

Facilities Industry Study

In 2004, six leading facility management organizations and publications partnered to conduct the largest and most comprehensive industry-wide survey. The organizations that collaborated on the study are as follows: the International Facility Management Association, FMLink, the Association for Facilities Engineering (AFE), The Association of Higher Education Facilities Officers (APPA), The Building Owners & Managers Association (BOMA), and Building Operating Management magazine.

Objectives

The objectives for this study were as follows:

- Capture industry demographics
- Gain a better understanding of facility organizations managed by the respondents
- Identify current and future issues relevant to the industry
- Determine to what degree responsibilities have changed over time
- Identify work challenges and ways to improve work

Summary

Those who manage facilities handle a number of responsibilities, including contract administration (72%), construction management (71%), energy management (68%) and move management (63%). In the last year, 18% were asked to take on disaster planning and manage additional facilities. Although facility professionals' responsibilities may have expanded in recent years, their budgets have not. The top challenge, as identified by 43% of the survey participants, is managing a facilities department with insufficient funding. The second most pressing challenge, mentioned by a third of the respondents (32%) is deferred funding and the associated maintenance project backlog. The other resources they lack is staff (24%) and time to complete their work (28%.) When asked what would they most like to change about their work, 22% mentioned adding better qualified and experienced staff, while 17% wished senior management understood the complexities of their work. A smaller percentage, 11%, would like others within their organization to recognize their contribution.

Looking ten years into the future, the survey participants predicted outsourcing, increased globalization, company mergers and changing worker demographics would create the biggest impact in how they operate their facilities.

The survey also asked the respondents to share information regarding themselves and their facilities. Here are some of the key findings:

- 79% are male and 21% are female
- 69% are employed internally within an organization, 13% work for an outsource provider, and another 5% work as consultants
- 7% have a vice president title, 25% are at a director level and 45% are at a manager level

- 60% oversee more than 500,000 square feet of space
- 46% manage a budget exceeding \$5,000,000
- 72% focus on operations and maintenance, 55% facility planning, 51% architectural/engineering/construction, 47% space management and planning, 41% administrative services, 39% environmental health and safety and 27% real estate

Methodology

Between March 31 and April 6, 2004 six facility management organizations sent out invitations to 87,499 e-mail addresses to participate in an industry study. The e-mail addresses were provided by IFMA, AFE, APPA, BOMA, FMLink and Building Operating Management magazine. The invitation included a link to a survey housed on FMLink’s web site. The survey took about 12 minutes to complete. By April 30, a total of 4,017 people responded to the survey. Of that number, 3,140 completed the survey.

With a sample of 3,140, the margin of error at the 99% confidence interval for these findings is one percentage point. This means that for a given statistic, the chances are 99 in 100 that a survey result does not vary, plus or minus, by more than 1% from the results that would have been obtained if survey had been conducted with all persons in the universe represented by this sample.

Here is a breakdown of the sample supplied:

Organization	Number of e-mail addresses provided
AFE	3,900
APPA	1,497
BOMA	9,121
FMLink	16,500
IFMA	11,002
Building Operating Management	45,479
Total	87,499

As you review the results, you will notice a “n=” next to each question. The “n” is the number of cases supplying the data being presented. The sample size varies for each question. There were skip patterns and branches incorporated into the survey, which excluded certain groups from responding to a particular question, thus affecting the sample size.

FACILITIES INDUSTRY SURVEY RESULTS

1. Your gender: (n = 3118)

79%	Male
21%	Female

2. Where do you work? (n = 3139)

92%	North America
3%	Europe
2%	Asia
1%	Africa
1%	Australia
0%	South America

3. Which is the highest educational level you have achieved? (n = 3139)

18%	High school degree
17%	Associate degree
42%	Bachelor's degree
22%	Master's degree
1%	Doctorate degree

4. Which professional designations or certifications do you hold? (n = 2882)

13%	CFM
8%	Real estate license
8%	RPA
6%	FMA
4%	CPE
2%	AIA
2%	CEM
2%	CPM
2%	CPMM
2%	SMA
1%	CFMJ
1%	SMT
0%	CCIM
0%	LC
47%	None of the above
23%	Other (P.Eng., architect license, BIFM, CET, CEOE, CIAQP, CHFM, general contractor, IIDA, Licensed and Master Electrician, NCIDQ, stationary engineer)

5. How many years have you worked in facilities? 17 years - average (n = 3122)

6. Are you currently employed: (n = 3139)

69%	In a facilities group that supports a large organization/institution
13%	In a service organization that provides facility services to another organization/institution (e.g. an outsource provider)
5%	As a consultant
3%	As a supplier who sells products or other services to facilities
1%	As an educator
1%	Not currently employed
8%	Other (developer, property manager, owner)

7. Which of the following best describes your title: (n = 2827)

- 45% Manager
- 25% Director
- 8% Supervisor
- 7% Vice President/Executive
- 5% Engineer
- 4% Coordinator
- 2% Specialist
- 1% Technician
- 0% Account representative
- 0% Administrative assistant
- 6% Other (administrator, architect, CEO, superintendent)

8. To what level does your position report? (n = 2813)

- 29% Director
- 25% VP
- 19% CEO/COO/CFO
- 18% Manager
- 10% Other (board of directors, dean, superintendent)

9. Which of the following describes the primary function of your current job (check as many as apply)? (n = 2826)

- 72% Operations and maintenance/energy management
- 55% Facility planning
- 51% Architectural and engineering services/construction and project management
- 47% Space management and planning
- 41% Administrative services
- 39% Environmental health and safety
- 27% Real estate
- 12% Other (all of the above, contract management, financial analysis, process improvement, purchasing, security, property management, telecommunications)

10. The following is a list of responsibilities you may handle. In the first column, place a check next to those you currently handle. Of those you checked, place an additional check in the second column if you added this responsibility in the past year. (n = 2795)

Responsibilities	Current	Added in the past year
Contract administration	72%	6%
Construction management	71%	8%
Energy management	68%	8%
Moves/relocations	63%	6%
Disaster planning/recovery	61%	18%
Space planning	61%	5%
Manage additional facilities	56%	18%
Strategic planning	56%	11%
Security	54%	9%
Furniture management	51%	6%
CAFM (computer-aided facilities management)	39%	16%
Lease management	38%	10%
Records retention and document management	33%	12%
Mailroom/reprographics	25%	8%
Food service	22%	10%

Fleet management	21%	9%
IT/Telecom	16%	13%

11. How many employees are in your department that report directly or indirectly to you? (n = 2817)

10%	None
25%	1 - 5
20%	6 - 12
14%	13 – 24
14%	25- 49
9%	50 – 99
8%	100 or more

12. How many buildings does your department support? (n = 2813)

10%	1
15%	2-3
10%	4-5
14%	6-10
26%	11 – 50
25%	51 or more

13. Please indicate the amount of space managed by your facilities department: (n = 2805)

9%	Less than 100,000 SF
15%	100,000 – 250,000 SF
16%	250,001 – 500,000 SF
9%	500,001 – 750,000 SF
10%	750,001 – 1,000,000 SF
18%	1,000,001- 2,500,000 SF
22%	More than 2,500,000 SF

14. What is your total facilities budget? (n = 2730)

9%	Less than \$500,000
11%	\$500,000 - \$1,000,000
13%	\$1,000,001 - \$2,000,000
22%	\$2,000,001 - \$5,000,000
16%	\$5,000,001 - \$10,000,000
30%	More than \$10,000,000

15. Compared to last year, what percentage has your facilities budget changed? (n = 2751)

6%	Increased more than 10%
37%	Increased from 1 - 10%
26%	Remained the same
26%	Decreased from 1 - 10%
6%	Decreased more than 10%

16./17. What are the three major challenges that you face in facilities today? Three to five years ago? (n = 2810/n = 2743)

Challenges	Today	3 to 5 years ago
Balancing the facilities budget	43%	36%
Deferred funding/maintenance backlog	32%	29%
Meeting customer/tenant expectations	30%	26%
Lack of time to complete work	28%	21%
Understaffed	24%	21%
Upper management's lack of understanding the role of FM	22%	24%
Environmental requirements	14%	14%
Integrating changing technology	14%	18%
The need to be multi-disciplined	13%	12%
Power struggle among departments	12%	14%
Regulatory issues	8%	7%
Soft real estate market	8%	3%
Changing demographics of workforce	7%	8%
Concern regarding merger/acquisitions	7%	14%
Lack of training	7%	13%
Accommodating a mobile workforce	5%	5%
Managing multiple supplier relationships	5%	5%
Shortage of trades	4%	5%
Other (see below)	6%	5%

Challenges today - other

- Lack of space for growth/keeping up with expansion projects
- Supporting outsourcing initiatives
- Downsizing
- Security concerns
- Working with unions
- Volatile utility costs
- Lack of understanding the big picture
- Little or no strategic direction

Challenges three to five years ago - other

- Accommodating growth
- Downsizing
- Y2K issues
- Personnel issues
- Resistance to change

18. What are the topics of high priority on your agenda today? (n = 2804)

- 56% Aging buildings and/or building equipment
- 41% Acquiring and maintaining quality staff
- 36% Diminishing budget
- 34% Energy management
- 32% Growth/expansion
- 27% Keeping up with technology
- 25% Contingency planning/disaster recovery
- 21% Restructuring
- 18% Downsizing
- 18% Environmental concerns
- 9% Replacement by outsourcing firm
- 4% Other (increasing expectations of clients, leasing/finding tenants, security)

19. What would you most like to change about your facilities work: (n = 2791)

- 22% Add more staff
- 17% Better understanding of my work and abilities by senior management
- 11% Recognition of my contribution
- 11% No changes needed
- 9% Better defined responsibilities
- 9% Closer ties to other functional areas
- 9% More input in decisions
- 6% More involvement in budget setting
- 6% Other (compensation increases for self and staff, more training for self and staff, better strategic direction)

20. What do you envision to be the issues of tomorrow that will impact facilities, i.e. ten years on the horizon? (n = 3010)

- 43% Outsourcing
- 38% Changing demographics of workforce
- 30% Increased globalization
- 30% Mergers/acquisitions and their effect on facilities
- 25% Labor shortages
- 23% Resource scarcity
- 22% Telework and its impact on facilities
- 21% Shared services
- 20% Existence of facility management as a profession
- 6% Other (security, sustainability, technology, effects of deferred maintenance)

21. What skill sets or knowledge should a facilities professional possess in order to be successful in work today? (Please select up to two responses.) (n = 3061)

- 40% Customer service
- 31% Operations and maintenance
- 29% Communications
- 21% Project management
- 19% General management
- 17% Financial
- 15% Strategic planning
- 7% Energy management
- 7% Negotiation strategies
- 7% Technology
- 2% Real estate
- 2% Other (all of the above)
- 1% Security

22. How do you stay updated with facility matters? (n = 3120)

- 77% Read industry publications
- 60% Attend seminars/workshops
- 49% Attend conferences
- 42% Follow industry web sites
- 41% Attend local association meetings
- 14% E-learning courses
- 14% Complete self-study course
- 6% Listen to audio sessions
- 2% Nothing
- 5% Other (continuing education classes, networking, learn through vendors)