008, he will automatically move up one spot to become the new top man of Europe's umbrella organization for national FM organizations. Last week, the Austrian was the invited guest at the Facility and Building Trade Fair. We interview a man with a mission to move associate members closer to EuroFM. "Many facility managers don't know exactly what we could mean for them."**

Albert Pilger's arrival in The Netherlands was, literally speaking, a stormy affair. He arrived on Thursday afternoon, at a time when the wind was battering everything and everybody. "After landing my stomach was not where it was supposed to be," Pilger quipped later.

Next year, he will succeed Spaniard José Garcia Cuartero as president of EuroFM; currently, Pilger is responsible for the communications aspect, aimed at creating closer ties with those individuals in the European facilities sector. This is necessary because Pilger is convinced that the average facility manager has no idea what EuroFM does. "Most people know that we exist, but they don't know what exactly we could mean for them."

*Go ahead and say it.*

"We are a networking platform, not an information platform. Our mission is to provide our members with the opportunity to build networks. We have three networking groups within EuroFM: research, education and practice. These groups include various projects for exchange and gathering of information, and all is working well."

*National branch organizations are affiliated with your organization. But are you really reaching the individual members of those organizations?*

"It's possible, but not without difficulty. I won't be satisfied until we reach each and every one of the individual members. That is why we have created European FM Insight, our digital newspaper which appears every three months. One issue has already

been published, and the feedback we received was good. In addition, it is important to convince national branch organizations to pass our knowledge to their members. We need to make it clear to them that it is important for their members to show up at the European Facility Management conference, which will be held later this year in Zurich. We also have to convince them to come to the meetings we organize three times a year. I think that many members of the national organization are still largely focused on FM in their own country, on what's going on in terms of development on just a national level. This is precisely the kind of thinking that I want to change, as I am sure that more people are interested in international issues and in a cross-border overview than the three to five hundred we have now."

*Still, you are hugely well-known to date.*

"If we were, more individual members would be coming to our conferences. I would like to compare this to meetings for facility managers in the US. On average, they draw between four and seven thousand people. Although we are growing in Europe, participation is still limited to between five and seven hundred individuals, a mere ten percent of what we see in the US. One possible reason for this is that, in Europe, we have something like fourteen different languages, while in the US there is only one. Even the best translation will never be exactly like hearing information in your mother tongue. How can we change that? By offering education in facility management in English. This does not



Albert Pilger

necessarily have to be for one hundred percent, as even part of the program would help."

*You are the umbrella organization for national organizations working in their own way, which often don't know how the others work. Is that a good thing?*

"Each country, each region is different. We now know that different countries have completely different approaches to facility management. These differences are becoming smaller, but they are still significant. The Netherlands, together with Great Britain, are among the leaders in the development of facility management in Europe. Many other countries and regions are learning from the developments in The Netherlands, although some countries have decided not to follow the same path. But Scandinavian and German-speaking countries are also in a well-developed phase that others could learn from."

*Shouldn't there be European regulations for national FM organizations?*

"No, I don't think so. Again, we are a networking platform and we should stay that way. We don't tell our associations what to do or how to behave: that isn't our job. EuroFM is not their leader. We

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# International research symposium in Norway 2006

**Introduction by Per Anker Jensen, Chairman of EuroFM's Research Network Group**

An important international Facilities Management (FM) research event took place in the Norwegian town Trondheim in June 2006. Around 170 participants from 20 countries gathered at NTNU - The Norwegian University of Science and Technology for a research symposium on FM and Maintenance. EuroFM's Research Network Group participated and several members presented their research during the various sessions. The symposium was an important manifestation of the increasing importance of FM research in Europe.

One of the main international events in relation to research in FM took place in the Norwegian town Trondheim in June 2006. The theme of the symposium was: "Changing user Demands on Buildings – Needs for Lifecycle Planning and Management". The event was arranged by work group W070,

Facilities Management and Maintenance, under the international building research organisation CIB and took place at NTNU - The Norwegian University of Science and Technology.

The participants came from around the world but most were from Northern Europe. Therefore, many participants came from universities and other research institutions that are members of EuroFM's Research Network Group (RNG). A RNG meeting took place during the symposium and several members of RNG presented their research during the symposium sessions. One of the sessions was dedicated to theme Usability of

Workplaces, which is also the theme of a project on RNGs research agenda.

All together, the Trondheim symposium was an important manifestation of the increasing importance of FM research in Europe. The next CIB W070 symposium is planned to take place in Edinburg in June 2008. The event was presented in the Norwegian trade journal Drift & Vedlikehold (Operation & Maintenance), including an interview with professor Tore Haugen, NTNU, who was responsible for the conference and former chairman of RNG. You find the article below.

## CIBW 70 completed safely

Jan Erik Røine

After several years with national and international networking, 170 participants were welcomed to Trondheim and to the CIBW70 conference, Norway's largest professional conference in the field of real estate and facilities management.

CIBW 70 was organised by NTNU and was a part of the Metamorphosis project.

Metamorphosis 2005 has been a project at NTNU since 2001. The primary goal of the project has been to develop a research based training service and competency environment that is capable of managing and solving problems and challenges of strategic value for homeowners, building clients, facilities managers, developers, builders and users.

A master degree program for real estate development was also to be established. Moreover, emphasis was also placed on attracting a national and international network for Real Estate and Facilities Management.

After five years of hard work, the project culminated with a large symposium in Trondheim in June last year, with over 160 participants from Nordic FM and the international CIB network.

"I am very pleased. My main impression is that it went well. We had many fine presentation and we had participants from 20 countries", says Professor Tore I. Haugen from the NTNU Department of Architectural Design and Management.

He was one of the people who started the project in 2001.

This is how he sums up five years of pilot work:

- "I hope and believe that the work we have done with the Metamorphosis project can contribute in several areas. We have managed to build up a network, started an educational programme and the data that we have gathered through our work will be useful for both research and practice".

The Metamorphosis project was carried out by NTNU in co-operation with trade organisations, businesses and public organisations/ government departments, research institutes and departments.

- "You must also take into consideration that the industry has been an active driving force in the project", says Haugen.

What are you most pleased with?

- "We have established an important basis for vocational training and development in the field of Professional Facility Management. In my opinion, the fact that it is now possible to take a master degree in real estate and facilities management represents a milestone", concludes Haugen.

**For further information on the conference, see: [www.metamorfose.ntnu.no](http://www.metamorfose.ntnu.no)**



Photo Håkon K. Gissingør

### **EuroFM Aims for Closer Ties with Individual Members**

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have a different underlying structure than IFMA Houston. It has worldwide common guidelines, so that all branches work in the same way. Germany is no longer an IFMA chapter because it was not following the rules."

Do you agree with that?

"I'm not the lawyer for IFMA Houston or IFMA Germany. But if there are rules, they should be followed."

*André Leferink, President of Facility Management Netherlands, recently said in this publication that EuroFM is carried by a small group of well-meaning people and that, outside of that, discussion is limited. Do you agree with him?*

"I can understand this attitude, although in my view, it was that way in the past. Things have changed. EuroFM has developed. We are not in it for ourselves; we provide the national organizations with what they request from us: networking, knowledge and information sharing. Three times a year we have meetings attended by

presidents and other figures from national professional organizations. We work together with these people, deciding which projects we need to work on and who should be involved. The Netherlands, specifically, is one of those involved. It is responsible, for example, for a project on benchmarking of organizations."

*According to Leferink, the image of the facility manager needs to be improved. The gist of that remark was that this figure is all too often described as a cost item, instead of as a service provider.*

Long silence, followed by a sigh. "I don't know if I would describe it in that way. If it is true that facility management is used only to reduce costs, then why not use slaves? But I think the image would change if a facility manager was actually seen as a true manager, as someone who lays the foundation for the core business, the infrastructure of an organization. Yes, I believe that image is changing. I would like to see it change faster, though. A second reason for the negative image is that facility management used to be synonymous with outsourcing. Fifteen, maybe twenty years ago it was not considered a management concept. That was a misunderstanding. The timer has run out on that phase."

# The New Republic

Sara Bean

## Sara Bean reports on Alfred McAlpine's groundbreaking new contract with the Bank of Ireland and its plans for further expansion in the Republic of Ireland

In the past decade the Republic of Ireland has undergone a massive transformation. To get some idea of the change, just order a coffee in Dublin - nowadays you're just as likely to be served by someone who hails from Slovakia as Sligo, as for the first time in generations people are emigrating to, not from, Ireland.

The 'Celtic Tiger', as it's been named, now has a vibrant and dynamic business culture and a booming economy which has brought full employment to many parts of the country. For the facilities management profession in Ireland these changes mark the beginning of a period of major transition. While the Irish Property and Facility Management Association (IPFMA) acknowledges the benefits the growth of the ROI economy has brought to the FM profession in the country, it advises facilities professionals to gain a 'greater range of management and financial skills' if they are to meet the challenges ahead.

In an economy where the majority of FM departments are still in-house, and where outsourcing is viewed with much suspicion, the launch at the end of September 2006 of Alfred McAlpine's groundbreaking FM contract with the Bank of Ireland (BOI) is being watched with interest both in Ireland and further afield.

The contract, which is worth more than £80m and will run for an initial seven years, is the largest FM contract ever signed in Ireland, with McAlpine offering a total FM service for 350 properties, comprising retail and administration offices spread throughout the country.

Noel Clancy, business development director for Alfred McAlpine's business services division reveals that the team saw the BOI contract as a long-term opportunity to penetrate the Irish marketplace.

'The Bank of Ireland was looking for a business partner which could manage a difficult and diverse portfolio, and national coverage was critical due to its retail buildings,' explains Clancy. 'Having carried out extensive research on the Irish marketplace, we discovered a huge gap, with no service providers appearing to have clear growth strategies. The Irish-based providers appeared to have chased the Tiger but seemingly had no desire to invest in any real infrastructure. This failure explains why no major blue chip had

historically risked an outsource exercise.

'Our strategy was clear: we did not currently have an infrastructure, but we were prepared to invest a substantial sum in order to build an Irish business capable of leading the support services market. The one condition being we needed the right client who was prepared to invest in us and work with us.'

Richard Sheridan, head of group services for BOI, admits that once the bank had made the decision to outsource its facilities services, it initially envisaged using a provider who already had a presence in the Irish market. The bank was also cautious about how much of its facilities it should outsource.

'We first asked "what is the business case for outsourcing" and once that was determined we had to decide if it was worth the risk of doing it all in one go,' he says.

From the initial briefing process, the bidding process took 53 weeks, during which the bank whittled the 18 shortlisted bidders down to six, then four. Sheridan says of the final choice: 'We had a good feeling that a number of companies could offer an FM service, but our view was that McAlpine stood head and shoulders above the competition. Culturally, it fits with the bank's collaborative solution focus, speaking the language and working as a team.'

Says Clancy, 'The Irish marketplace is very fragmented in terms of the supply chain. It's mainly local, small, service suppliers, and in the main they do a good job building solid relationships, but the bank are the first to say "let's look at the UK model and roll it out in Ireland".'

This is the first time the Bank of Ireland has outsourced its facilities management requirements and it hasn't done it by half. The estate alone comprises 29 administration buildings - 27 of which are in the Dublin region - and 335 retail on the management and delivery of all its building services.

Gordon Rowen, McAlpine account director responsible for launching the new service, explains that the contract encompasses:

- Management services
- Helpdesk provision
- Building engineering services
- Fabric maintenance

- Portage/mail services
- Reception services
- Space and move management
- Waste management
- Health, safety and environmental services
- Cleaning and pest control
- Project management
- Security services

A big issue, he adds, is that the bank has 11 different business divisions that produce 14 different business units. 'All the FM provision was siloed into these divisions,' he says, 'with not a lot of detail on costs and no formal space management process. That is up until now - we've already been asked to organise a move of 65 desks!'

Rowen has also been charged with carrying out the business services staffing needs. 'Approximately 170 staff have been transferred over from the bank,' he says, 'and we're recruiting the remainder. The bank, for instance, had no technical operations delivery people so we're recruiting 33 technical staff in areas such as M&E, gas fitting, heating and ventilation.'

It was the issue of staffing that was the major concern for both the bank and McAlpine. As soon as the deal was struck

in June of this year, moves were made to get the existing staff together with their new bosses. All of the staff affected where invited into sessions with the McAlpine team

'The people aspect was the most challenging,' says Clancy. 'We were after all, transferring a large group of people, some of them life-long employees, from a solid banking base to a relatively unknown contracting company. And bear in mind that everything we've done on this deal has been ground breaking - TUPE, the union interaction, health and safety... it's all new in Ireland.'

Added to this, he explains, was the fact that many Irish people associate Alfred McAlpine with the 'bad old days' when the Irish economy forced people to go to England to work in construction. And in a country where not only the majority of FM provision is performed in-house and outsourcing is viewed with suspicion, so the incoming team had their work cut out reassuring the staff.

'The resentment surrounding outsource was not merely property or industry related,' says Clancy. 'It is a national fear of returning to difficult times, and we have had to really work hard on winning the hearts and minds of the bank's staff who, after all, will

play such a crucial role for us going forward.

'People here don't move around so much so in terms of skills; it's a very mixed picture, but we're taking on some first-class people.'

There are two main clusters for soft services: Dublin, where a soft-services partner, Noonan Cleaning Services, is being utilised, and the rest of Ireland, which will be self-delivering for cleaning. But aside from calling on Group 4 for security and Greenstar for waste management, McAlpine intends to self-deliver the rest of the services, with a new company helpdesk.

'The helpdesk is using Concept SQL CAFM software,' says Rowen, 'and every technician will have a PDA for the allocation of jobs.'

Clancy adds: 'What's missing from a lot of the organisations over here is a property division with a major helpdesk, and a structured supply chain. The structure is often multi-departmental, so you'll have an FM for the finance department, another for HR and so on. This is why what we're doing here is so revolutionary, because what Bank of Ireland said was "You're the experts, so come in and manage things and we can take a back seat".'

The helpdesk, agrees BOI's Sheridan, will help the bank see where its money is being spent and how, though he expects the bank staff to have some resistance to change and the introduction of the helpdesk. 'That's always the way', he says, but I'll expect we'll see it settle down after a month or two, and if we can crack that, we're laughing.'

For McAlpine, this contract spells the beginning of a major push into what is, in many ways, the still-virgin territory of Irish business services outsourcing.

'We are putting in the structure now that will take us through the next five years,' says Clancy. 'There are around 30 direct resource personnel now based primarily in Ireland, covering tax, finance, legislation and the new back-office groups, so we're doing everything for the first time here.'

'The Bank of Ireland recognises that it has benefited from a mobilisation resourced to achieve a new business build, as opposed to a standalone key account. And equally Alfred McAlpine recognises that without the bank, our business case would not have flown.'

'I believe we've now got the platform in place to be number one in Ireland.'

[www.fmxmagazine.com](http://www.fmxmagazine.com)



# Energy costs cut by about 50 percent

**Eugen Rieser**

**With an annual turnover of 160 million Swiss Francs, Kambly SA in Trubschachen is Switzerland's largest biscuit manufacturer.**

**As an innovative industrial family business, Kambly uses a great deal of energy for baking, heating and cooling. The recent introduction of a new energy concept has reduced the company's energy costs by limiting its oil consumption.**



Off the beaten track, in the Bernese Emmental, Kambly SA manufactures 30 different types of fine and luxury biscuits. The company is one of the sector's modern and innovative businesses whose philosophy embraces ecological considerations

and ideas. Kambly's second factory is located in the town of Lyss. 60 percent of the production is designated for export. On the other hand, Kambly also manufactures so-called own brand fine biscuits for Migros and Coop.

"Operations such as baking and heating the chocolate, as well as the factory's cooling system, require large amounts of energy, for example in form of propane gas, electricity or heating oil", explains Stefan Suter, Kambly's Engineering and Operating Equipment Manager.

According to Stefan Suter, up to the year 2000, two 50-year-old heating

boilers could still be found standing in the basement of the main building of the Trubschachen site. In addition, a slightly newer heating boiler was responsible for the heat supply to the warehouse and the workshop. Hot water was supplied by six electric boilers. To date, compressed air has been generated by four local screw compressors. 60 cooling units, which were installed during the construction of the new building in 1990, were operated remotely. In addition, the eight production plants are operated - to this day - with propane gas fired furnaces. Ground water is used for cooling. Practically no waste heat from most of the plant was reutilised.

### Consulting of external experts

"The time came when we had to consider replacing the old boilers, and we looked at more ecologically friendly options", says Stefan Suter, remembering the initial situation in the year 2000. Kambly's Management decided to scrutinise all energy related aspects of the plant. Since the Swiss biscuit manufacturer was one the founding members of the "Association for Environmentally Conscious Management" as far back as 1989, the company decided to call in external experts in order to conduct a study. Specialists from Helbling Engineering and Consulting prepared an energy

study and a total energy concept for the Trubschachen site. The documents indicated in great detail the consumption as well as the areas with cost saving potential. They also provided Kambly's Engineering Manager with guidelines with respect to future technological development on the site.

The Management of the fine biscuit manufacturing company opted for a flexible solution on the basis of centralised new boilers in the old boiler room and decentralised (as before) placing of the cooling units. In this scenario, the warehouse would be supplied with external heat from district heating. The agreed measures also included replacing the complete existing heat generating system by two new oil boilers. The process heat generated by the cooling units and as a by-product of the compressed air production is now reutilised with the help of pumps. With this arrangement it is now possible to do away with electrical energy for heating.

The optimisation of the oil boiler system created a savings potential of 25,000 litres per year, or 15 percent, as a result of the more efficient boilers and more economical distribution. Waste heat utilisation using pumps achieved savings of approximately

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# Exchange Student Period in the Netherlands 2006 - 2007

Salla Saarinen & Emilia Valonen

**The desire to go on a foreign exchange was something both of us had clear when we started our studies two years ago. The main reason that we chose the Netherlands as our exchange country was that it offered us the possibility to study Facility Management. The impression given by the Netherlands, as well as our knowledge of the country, also influenced our decision.**

Our experience over the past month has been mostly positive and pleasant. We have encountered some setbacks along the way, but they had been predictable. We haven't really suffered from a great culture shock, because the country isn't really all that much different from Finland. In general, day-to-day living is mainly the same. Study methods and course content are quite similar as well. Communication habits and the Dutch "directness" are, however, something that we have had to adapt to.

Overall, we have been very satisfied with our choice to study abroad, and it is something that we would recommend to everyone.

## WHY STUDY ABROAD?

Studying abroad has been something clear to both us. In terms of our studies in Finland, the timing was ideal. We have been studying Facility Management for two years now, and have already passed the basic course levels.. So now was a good time to go abroad and further develop our studies. Facility Management in the Netherlands is miles ahead of Finland, so we were interested in seeing how this is reflected in the study of the occupation here.

The reason why we chose the Netherlands as our exchange country, apart from the course, was this country's interesting culture and history. We had some information about the Netherlands beforehand, and we knew what we had ahead of us. Two of our friends were exchange students here last year, and they gave us information, telling us how they were also very satisfied with their exchange period in Holland. That's why it was so easy to choose this country, because we knew what to expect.

The main reason why we wanted to go abroad was to improve our English language skills, both in terms of writing and speaking. Besides the studies and the language, we are also looking for new experiences, such as meeting new people and seeing what it was like to live abroad.

## EXPERIENCES

### Country and culture

Before we came to the Netherlands we looked through a lot of information on the country; about its history, habits, customs, etc. We thought that it would be very useful to get know to the Netherlands in advance, meaning that it

would be easier to us begin feel at home. So far our experiences have been largely positive, with lots of things to do and see. The cultural differences between here and Finland have not been that noticeable. However, examples of what we did notice include the country's multicultural environment, the liberal behaviour and the Dutch "directness".

When we arrived in the Netherlands, everything was extremely well-organised for us. We were first given the keys to our apartments, even though we arrived in the middle of the night! The first week was orientation week, when we were acquainted with the city of Haag, the Haagse Hogeschool and, of course, all of our schoolmates. During this week the school arranged lots of activities for exchange students, all of which created a warm welcome for us.

Overall, settling down has been uncomplicated. Nevertheless, there have been some aspects that have stressed us out a bit!. Taking care of business in local offices and other agencies has required a lot of paperwork from us exchange students. For example, opening a bank account or arranging an internet connection has been very difficult and time-consuming for us. We have also exceeded our travelling budget because of high costs. We did realize that there were going to be some costs at the beginning, but we didn't expect them to be so high: school books, for example, were much more expensive we had thought.

### School and studying

We chose Holland as our exchange country because the school seemed to be very qualified. We had an opportunity to study the same course as we are studying in Finland, and secondly, teaching is one hundred per cent in English. Studying in English is quite time consuming, however, and it takes a lot of energy, especially at the beginning. But the effort has already been worth it; our English during this month has improved considerably.

We were surprised to notice that, in the Facility Management class, we were the only exchange students. The rest of our classmates were Dutch, but this has worked to our advantage, because now we have a chance to get know Dutch people as well. The language we use for daily communication is English, even when chatting, and it has been great to

notice that the Dutch students really respect this "rule".

Studying methods here are a little bit different than in Finland. Here the importance is independent study, whereas in Finland the main focus is on contact during lesson time. Here the school days are very short in terms of class hours, but the workload is pretty much the same as in Finland. In the Netherlands the courses are planned in such a way as to allow the teachers to follow the students' learning and development. Pretty much every course includes tests, portfolios, reports etc. so it is really important for the student concentrate on their studies.

## CONCLUSIONS

Studying abroad is yet another passage along the road of life. The exchange so far has been very exciting, and we have learned a lot from it. We have had great experiences, as well plenty of new friends form the Netherlands and all over the world. The exchange period has given us a lot of self-confidence, and it has broadened our general horizons. On a more personal level, the exchange will improve our individual characteristics, and will also give increased value in the future, when it comes to job-hunting. Nowadays cultural knowledge, global views and language skills are the key factors which are required in every career.

Our studies have been very exciting and there has been a lot to do, but every now and then it's hard not to feel homesick. That said, this is a very short period living abroad, and we are certain that back in Finland, after this semester, we will be glad that we went on this exchange and will have absolutely no regrets.

Nowadays it is so easy to study abroad, because schools have many exchange partners all over the world. You can choose the country you like best, and go there to study. This is why you should make the most of these kinds of possibilities. You don't have to arrange much by yourself, because your school will basically do everything for you: studies, an apartment and the chance for a grant. We would highly recommend an exchange period to all, and anyone who is even just a little bit interested in going abroad should take full advantage of it!

## Energy costs cut by about 50 percent

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80,000 litres per year. Furthermore, the heat generated by the air compressors is now also integrated into the system and has generated fuel savings of further 37,000 litres per year. The new remote controlled screw compressors use around 20 percent less electricity.

### A cost-conscious financial approach

"The advantage of this solution was that it enabled a step-by-step approach with regard to the modernisation of our operational facilities", sums up Stefan Suter. In line with this, the Vice President of the Board of Directors, Ursula Kambly, expressed her credo in an interview with the Swiss newspaper Berner Zeitung: "We must build up a long-term competitive strength and follow a cost-conscious financial approach. However, at the same time, we also ensure that we produce in an environmentally friendly manner". Further energy saving campaigns are planned for the future. The reason for the flat roof, for example, is that it insulates better, which leads to a further reduction of the energy costs in winter, states the Engineering Manager.

The implementation of this energy concept took place, to its entirety, with the help of local tradesmen and specialists for sanitary systems. The new systems were installed and commissioned within three months while production was running. This approach brought a transparent energy management to fruition. According to Stefan Suter, the investment amounted to a total of one million Swiss Francs. He also points out that the normally required replacement of units would have also cost 300,000 Francs. The plan is for the additional funds to be amortised within a period of five years, which means that, already from the year 2007, the investment will have a positive impact on the energy costs. "Overall, the investment and the new systems were able to cut the heating oil costs by about half - from 170,256 litres in the year 2001 to 72,201 in the year 2004", concludes Kambly's Engineering Manager.



# IBM, 10 years of successful cross border delegated FM

Françoise Leroy

In terms of property performance, IBM is considered to be a pioneer. It is also considered to be a reference in terms of facility management as, early in the 90s, it founded a cost control policy on the Tour Descartes <sup>(1)</sup>, which was followed by the Mobilité <sup>(2)</sup> project at the beginning of 2000.

Thanks to a contract which was put in place back in 1997, we have been able to gather a great deal of experience with regards to an outsourced FM project, which shows that this type of management can be used as a tool to enable a company to progress, if - and only if - it is accompanied by relevant methods, processes and performance assessment metrics.

## IBM background in 1996

A company's decision to outsource its property support functions does this as a response to the traditional desire to refocus on its core businesses, while at the same time transforming an internal cost centre into a profit centre.

"Faced with this strategy", explained Eric Barnabaux, who is the manager of this project, "we set ourselves some major objectives for the running of this contract. We wanted to build a model which would provide efficient contractual management, guaranteeing our decision-making autonomy. Moreover, while building this model, we paid particular attention to:

- Maintaining the strategic control of the system despite the delegation of the operations
- Ensuring model consistency per geographical region and per sub-process
- Optimising feedback
- Safeguarding the reopening to competition."

The French contract concerned 90 sites in France, Belgium and Luxembourg, in other words

500,000 square meters of offices (tertiary), data centres, laboratories and manufacturing plants.

From a social point of view, this outsourcing led to the transfer of more than 200 people from the ordering party to the Elyo Company, which was the FM service provider chosen after the invitation to tender. In its model, IBM

delegated the steering of operations, the organisation of means and resources and the management of financial means. In such circumstances, the service provider is solely responsible to its client for the results obtained, in particular on the one hand for the conformity of the service rendered from a contractual point of view, and on the other regarding the final users' requirements

## How does it work?

### Avoid drifting toward contracting resources

The remuneration model used for the first contract signed in 1997 was "cost and fees"; Open book accounting was used enabling the client to enjoy full client transparency on contract expenses and on the suppliers' accountancy of the contract. With regard to the financial aspect, Eric Barnabaux stipulated in the contract maximum expense objectives, thus avoiding a drift of costs. "The cost + fees principle adapts well to an initial situation as it allows for the relationship between the client and service provider to be created", explained Eric Barnabaux. "This system, which is both flexible and open-ended, also reduces the financial risk, in particular in the event of changes in the scope of the contract."

Such financial security may exist to the detriment of certain improvements, as the client's main preoccupation might be centred more on resources than results. It is thus indispensable,

explained Eric Barnabaux, to motivate the manager on the quality objectives. "If we work together on quality, we create a mutual interest, whereas if both parties focus solely on financial aspects, the relationship will function in a contradictory manner in the long term." Concerning service control, the service provider puts forward the performance assessment system. "Otherwise", explained Eric Barnabaux, "the approach will not move forward..." As a result, three types of indicators were implemented. They measure the availability of the technical equipment, conformity with the specifications and the quality perceived by the final user.

Why evolve towards the Guaranteed Maximum Price (3)?

The 2nd contract, which was signed in 2002 after the reopening to competition, evolved towards a Guaranteed Maximum Price model (GMP), which implies a specific definition of the scope in terms of quality and volume, of the service levels and of the measurement and assessment system of the results. Cost transparency is respected while at the same time having the possibility of setting a flat rate for certain services.

"In this 2nd contract", explained Eric Barnabaux, "we fixed performance improvement objectives provided that there was no impact on costs, as we only paid the GMP. The conditions of success of this model depended on the fact that the scope, the SLAs, the assessment system and the management system of the fluctuations of the scope were clearly stipulated in the contract."

FM managed at European level

The strength of the IBM case - and which has also been taken into account in the development of the European standard - is also its European dimension. IBM's four major regions in Europe were involved in the FM outsourcing approach:

- Germany and Eastern countries
- Italy and Southern countries
- The United Kingdom and Scandinavia
- France, Luxembourg and Belgium

This covered 3 million square metres, in other words approximately 250

## Box 1: IBM expectations

- Reduce costs substantially
- Increase in flexibility to adapt to changes and technologies
- Back up an aggressive property strategy
- Exploit all of the possible synergies
- Benefit from the skills on the market
- Develop professionalism

## Box 2: Scope of contract

- Maintenance
- Cleaning/waste
- Security/safety
- Reception
- Environment
- Hygiene/ people safety
- Furniture and interior & exterior layout
- Mail
- IT printing/networks 1st level
- Call centre
- Physical inventories
- Measurement of the quality of the service

## Box 3: Who does what?

The ordering party: IBM	The FM service provider
<ul style="list-style-type: none"> <li>• Defines, approves and reinforces internal requirements</li> <li>• Defines the scopes and levels of services</li> <li>• Puts the budgets into place and arbitrates them</li> <li>• Issues orders and decides</li> <li>• Approves the assessment system</li> <li>• Assesses and sanctions the results of the engineering mission</li> <li>• Assesses and sanctions the results of the operations and services delivered (qualitative, financial and profit-sharing scheme)</li> <li>• Defines objectives, approves and controls the progress plans</li> <li>• Controls via audits and compliance tests</li> </ul>	<ul style="list-style-type: none"> <li>• Engineering/ design/ coordination mission</li> <li>• Translation of the client SLA into supplier specifications</li> <li>• Coordination of activities</li> <li>• Process design and management</li> <li>• KPI and performance assessment system</li> <li>• Cost/ performance/ process optimisation</li> <li>• Provides reporting</li> <li>• Defines, implements and controls operational means and resources</li> <li>• Commits on the negotiated result objectives</li> </ul>

## The GMP formula allows for a better optimisation: why? The players are concentrated on their job

The FM overall service provider is focused on

The client is focused on

- operational processes
- organisation and efficiency
- reengineering
- performance improvement

- Its requirements
- The results of the FM service provider
- Contract management

The overall performance is based on:

- The search for the best practices
- The best quality/price ratio

establishments. These regions functioned in accordance with an identical model: scope of activities, methodology and SLA were the same for the 4 IBM regions even though they used different service providers.

continues on page 8

Siemens in the UK is delighted to be involved with Euro FM and to sponsor the student poster competition, giving 30 students the opportunity to be creative and become personally involved with the Euro FM conference.

Corporate responsibility is a major focus for Siemens worldwide. Through our Generation21 educational initiative, we are helping to foster tomorrow's leaders in the fields of business, science and technology.

*Pictured with Wayne Tantrum, general manager of Siemens' facility management business in the UK, are Peggie Rothe and Hanna Berger from Helsinki University of Technology, winners of the poster competition.*



Proud to support FM's next generation

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**Be in the  
NEW  
EUROPEAN  
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**Entries are open for three categories**

- ★ **PARTNERS ACROSS BORDERS**
- ★ **FM STUDENT OF THE YEAR**
- ★ **FM RESEARCHER OF THE YEAR**

These NEW Awards recognise best practice in Facilities Management across Europe in meeting the challenge of different languages, cultures, currencies and regulations in the delivery of FM services, in the research undertaken to understand and improve performance of FM, and the skills of future European FM professionals.

Organised by EuroFM, the network of 75 organisations involved in FM across 15 European countries, and PFM magazine, the Awards will be presented at EFMC 2007 in Zurich on June 26 2007. All details and entry information is available on [www.eurofm.org](http://www.eurofm.org) and [www.pfmmagazine.co.uk](http://www.pfmmagazine.co.uk) or email: [euromawards@imlgroup.co.uk](mailto:euromawards@imlgroup.co.uk)

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# Facilities Management in the residential housing sector

By Kjell Jansson & Masuod Taheri

**Facilities Management connects first with local design, working environment design and service solutions for business. Through identifying all occurring processes, the core business and the supporting functions are made clear. Afterwards, a test can determine if the supporting functions should be run in-house or should be outsourced. All for the purpose of creating added value.**

**Another area that should be studied with "FM-glasses" is the housingresidential sector in relation to care for the handicapped and elderly. An effort is made in our report 'Correct building standards instead of building adjustment'.**

## The principle of remaining in your own home

There is clear political support for the idea that people with congenital or permanent disability due to illness, accident or age should remain in their own home with support from home service/home medical service for as long as possible. Only when the support required becomes too great can it become relevant to move to a special home. The principle of remaining in your own home has developed partly based on the wishes of affected individuals, partly on a wish for normalisation, and partly based on the financial concerns of the state and the municipality. From a major expansion of specialised forms of housing during the 1990's, a phasing-out has begun since 2000. The former freedom for the individual to choose, has now been limited by the rule that as long as home service costs are lower than the costs for specialised housing, the municipality prioritises the principle of remaining in your own home.

## Building adjustment for SEK 800 million.

To remove obstacles in the apartments and make it possible for people with disabilities to remain in their own homes, it is possible to make individual applications for contributions from the municipality for specially adapted homes. The total annual cost for building adjustment contributions is about SEK 800. The amount is distributed between approximately 60,000 applicants (apartments). This entails that the majority of the adjustment measures involve simple measures and small amounts. Approximately 55% of the contributions are for under SEK 5,000, while approximately 2% exceed SEK 100,000.

## Working environment requirements from home assistance personnel.

In addition to the demands that the normalisation principle makes on the individual, the fact that through the development of the principle of remaining in your own home, the individual apartments become to an increasing degree the workplace for the home service/home medical service

personnel. This in turn makes working environment questions for these personnel groups relevant, which is clear from the Swedish Work Environment Authority's instructions for care work in the individual home. If the apartments are not properly adapted, there is a risk of conflicts between the individual and the personnel.

Based on the situation described, questions can be asked about whether it is good policy from a human and financial perspective to change the individual apartments through home adjustment contributions when the need for adjustments arise and are called for through an application? Can it be a financially viable method, for new production (and larger conversions) of apartments, to avoid adjusting them and instead use high basic standards from the beginning, to the advantage of all tenants, regardless of whether or not they have a disability? In that case, which facilities should be included in the apartment design for everybody?

## Improved accessibility costs

For example, in Lund and Västerås the municipality has worked out advice and instructions to improve the accessibility of the housing. These guidelines lift the standard slightly higher than the law requires. In our report, we have taken Västerås as our point of departure in order to calculate additional production costs and apartment rents. The higher demands influence the rent by about SEK 300-400 per month, alternatively up to SEK 1,000, depending on whether the apartment exterior is retained or expanded. Objections can therefore be made to the demanded increased requirement for the building standard in general.

Through a successive decrease of the costs for contributions for building adjustments, these funds can be transferred to contributions that encourage projects that build according to proper building standards. In addition, it can be expected that with all the measures included in the design from the beginning and included in the basis for tender, the costs should be lower than calculated, in accordance with the maxim "re-designing and rebuilding will

never be less expensive than simply 'doing it right in the first place'".

Despite a building fund that encourages consideration for accessibility in new buildings and larger conversions, it still occurs every now and again that the rules are not followed. Even if the rules are followed, relatively new apartments are still relevant for building adjustments. Part of the total costs for building adjustment grants even goes to re-adjustment of apartments when the tenant is moving out, in other words, returning the apartment to its original standard. A new strategy is needed.

## The target group is increasing

The handicap movement has worked for many years for a better adapted housingresidential environment for people with disabilities. The fact that they are a small minority of the population means that they are not sufficiently strong. The suggestions for adjustment measurements have often been regarded as suitable for election promises, but less suitable in practice. By conforming to the principle of people remaining in their own homes, the extent of the interest group is expanded considerably and can no longer be regarded as a marginal group in the housingresidential market. It is almost equivalent to the number of inhabitants in two mid-size towns such as Borås and Västerås.

Through the appendix in PBL and of the instructions drawn up by the Building Society, all obstacles for disabled people and people with impaired vision should be adapted in public buildings and spaces no later than 2010. Through taking corresponding actions in the housingresidential sector in the case of new buildings and conversions, the idea is to successively overcome obstacles in buildings and in the immediate surroundings. The point of departure is initially not to seek a change of the law, but instead to provide advice and instructions connected to stimulation grants for projects that meet the requirements.

## Added value is created

Facilities Management contributes to creating added value. FM within the housingresidential sector, through

## IBM, 10 years of successful cross border delegated FM

continued from page 6

Review after 10 years of collaboration  
In an FM contract that has been so successful, how do you avoid becoming dependent on your service provider?

Eric Barnabaux underlines that: "Even if the relationship with our FM service provider has now existed for nearly

10 years, I do not think that IBM has become dependent on its service provider.

It is up to the ordering party never to 'lose control' of the missions and activities delegated, be it either to ensure a control over the financial and technical performance, to safeguard the ability to negotiate or to be able, if need be, to 'take things in hand again' and even to change the service provider.

In order to achieve this, it is essential to understand that the ordering party remains the owner of the information relating to its property assets (portfolio, description of installations, technical documentation...) and the service activity volumes. The essence of the contractual model thus implies a certain level of transparency (in particular through the performance assessment and reporting system) and management tools that are adapted, relevant and adequate to be efficient. It is the level of documentation sought that allows for all of these elements to be achieved at the same time - a good level of control and where necessary the reopening to competition.

I believe that the businesses outsourced in the FM service are not very complicated. The complexity resides to a greater extent in the number of businesses and processes. The added value of the service provider is their capacity to incorporate all the businesses involved within an efficient and sophisticated organisation.

From a financial point of view, IBM registered quite a significant drop in costs during the 1st contract. Since 2002, the savings are less, but they nevertheless continue as planned contractually, which ensures a certain long-term viability of the financial performance.

With regard to social matters, the regrouping of the personnel transferred to the service provider was conducted most efficiently, offering some of the staff interesting career opportunities. Finally, it must not be forgotten that facility management is a win-win contract: the parties' contradictory interests must be borne in mind while, at the same time, focusing on the mutually beneficial ones! The major stake is to safeguard the balance of the relationship between the partners to such a contract, not only on the long-term but also on a daily basis. It is a balancing exercise which requires precision, flexibility, patience and also perseverance."

# Facility management contract

By Flemming Wulff Hansen

## New contract model can cut property-operating expenses in half.

A new contract model can save companies up to 30-40% on operating expenses for buildings, as shown by figures from Novo Nordisk Service Partner, the first Danish company to introduce so-called facility management contracts. This is a type of contract where tenders are invited for managing building facilities as a package deal, increasing economic benefits for both parties. The key is incentives.

What are the incentives to optimise operations and minimise expenses in traditional building maintenance contracts? There aren't any! The supplier of the plant, who also provides operating instructions, wants the plant to be inspected frequently in order to prevent malfunction, and the service operator wants the same thing, because it increases his turnover. Cutting back on inspections would mean an increased risk of malfunction, as well as less business for the service operator.

A real incentive appears when the service operator's bottom line clearly shows the benefits of optimisation.

The facility management contract is the tool that companies can use when outsourcing property maintenance.

The idea is to regard operation as a function, not a series of activities. You pay for functional lights in ceilings, water in taps and an indoor temperature of 21 degrees centigrade. How these facilities are provided is up to the service operator.

For the past two years, Novo Nordisk Service Partner has had a facility

management contract for a group of office buildings, and it has proved to be satisfactory for all parties. The buildings have operated satisfactorily, the supplier has made a profit, and the customer has saved money. A success story on all accounts.

### Risk is the driving force

The advantage of the facility management contract is that it increases the service operator's economic incentive.

Since the service operator receives a fixed sum, his bottom line is influenced every time he performs a task more optimally. This provides an incentive, for instance, to decrease inspection frequency from annually to once every 1¼ years. A 25% saving right on the bottom line. If inspections become too infrequent, the number of malfunctions will increase, and savings will be offset by service visits and repairs, but all things being equal, there will be no noticeable change caused by slightly reducing inspection frequency.

Naturally, there is also a risk beyond the powers of the service operator - what if the hydraulic pump or a refrigerating compressor breaks down? These are often very expensive repairs, but experience from 250,000 m<sup>2</sup> of office buildings shows that "worst case" scenarios very seldom materialise.

This means that the greater the level of uncertainty estimated by the supplier, the higher the premium required by the service operator to take on the task. For this reason, complicated, old, or rundown buildings will not be as well suited as traditional office buildings in a normal state of maintenance.

## Facilities Management in the residential housing sector

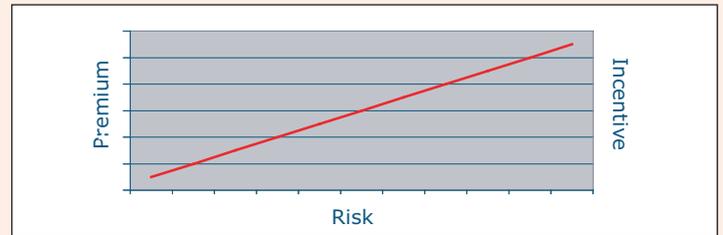
continued from page 7

"Universal Design" is a precondition for society being able to carry out and maintain the principle of people remaining in their own homes with an acceptable level of quality in living conditions, both for the people living there and as a working environment for the home-service and home-care personnel. A successive transition from building adjustment grants to the proper building standards gives a long-term added value

Fact route: "Proper building standards instead of building adjustment grants" is written by

Kjell Jansson and Masuod Taheri, as an examination assignment in Chalmers masters course in Facility Management.

The report was presented at a seminar at Chalmers on the 5th of December 2005. The Bologna-harmonised course was formerly 80 points advanced study course (master) under Chalmers institute for architecture, but will from 2007 be merged with the Chalmers course in Management for the building sector. Kjell Jansson is head of the Local Social Welfare Office in Borås Town and now works with consultancy assignments in the field of arena development etc. Masuod Taheri is building manager at the Real Estate Office for Västerås municipality. The Swedish trade magazine Facilities will be happy to broker contact with the writers of the article through red@facilities.se.



The graph illustrates the fact that incentive - i.e. the desire to manage the task properly - increases with the risk to the supplier, but unfortunately, so does the premium, thus requiring the risk to be balanced. This is done by placing a ceiling on the cost of individual repairs - "worst cases".

### Potential savings of 50%

In spite of the fact that the contract model is not yet well known, we expect great things from it, among other things because it makes it possible to save up to 50% of operating costs.

In order to see how much can actually be saved, operating costs are benchmarked with key figures from the Danish Facilities Management Association, to which public and private property owners report key

figures, and the results show clear tendencies towards savings.

Earlier this year, using the facility management contract as the tool, Novo Nordisk Service Partner was able to obtain an offer for the operation of 12,000 m<sup>2</sup> of office buildings, which was half that of last year's operating expenses. And this was not because expenses were particularly high in the previous year, which was at the same level as DFM key figures.



The graph shows clear indications of potential savings.

### Too many outsource in a piecemeal manner

Novo Nordisk Service Partner's experience is worthwhile for the many companies who increasingly choose to outsource their facilities management functions.

All the figures show that concentrating on core business means savings. Therefore we need a tool like the facility management contract, which simplifies letting others look after facility operations. Currently, far too many simply outsource operations

piecemeal, and often find that they need specific competences in facility management in order to control suppliers.

### The challenge to suppliers.

First of all, the supplier must be able to take probability analyses and risks into consideration when calculating the premium. In the offers we had, the most expensive was six times that of the cheapest, which would assume that all installations broke down and were replaced every year! Calculations must be based on new principles.



Indexed result of latest tender offer

continues on page 9

## Facility management contract

continued from page 8

The "calendar tyranny" of aiming for better results every 12 months does not work well with the fact that expenses are unevenly spaced. Particularly if a main inspection round is placed at 15-month intervals, the annual report will look good one year and show a deficit the other. There will also be profitable and unprofitable contracts, just as insurance companies need not pay damages to all their customers every year.

Next, the supplier must be able to gather experience in order to optimise activities. When should an inspection be put back for three months or inspection frequency increased? These are questions that must be answered empirically and with the aid of analyses. Very few suppliers are currently able to do this, since planning systems often build on computerising frequencies from a building maintenance contract, after which they are followed blindly.

However, the greatest gain in efficiency lies to a great degree in utilising the synergy of regarding the task as one, instead of many minor jobs involving many different workmen. Using a generalist for 80% of the tasks and specialists for specific

undertakings is the key to efficient management, saving on coordination and logistics. Unfortunately there is no Danish training for the "trade" of general workman. You are either an electrician or a bricklayer, and professional pride makes it difficult to get employees to cross professional boundaries in their work. What is needed is training as a kind of workmen's "chief engineer". Suppliers' internal organisation in professional workshops is also a hindrance for this development, and can lead to in-house power struggles over responsibility for the facility management contract.

Finally, the last advantage I will mention is that the contract creates a good working environment, where only the quality of the work needs to be managed, since the economics are fixed. This means that the focus is on the most important aspect - that the building functions properly!

### Further information:

Flemming Wulff Hansen, Manager, Service & Maintenance Management, Novo Nordisk Service Partner, ph. +45 44 43 44 43

### Facts, Facility management contracts

- The facility management contract was created as a cooperative effort between the Danish Maintenance Association and five private companies in 2001.

Facility management contract	Building maintenance contract
The customer pays for a facility: • Heat: +21 degrees in offices • Lighting functional No roof leaks	The customer pays for an activity: • 4 inspections a year • Weekly rounds Repairs at DKK X per hour
Fixed price for preventive maintenance and repairs	Fixed price for preventive maintenance Unit determined bills for repairs
Supplier determines need for preventive activities	Customer determines extent of preventive activities
Stability for the customer	Stability for the supplier
Supplier assumes risk	Customer assumes risk
Continual optimisation benefits supplier	Continual optimisation "harms" supplier
Customer obtains optimisation with tenders	Customer obtains optimisation over time
Focus on quality alone	Focus on economy and quality
Competence lies with supplier	Competence lies with supplier and customer
Customer has right to general documentation	Customer has right to detailed documentation

- The contract focuses on the customer's buying functions at a fixed price instead of a number of maintenance agreements with running bills for repairs, etc.
- The model ensures that optimisation benefits the supplier.
- Competence lies with the supplier, and focus is on quality rather than economy.

### Facts, Novo Nordisk Service Partner

- Since Jan. 1, 1999, Novo Nordisk Service Partner A/S has acted as an independent limited company, owned 100% by Novo Nordisk.
- The company was started as a cost centre in 1995. The goal was to make management of activities outside Novo Nordisk's range of core competencies more efficient. [www.novonordiskservicepartner.dk](http://www.novonordiskservicepartner.dk)

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## Spain focus for European FM in February

The coincidence of the latest round of CEN standardization meetings and the EuroFM Network gathering held in Madrid last month meant that more than 100 people from 12 European countries registered for the latter held at La Salle University on 9-10 February. More than half of the delegates who attended were from the host country, Spain, and the conference programme featured examples from recent Spanish experience in FM.

Spain's enthusiasm for using the PFI model for renewal of public facilities was demonstrated in two projects. In the first, a consortium of five construction companies is building and managing 'Justice City' for the Justice Department at L'Hospitalet de Llobregat, Barcelona. The development comprises 96 buildings including courts, prisons, youth offender units and other related facilities comprising a total of 225,000 sq m and worth €240m. In the other example, the Centro Deportivo Inacua sports facility in Murcia, comprises an Olympic sized pool and other facilities and one of five similar projects across the region. Delegates heard that Spanish PFIs differed from the 'Anglo-Saxon' model because the consortia normally comprised only construction companies and separated construction and service delivery, resulting in reduced time and at the bidding stage.

Spanish examples were also featured in the presentation on different FM delivery models. The construction of new HQ the size of a small town on the outskirts of Madrid demanded a complete rethink on not only the way Telefonica's 14,000 staff worked but how they would be supported by facilities management. Luis San Segunda described how FM consultants assisted the company to change in its processes and move towards the standardisation of service delivery, and providing greater transparency of FM costs and delivery of value to the organisation through a shared service centre. The occupiers now pay for the space they occupy and the services they receive.

In the Microsoft example, Spain is one of three pilots for the overhaul of FM in the organisation's EMEA region - the others being the Netherlands and South Africa. Microsoft's Brian Collins, explained how its FM service delivery is being rationalised to reduce the number of delivery partners to just one per country. The capability of the local FM market to support Microsoft's FM needs had to be assessed in each country. As a result a range of options has emerged all based on 3 year risk-based contracts in which savings are shared. Customer satisfaction has been increased against 'regional' SLAs and operational costs reduced. So far cost reductions of 20% have been achieved in Spain and the Netherlands.

Finally, Wayne Tantrum described

how Siemens FM competes in the open market to manage Siemens' facilities in the UK. While it cannot make a profit from this business, it has, nevertheless, delivered savings of over €9m since it was formed in 1999 from managing 86% of Siemens UK estate - that's 100 sites and 700,000 sq m of buildings.

## European FM Awards - still time to enter

Students, researchers and client and FM provider partnerships have until March 2nd to register their interest in entering one of the three categories in the first European FM Awards. All the details are on [www.eurofm.org](http://www.eurofm.org) in the European FM Awards section. Complete the entry form send it to [eurofmawards@imlgroup.co.uk](mailto:eurofmawards@imlgroup.co.uk) giving your name, contact information and the category you intend to enter. The full entry must be submitted by March 30. The Awards are to be presented at the EFMC gala dinner on June 26th in Zurich.

## Posters - US trip prize

FM students entering the the 2007 student poster competition to be held at EFMC in Zurich could win a trip to IFMA's World Workplace 2007 in New Orleans 24-26 October. So far, 15 posters have been entered by 24 students from 11 institutions and 7 countries and the best will be displayed at EFMC2007. The overall winner will be sponsored by the IFMA Foundation to attend World Workplace 2007 in New Orleans. This event will also host its own student poster competition for the first time and the winner of that will attend EFMC 2008 to be held in Manchester.

For the first time, research students will be invited to present posters on their research at the EFMC in Zurich. About five postgraduates whose

papers were not accepted for presentation at the post graduate workshop in Zurich will be invited to present posters there instead.

## Where to study FM in Europe

The first European directory of educational institutions offering courses of study in facilities management it to be published by EuroFM at EFMC in Zurich in June. Compiled by the Education Network Group and supported by Facilitie, the directory will list all the Bachelors, Masters and Doctorate courses in FM across Europe's colleges and universities that offer facilities and related real estate educational courses. The Directory will include levels of fees, whether courses and lecturers are full time or part time, and what international programmes are on offer.

## PNG gets active

The growing active membership of the Practice Network Group (PNG) has been set challenging programme by its new PNG chair, Helena Ohlsson. Top of the list is PNG's new role in contributing its views and experience into the CEN standardisation process. This will enable the PNG's membership of experienced FM's and consultants from across Europe to engage directly in the process of developing CEN standardisation discussions for the first time. The PNG's contribution is particularly valuable since members can see how CEN will directly affect the way they work. Anyone interested in taking part should contact Helena directly at [helena.ohlsson@jci.com](mailto:helena.ohlsson@jci.com) and follow developments on the EuroFM website.

A breakfast meeting organised by the PNG to update its members on its projects and activities is to be organised at EFMC in Zurich on Wednesday 27th June. It is an ideal opportunity for FM's and consultants new to the PNG's to make contact with other members and become involved in its activities. Full details from [helena.ohlsson@jci.com](mailto:helena.ohlsson@jci.com). The PNG's work on mapping FM

organisations' best practice will be presented at EFMC in Zurich.

The presentation given to the PNG in Madrid by David Martinez on the challenges facing organisations in Spain on reducing carbon emissions and meeting their environmental responsibilities, is to be posted on the EuroFM website for all members to share. Each subsequent PNG meeting will feature a presentation on a 'hot topic' from the local country delivered by a local expert and shared across the network via the website.

Finally, aspects of professional FM training available across Europe will be scrutinized by the PNG to consider whether professionalism can be improved by identifying the best professional training available. Over the next few months the PNG will be heavily involved on the programme advisory group to create lively conference topics for the EFMC 2008 in Manchester.

## Research gathers pace

More detailed progress on the core research objectives of the research network Group (RNG) is expected at next month's post-graduate workshop in Manchester which will take forward the FM in Healthcare and FM Futures research projects further. Progress on research into Community-based FM will be featured in the EFMC conference in Zurich and an annual monograph on research into FM Processes is being prepared by Keith Alexander, recently appointed convener of the CEN workgroup on this subject.

Much of the detailed research activity and output is to be found the RNG section of the EuroFM website. For an update of RNG events and conferences visit [www.eurofm.org](http://www.eurofm.org) or see the EuroFM Diary on this page of EuroFM Insight. For the future, a proposal for EU funding is to be developed for research originating from Finland into workplace management.

## New Spanish masters

The first FM Spanish Masters programme in FM is to be held at La Salle University, hosts of the Madrid EuroFM Network meeting. The course will start with a combined first year of computing, business and facilities management studies from which students will then select their preferred option. The full course of study will be 6,000 hours over 4 years.

## Top FM skills for next five years

English language, customer management, broad FM knowledge and business and change management are among the top skills likely to be needed meet demands of global and flexible organisations over the next five years. These are just some of the findings of a study by Dutch academics into the core FM competencies to meet the demands of businesses in the Netherlands and presented at the Madrid meeting by Mark-Erik Nota (University of Utrecht) and Add Otto and Ruud van Wezel (Hague University).

## EUROFM DIARY 2007

### MANCHESTER 5-9 March

RNG International workshop on FM Regeneration, Innovation and Sustainability, with one day each devoted to FM in Healthcare and FM Futures workshop  
[q.moss@salford.ac.uk](mailto:q.moss@salford.ac.uk)

### COPENHAGEN 20-21 April

Research Network Group workshop on Usability of Workplaces  
[Pje@pyg.dtu.dk](mailto:Pje@pyg.dtu.dk)

### CAPETOWN 12-18 May

CIB World Congress - joint international activity between CIB and EuroFM RNG, and including a workshop on Usability of Workplaces

### ZURICH June 26 and 27

EFMC 2007 EuroFM's annual conference  
Register now for the conference: [www.efmc2007.com](http://www.efmc2007.com)

### ZURICH June 27

PNG breakfast meeting  
[Helena.ohlsson@jci.com](mailto:Helena.ohlsson@jci.com)

### BRUSSELS September 21-23

EuroFM Network meeting

Unless otherwise stated more details on these meeting can be found on [www.eurofm.org](http://www.eurofm.org)

*EuroFM Report is produced for EuroFM by Jane Fenwick, editor of PFM magazine. [pjm@imlgroup.co.uk](mailto:pjm@imlgroup.co.uk)*

# EFMC2007 - Zurich Calling

Every year IFMA and EuroFM join together to build one of the largest and most important international facility management platforms in Europe, the European Facility Management Conference (EFMC). It is the place to show and discuss the latest developments and innovations within the industry. The EFMC2007 will take place in Zurich, Switzerland. And so, Zurich, the Program Advisory Group and the Scientific Committee of this year's EFMC were calling. For papers! And their call got quite a response. The two committees received a high amount of top quality abstracts from FM managers and experts from Europe, North America, Asia and Africa. A tough job to select but a promise for delegates. But for the organizers this was still not enough. They wanted to offer the delegates the possibility of looking beyond FM-topics and so they called Professor Kjell Nordström and former Prime Minister Lothar Späth. Nordström is the enfant terrible of the new world of business. His performances are high touch, dynamic, highly interactive, though provoking and always in line with time. He is ranked as number 9 among management thinkers of the world and number 1 in Europe. Lothar

Späth is one of the best-known personalities in the world of politics and business. His political career included his role as the Deputy Party Chairman of the German Christian-Democrats from 1981 to 1989 and became a member of the party's presiding committee in 1990 as well as Honorary Chairman in Baden-Württemberg. In 1991, Lothar Späth left politics and became Chairman of Jenoptik GmbH (including M+W Zander) where he has completed one of the largest business re-structuring, following the privatization of the company in East Germany. His unique combination of political and business achievements and his commitment to the New Europe make him an internationally sought after speaker. Kjell Nordström and Lothar Späth followed the call and will appear at the EFMC 2007. "I am very excited about the program and the speakers," says Karin Schnyder, Project Manager for EUROFORUM, the conference management company "the papers are great and we are just about to engage another key note Speaker. So watch out!" We will! If you would like to join this unique event or get more information visit [www.efmc2007.com](http://www.efmc2007.com).



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