

STRATEGIES IN FM



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JOHN MCCARTHY, THE ACTION AGENDA, AND DEFINING FACILITIES MANAGEMENT

The development of the Action Agenda, a joint federal government and FM industry initiative, is arguably the most important project in the Australian Facility Management industry's recent history. *FM* spoke to John McCarthy, chair of the Strategic Industry Leaders Group, about the implementation phase of the Action Agenda and the challenges it will address.

FM magazine: John, the recent launch of the FM industry Action Agenda by Warren Entsch, Parliamentary Secretary to the Minister for Industry, Tourism and Resources at the Sydney Opera House in April this year was certainly a milestone in furthering the objectives of the FM industry. What has transpired since then?

JM: The Implementation Board has now been appointed by the Minister of Industry, Tourism and Resources, Ian McFarlane, the letters of appointment have been issued, and the Board met for the first time on Thursday 18 August. It is proposed, that the Board meet every 10-12 weeks to monitor the progress of the various implementation groups within the Action Agenda itself.

The Board has put in train working groups to develop the individual implementation of the various strategies that were announced in the Action Agenda.

FM magazine: Out of the platforms identified in the Action Agenda, are there any you think are most urgent, or deserving of priority?

JM: I don't think you can really prioritise any of the four platforms of Innovation, Education and Training, Regulation Reform, and Sustainability, since they complement one another, and there is no single topic that sits above anything else. It is the success of implementing the four platforms that will in fact complement the fifth and final platform, which is Recognition. I don't think I can stress enough that this is a very special, if not defining, moment for the FM industry.

The opportunity that has been afforded it, through the government's support of the Action Agenda, is an extraordinary opportunity for the recognition that the facility management industry actually exists. I think it is fair to say that there has been confusion as to exactly what the facilities management industry is,

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and in that regard the Access Economics Report, which produced a figure in relation to GDP, was a major step forward.

I think in terms of what is more important individually, there is no single priority. What is of vital importance, is that we properly implement each of the platforms over the next three years and beyond. This should be a living Agenda – this should not be finite in my view, because if you make it finite, you believe that you have done everything, and this will never be the case. But within the three years that we have been given by the government, we must ensure that each of these topics has been driven and produced recognisable and tangible results.

FM magazine: What do you see as some of the drivers affecting the facility management and property industries in the present and near future?

JM: I think that if you looked at something like education, there is no question that society, industry and academia all demand a much more rigorous approach to education.

I thought it was marvellous news that Sydney University next year is going to have, as part of its Master of Business, a stream of Master of Facilities Management. I think that it will be those sorts of initiatives that will eventually give an instant recognition to the professionalism of a facilities manager. One of the great things to come out of the Action Agenda was the need to arrive at a definition of what a facilities manager is. I have never heard it better described, (and I am willing to listen to anyone who has a better one), and that is, someone that is working at managing the built environment.

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FM magazine: It tends to be a macro view of what facilities management is all about.

JM: That's right. And everyone has this vision of 'perhaps he is the person with the bag of tools and open neck shirt, if not overalls, who is wandering round fixing things'. Of course he is not. In lots of

instances the facilities manager is operating off a very sophisticated skill base. If you are running a toll road, by definition that is the built Environment, and it is a very sophisticated asset that you are dealing with, as is an office building. It also needs to be recognised that you are dealing with people's welfare, constantly.

FM magazine: John, can you see the distinctions between the roles of facilities management, asset management and property management becoming more blurred. Do you see some overlap in the duties that these positions entail?

JM: I don't think there is a line between facilities management and property management. I think they are one and the same. In terms of asset management, if you define asset management in terms of control of the portfolio, (that is, portfolio management as opposed to single asset management), then there is a line, and I think there is an opportunity for the facilities manager who is managing a built environment asset to get closer to understanding the dynamics of the business case of that particular asset. So there is a line, but can it be blurred further, yes.

FM magazine: Part of the education strategy, from what I gather, is to get a basic grounding in property management issues and asset management issues, and then to continue on to an understanding of business issues.

JM: That's right. It is the perfect complement. If you gain a grounding in the practical side, and understand what will be expected of you in terms of managing that particular asset, and obtain a skill base, and understand how business works as well, you then understand why the dynamics of this job is so terribly important. It is important because it actually produces a return to the providers of capital. Automatically that particular facility management position is greatly enhanced. His worth is so recognisable, that he can actually influence the income yield on whether he is doing a good job or a bad job.

I also believe that all people involved in facilities management will need to be on the cutting edge of sustainability, and understand the issues for the environment, because at many times, they are at the absolute coal-face. They can make the difference.