Abstract: The study gives a general overview on the tendencies of the facility management. The following part describes some possibilities for the integration of an FM system to the company-structure by its controlling sub-system on the domestic market.

Keywords: facility management, FM controlling, FM indicators, controlling principles

1 Introduction

The facilities management profession has changed substantially over the years. As with any successful profession, its vitality has come from dedicated practitioners who have succeeded in gaining positive public support and recognition for the value of professionally managed facilities. All sectors of the economy have benefited from the work of many dedicated and service-minded facilities managers (FMs).

The demands placed on FMs have increased. These new demands are the result of two relentless drivers: (1) increasing complexity and (2) rapid change. The evidence of this manifests itself daily and adds to the challenges that are faced by every FM. Complexity and change will continue to dominate the agenda and propel the profession well into the twenty-first century.

The fact that life has become more complex for the FM is, in itself, no great revelation. The content of this study will help us understand in substantial detail what is at the root of this complexity, and it will fuel the incentive to continuously learn and master the change.

Although the importance of facilities has been acknowledged throughout history, the facilities management profession has not enjoyed the same level of recognition. The FMs, in the early years of modern America and other parts of the world, were clearly working behind the scenes. Throughout history, however, the facilities professional has consistently focused on the management of an asset’s life cycle.
The past century has seen the dawn of several revolutions. The industrial and business revolutions have given way to the information and knowledge revolutions. Shifts in the availability of information and increased processing power virtually eliminate information float. Today, information reaches customers quickly, enabling them to become increasingly informed about available alternatives. This means that customers are likely to be less loyal, but more sophisticated and more demanding than in the past. Meanwhile, competitors are delivering innovative products to the marketplace with greatly reduced lead times. Perhaps most important, products and technologies are changing rapidly, making it absolutely necessary for organizations to shorten their response time to new opportunities.

Moreover, competition is not just from within but also from outside traditional business categories, and it often results from innovative redefinitions of such categories. Globalization is occurring in all organizations—manufacturing, service, and hybrid; governmental and nonprofit—with profound consequences for how and where organizations must operate.

Wider issues are also having direct effect on organizations. The earth’s ecosystem is being threatened, many resources are being depleted faster than they are being replaced, and the degradation of the quality of the environment is now a matter of public concern. As a result, the regulatory environment is shifting and standards are rising for the energy performance of buildings, for the environmental standards for its occupants, and for ecologically responsible ways of handling waste materials. New concepts and technologies are emerging that may from the basis for future standards and will influence what organizations purchase, as well as what they produce.

Agility is the characteristic of organizations that can respond successfully to today’s market, economic, and environmental pressures for change. For facilities managers, fostering agility requires a high degree of adaptability to provide and manage facilities that can meet the rapidly evolving needs of the organization.

Organizations are responding to these challenges in a variety of ways, including downsizing, outsourcing, and just-in-time procedures. Thus, the collection of activities that constitutes an organization is distributed geographically, and so, too, is the workforce. At the same time, the formation of high-performance, cross-functional teams is increasing throughout the business sector. Cross-functional teams usually consist of people from several locations who depend heavily on communications and information technology, as well as on travel, for needed face-to-face communication. And these teams may operate at all times of the day and night, depending on where the team members are. They may operate simultaneously or asynchronously as information from one group is passed along to another in a different time zone.

Changes of this scope affect the organization’s vision, mission, and core values, its management structure and organizational models, its work systems and
processes, its performance expectations, and its behavior at individual and group levels. For example, because of the need to draw on talents across the workforce to meet competitive challenges, reward and recognition systems must place increased emphasis on empowering employees throughout the organization and on sharing the risk of failure and the rewards of success. Thinner profit margins, however, are reducing the flexibility of action and leaving much less room for mistakes. After this general introduction we shall study the possibilities of the integration of an FM system to the company-structure by its controlling sub-system in Hungary.

2 Controlling in the FM

In spite of that the FM has a significant influence on the operation of an organization, it has not come into the focus till the latest times in Hungary, so it was not possible to elaborate the methods and the professional regulation of the controlling in the FM. The main reasons of this are the followings:
- the majority of the companies fights for the survival
- the multinational companies brought their FM Systems to us but till now there was not enough time for the general utilization of this knowledge
- it is not clear till now what is the task of the FM
- there is no professional regulation on the domestic market and there is no application of exterior regulations
- the FM itself has a low prestige in Hungary

The main areas of the controlling in the FM are as follows:
- controlling of
  - space management
  - services
  - and technical controlling

The controller (generally as a subordinate of the facility manager) has the following main tasks:
- analysis of the central budget and operative controlling of interior services
- strategic co-ordination of FM planning and investment as well as cost-place planning
- elaboration of reports regarding to all of the objects and cost-places (buildings, organizational units etc.)
elaboration of interior regulations and standards
- creation of exterior and interior benchmarking (indicators and indexes), measurement and analysis of the relevant processes, reporting
- elaboration and introduction of proposals for the organizational optimizations

In the next part we will examine how it is possible to apply the principles of controlling in the FM and what is the domestic situation.

3 The Controlling Principles in the FM

Principle No. 1: „direction on the basis of numerical and measurable performances.”

This is the most important principle, but what can we measure in the FM?

The real cost-inducer is the used area itself (generally the place of the building) and the needed services are connecting to that. The level of the services is changing, depending on the workplaces and on the types of the territories. The defined level of these services must be the basis of the measured performances taking into consideration the relevant costs, of course.

But the domestic practice is totally different, the organizations operate informally. There are some accepted customs, but without having a written form, it is not possible to control the activities. It is very important to emphasize that the base of the FM and its controlling is the interior service-regulation and the FM itself is a special controlling task.

In the FM the cost based measurement does not work properly, it is necessary to connect to this the measurement of the service-levels.

Principle No. 2: „personified responsibility, the unity of the responsibility and the competency”

The shortage of the interior regulation makes it very hard to connect the responsibility to persons and to spheres of activities, consequently, the competencies remain uncertain. In the FM the personal responsibility and written, interior service-regulation must be in a very close connection and it is the responsibility of the facility manager (and partly the controller) that the services and regulation would be in full compliance.

Principle No. 3: „plan-agreements clear and accepted mutual goal setting”

The organization should understand that the regulation of the FM has a self-restrictive character. The introduction of this kind of standardizations always must be started with the elaboration and acceptance of space-standardization. The main
reason of this is that the man has a „territory-possession” character from his birth and the space-standardization wants to restrict this instinct.

In the FM the plan means the space-utilization plan. The planning of costs plan. The planning of costs can be calculated from the expectable costs of the use of space and the relevant services.

Principle No. 4: „reactions to the deviations from the plan”

The business environment changes fluently, with a great acceleration and this forces the companies to make frequent modifications. The changes of the main activity are manifested in the services of FM. This does not mean change in the service-level but in the composition of the services. The cause of this would be the decrease or the increase of the personnel or the changes of the composition of that, and the frequent removals also belong to this category.

According to the above the annual space utilization plans could change during the whole year. How can we make a forecast of these changes? Some cases it is very hard, but fortunately it happens very rarely. The majority of these changes can be easily forecasted with an appropriate organizational and regulational background.

In spite of the possible best regulation the things are not happening on such a way as everybody would wait it. For this reason it is necessary to control that, whether the regulation is in full compliance with the space-standards once a year, generally before the planning period. This is the facility audit.

Making effective actions in the direction of the operation based on the earlier principles, will make it easier for us to realise the

Principle No. 5: „the measure taking and forecasting obligation of the competent persons” and the

Principle No. 6: „the goal oriented management-promotion based on the coordination of sub-regions.”

In addition to the mentioned principles it necessary to examine some auxiliary principles as follows:

- „customer and market orientation”
- „process aspect”
- „strategic way of thinking”
- „the fixed goals the performances which are necessary to reach them and the succes-level are well known, transparent and simple enough in the whole organization.
- Performance planning and evalutaion according to the financial and non-financial aspects”
 globally accepted system, so to show some examples we use a standard classification from abroad.

**Gross area:** is the total area of all of the levels in the interior part of the building. It must be measured from the exterior surface of the exterior walls and it must be neglected the exterior borders, pillars and columns.

**Rentable space:** the gross area must be reduced with the exterior walls and the interior parking places.

**Usable space:** it is an area which can be assigned for the groups of the users. The inner walls, the secondary circulation ways and columns are included, but the exterior walls, the main circulation ways, the core of the building (elevators, stairs etc.) and the auxiliary areas are excluded.

**Full Time Equivalent (FTE):**
It is a very important indicator to know that how many users are belonging to a certain space. The necessity of area is proportional with the number of the users and this is measured by the number of the coincident users. The full time user is working 40 hours in the building for a week.

The most important space-management indicators:

Specific gross area = gross area / FTE

Specific rentable area = rentable area / FTE

Building efficiency = usable space / rentable space x 100 [%]

Further possible indicators:
- usable space for one person
- usable office space for one person
- average rate of emptiness
- average exploitation of workplaces
- customer satisfaction
- cost / rentable space
- cost / usable space
- cost / FTE

References