

Title: Main Contractors as FM Services Suppliers

Sub-Title: An investigation into the feasibility of main contracting firms diversifying into facilities management service provision.

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Purpose: This study was undertaken in order to investigate if it is feasible for a well established main contracting construction firm to use its in-house skills and experience to successfully deliver a facilities management service to new and existing clients. It was envisaged that there could be shared competencies between both disciplines.

Methodology: The literature review identified a number of issues which were used as the basis for further research. The topics on which the primary research is based include; markets for facilities management service providers, client expectations, contractual issues, facilities management risks and opportunities and performance measurement and innovation in facilities management. The research methodology involved qualitative research which consisted of a series of semi-structured interviews with a number of senior industry figures from both the customer and supply sides of the facilities management industry.

Findings: The research identified a rise in the profile of the FM role within organisations in Ireland over the past twenty years and that a diverse facilities management services demand exists across a range of public and private sector organisations. The value of the Irish FM market has been estimated at €3bn. The research recorded an increase in the level of outsourcing of facilities management services over the last number of years. The research determined that demonstrating value for money is currently the most critical client requirement. This requirement precedes the following attributes identified by facilities management services customers; reliability/response times, provision of competent staff, understanding of the customer and communications. The research highlighted the growing importance placed on compliance with legislation, particularly health and safety legislation. The research identified a range of shared skills between main contracting and FM service supply. Recommendations included emphasising the breadth of experience that construction contractors possess in terms of project and risk management, procurement, sub-contractor management, operation of complex building systems and ensuring Health and Safety compliance. Additional recommendations included utilising existing regional offices in order to develop local facilities management services structures to meet client demand and providing facilities management services to existing clients for the first year of operation in order to allow the client to concentrate on managing their core business.

Keywords: Facilities Management, Semi-structured interview, Outsourcing, FM market