

## **FACILITIES MANAGEMENT**

### **Case Study**

## **FACILITIES MANAGEMENT ACTION AGENDA :** **THE AUSTRALIAN GOVERNMENT AND INDUSTRY WORKING** **TOGETHER FOR IMPROVEMENT**

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<sup>1</sup> Initial advocacy in October 2003, and ongoing support and secretariat to the present

<sup>2</sup> Strategic Phase Leadership: January 2004 to March 2005

<sup>3</sup> Implementation Phase Leadership: April 2005 to present

<sup>4</sup> Exemplar Project Team: April 2005 to present

## ABSTRACT

This paper provides an overview of the Australian Government's Facilities Management (FM) Action Agenda as announced in 2004 as a key policy plank designed to facilitate growth of the FM industry. The resulting consultation with industry leaders has seen the criterion and release in April 2005 of the FM Action Agenda's strategic plan entitled '**Managing the Built Environment**'. This framework, representing a collaboration between the Australian Government, public and private sector stakeholders and Facility Management Association of Australia (FMA Australia) and other allied bodies, sets out to achieve the vision of a more "...productive and sustainable built environment..." through improved innovation, education and standards.

The 36 month implementation phase is now underway and will take a multi-pronged approach to enhancing the recognition of the FM industry and removing impediments to its growth with a 20 point action plan across the following platforms:

- *Innovation* – Improved appreciation of facility life cycles, and greater understanding of the key drivers of workplace productivity, and the improved application of information technology.
- *Education and Training* – Improved access to dedicated FM education and training opportunities and creation clear career pathways into the profession.
- *Regulatory Reform* – Explore opportunities to harmonise cross jurisdictional regulatory compliance requirements that have an efficiency impact on FM.
- *Sustainability* – Improved utilization of existing knowledge and the development of tools and opportunities to improve the environmental performance of facilities.

Additional information is available at [www.fma.com.au](http://www.fma.com.au)

**Keywords:** facilities management, recognition, innovation, education and training, regulatory reform, sustainability, built environment

## 1.0 INTRODUCTION

Facilities Management (FM) is “a *business practice that optimises people, process, assets and the work environment to support delivery of the organisation’s business objectives*” (Glossary of Facility Management Terms, 1998).

According to Access Economics’ 2004 statistical profile of the industry, FM is a significant contributor to the Australian economy. The combined direct and indirect contribution of the FM industry in 2002-03 was A\$12.2 billion of value added, A\$12.4 billion in GDP terms, and (full time equivalent) employment of 172,000 persons. The combined contributions represented 1.8%, 1.65% and 2.1% share of the corresponding Australian GDP and employment totals.

In 2004 the Australian Government announced their support of the FM Action Agenda as a key policy plank designed to facilitate growth of the FM industry. The resulting consultation with industry leaders saw the release in April 2005 of the FM Action Agenda’s strategic plan entitled ‘***Managing the Built Environment***’.

The resulting reform framework; representing a collaboration between the Australian Government, public and private sector stakeholders, FMA Australia and allied bodies; sets out to achieve the vision of a more “...*productive and sustainable built environment...*” through improved innovation, education and standards.

This paper provides an overview of the process thus far, its strategic directions and the current implementation phase.

## 2.0 ABOUT ACTION AGENDAS

Action Agendas are a key policy plank of the Australian Government under the Department of Industry, Tourism and Resources (DITR). Action Agendas represent an opportunity for collaboration between Industry and Government, with both working together to identify impediments to growth, harness sustainable competitive advantage and to facilitate growth of specific sectors.

Action Agendas also provide industry direction for a whole-of-government approach on key issues such as innovation, investment, market access, regional development, education and training, environmentally sustainable development, workplace relations and regulatory reforms.

In October 2003 the Facility Management Association of Australia (FMA Australia) successfully made application to the DITR. On 19<sup>th</sup> January 2004 the federal Industry Minister, Hon. Ian Macfarlane MP announced the development of a Facilities Management (FM) Action Agenda.

There are currently 36 Action Agendas at various stages (4 under development, 15 being implemented through the adoption of recommendations, and 17 completed, as at December 2005). The industries covered by these Action Agendas accounted for about a third of Australia’s gross domestic product (GDP) and employment, about 46 per cent of Australia’s export earnings, and contributed more than 75 per cent of Australia’s business investment in research and development (R&D).

Action Agendas provide a flexible model for industry to consider in developing sectoral priorities, and planning for the future in partnership with government.

### **3.0 STRATEGY FOR CHANGE**

*“It seems appropriate that in the Year of the Built Environment, we will create the opportunity for this growing industry ..... it is industry commitment combined with the support of the Australian Government that Action Agendas require to be a success. This sector is positively positioning itself to deliver improved productivity on a whole range of work fronts.”*

Hon. Ian Macfarlane MP, Minister for the Department of Industry, Tourism and Resources (January, 2004)

#### **3.1 Providing Leadership**

Announced on the 19<sup>th</sup> January 2004, the FM Action Agenda saw FMA Australia work with DITR representatives to form a Strategic Industry Leaders Group (SILG) for the strategic phase. Nominations from a broad spectrum of industry participants were received and during February - March 2004 ministerial appointments were made of individuals drawn from the following organisations, representing a mix of private and public sector facility users, FM service providers and consultants.

- AEH Property
- ANZ Banking Group
- Coles Myer
- Connell Mott MacDonald
- Department of Industry, Tourism and Resources
- Hames Sharley
- CSIRO Corporate Property
- Investa Property Group
- Multiplex Facilities Management
- Rider Hunt
- Resolve FM
- Spotless Group
- Stockland Corporation
- Telstra Corporation
- Tungsten Group

The SILG comprised 15 industry leaders appointed by the Hon Ian Macfarlane MP, Minister for Industry, Tourism and Resources, and chaired by John McCarthy.

#### **3.2 Formulating our Agenda**

The SILG met several times to develop the focus areas, it was recognised from early on that a lack of an agreed definition of FM and recognition of its significant contribution was a core issue. Without identity and recognition any group of partitioners will struggle to attract quality candidates, access resources, achieve professionalism, develop standardisation and ultimately sustainability.

Practical objectives identified by the SILG included;

- Recognition by all levels of Government and corporate sectors of the value of FM in terms of environmental performance, economic contribution, immigration, innovation and research, education and training, etc;
- Provision of a national focus for the FM innovation and compliance to maximise efficiencies and effectiveness;
- Ensuring that procurement and management decisions are made on the basis of whole-life costs, cultural fit and not solely short term financial criteria;

### 3.0 STRATEGY FOR CHANGE (Cont'd)

- Providing leadership, building capability and sharing knowledge;
- Improving partnering and collaboration between service providers and contractors;
- Creating clearer career paths and specific tertiary education courses;
- Support of professional, dynamic, moral and ethical attitudes;
- Improved productivity and sustainability on a whole range of fronts;
- Justification of the business case for FM investment;
- Value for money.

*“Whole-of-government support through the acceptance of our Action Agenda proposal is an exciting and critical step forward in the development of the facility management industry.”*

Steven Gladwin, Chairman, FMA Australia (January, 2004)

#### 3.3 Providing Focus

At the SILG's first meeting on 31<sup>st</sup> March 2004 five (5) core themes identified and agreed, including;

- Recognition
- Innovation
- Education and Training
- Regulatory Reform
- Sustainability

Working groups were established to develop the themes

Each of the five (5) Working Groups was chaired by a member of the SILG. Many had more than one SILG member actively participating. In all the Working Groups involved some 50 volunteers from some of Australia's leading organisations, who gave not only of their time and energy, but also covered their own expenses. The task of the Working Groups was to identify, according to their respective themes, key issues affecting competitiveness and future growth for the industry.

The findings for each Working Group, along with recommendations were presented to the SILG for consideration as part of developing the FM Action Agenda.

The SILG met on the 26<sup>th</sup> May and 21<sup>st</sup> July 2004 to review the progress of the Working Groups. The SILG also met on the 13<sup>th</sup> October 2004 to agree and prioritise actions, and to consider draft action agenda report. The drafting process continued until the 1<sup>st</sup> December 2004 when the SILG signed off the FM Action Agenda report for submission to the Minister and to and consider implementation strategy

When launched at the Sydney Opera House by Parliamentary Secretary, the Hon. Warren Entsch, MP, on 28<sup>th</sup> April 2005 the FM Action Agenda was acknowledged as "... the best ever Action Agenda ..." with a clear and concise vision of the future.

#### 3.4 Statistics for the Future

As part of the FM Action Agenda strategic phase Access Economic were commissioned to conduct an independent and credible analysis of the Facilities Management industry size and contribution to the Australian economy and compile a statistical profile.

### 3.0 STRATEGY FOR CHANGE (Cont'd)

Good quality statistics are essential to any industry, and especially to an emerging one industry such as Facilities Management, which is at a critical stage in its development. Statistics can provide information on production and employment trends, inter-industry relationships, market opportunities, potential threats and a range of other matters that point to the industry's future and influence decision-making.

The Access Economics 2004 study has provided a starting point for collecting statistics on the industry. In the short-term, the industry can build upon this methodology to update current statistics. Over the longer term the industry could look to the Australian Bureau of Statistics to provide improved data.

**Table 3.1:** Facilities Management Contribution to the Australian Economy (2002-03)

Facilities Management Contributions	Value Added (\$mil)	GDP (\$m)	Employment ('000)
Direct management component	1,958	1,982	16
Direct service supplier component	6,583	6,662	119
<b>Total direct</b>	<b>8,451</b>	<b>8,644</b>	<b>135</b>
Total indirect	3,689	3,753	37
<b>Combined direct and indirect</b>	<b>12,230</b>	<b>12,397</b>	<b>172</b>
<b>Combined share of Australian economy</b>	<b>1.80%</b>	<b>1.65%</b>	<b>2.10%</b>

Source: Access Economics (2004)

For the purposes of the Access Economics report, FM activities are concerned only with servicing of buildings. The services include services provided by both FM management and FM service suppliers such as tradesmen and cleaners. The business-specific operating costs of occupants of the facilities were excluded. This means that FM costs consist mainly of building-related repairs and maintenance, servicing and energy for lifts and air conditioning, gardening / landscaping, cleaning, lighting, security, and management fees, whether actually paid to FM firms or imputed (ie. carried out 'in-house' by building owners or tenants). Occupant costs for all other energy uses are excluded, as are any costs of production and processing within a facility.

The analysis was not restricted to businesses formally designated as FM firms. It is intended to include all activities that have the potential to be undertaken by FM firms; whether or not much of this is (as is the case) currently undertaken 'in-house'. Access Engineering found boundaries of the industry are not defined precisely. For example, while all servicing of buildings used by educational and hospital facilities have the potential to be covered by FM contacts, there is some arbitrariness in deciding where to draw the boundaries on the sizes of office buildings, retail centres and multi-unit residential buildings that are to be included.

As a general rule, where Access Economics has had to make a judgement on these matters, it has generally erred on the side of understating the size of the FM industry.

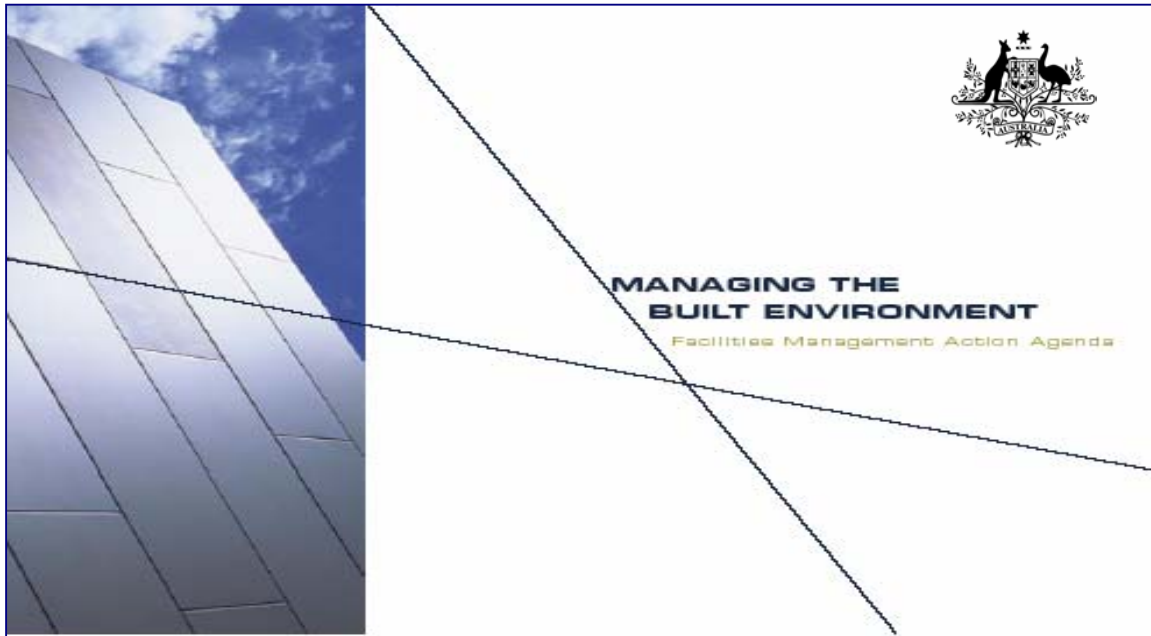
FM is not formally recognised in Government policy or an identified industry by the Australian Bureau of Statistics (ABS) or the Department of Immigration, Migration and Indigenous Affairs (DIMIA).

## 4.0 MANAGING THE BUILT ENVIRONMENT

*“The Facilities Management industry plays a key role in managing the life cycle of our built environment. It’s also an important contributor to Australia’s economy and the wider community, employing more than 170,000 people and generating about \$12 billion of Australia’s gross domestic product.”*

Hon. Ian Macfarlane MP, Minister for the Department of Industry, Tourism and Resources (April, 2005)

The FM Action Agenda aims to develop a strategic framework for the growth of a sustainable and internationally competitive Australian Facilities Management sector.



The FM Action Agenda was announced by the Minister for Industry, Tourism and Resources, the Hon Ian Macfarlane, MP, in January 2004. The Parliamentary Secretary to the Minister, the Hon Warren Entsch, MP, assumed responsibility for overseeing its development. A Strategic Industry Leaders Group (SILG) chaired by Mr John McCarthy was appointed by the Minister to develop the FM Action Agenda.

The SILG examined five main strategic areas which constitute the main areas of focus for the FM Action Agenda. The areas identified were: facilities management in the Australian economy, innovation, education and training, regulation, and sustainability.

The SILG also examined issues associated with implementing the FM Action Agenda and raising awareness about the facilities management industry more generally.

### 4.1 The Role of FM in Australia

The Facilities Management industry evolved during the 1980’s as a consequence of more widespread outsourcing by business of activities, such as the management and maintenance of buildings. The industry plays a significant role in planning and managing the built environment throughout its life cycle, which has three linked stages: facility creation, operation and disposal.

## **4.0 MANAGING THE BUILT ENVIRONMENT (Cont'd)**

The industry's primary function is providing strategic management advice on the efficient operation of buildings and reducing operational life cycle costs. The industry is also responsible for ensuring that services are delivered in a way which contributes to the productivity and profitability of building occupants, as well as improved returns for owners and investors.

The range of services provided include traditional building services such as repairs and maintenance, security and cleaning, as well as more highly technical services requiring skilled personnel.

The FM industry contributes \$12.4 billion to Australia's gross domestic product (GDP). This is equivalent to 1.65 per cent of Australia's GDP. It includes a direct GDP contribution of \$8.6 billion or around 1.15 per cent of Australia's GDP, and an indirect contribution of a further \$3.8 billion or about 0.5 per cent of Australia's GDP.

Total employment by the FM industry was 172,000 persons in 2002-03. This is equivalent to about 2.1 per cent of Australia's workforce.

### **4.2 Innovation**

Success in achieving growth in the FM industry will depend on promoting an innovative culture and bringing innovations rapidly into the market place.

The actions proposed promote the benefits of innovation through greater industry collaboration and research and development, and to highlight the contribution that facilities management makes to workplace productivity. An FM Innovation Forum will be established to facilitate the exchange of information and ideas, and a web portal be designed and built to disseminate this information.

### **4.3 Education and Training**

Education and training is essential to creating a skilled FM workforce which is recognised by clients as professional and capable of delivering a valuable service.

It has been proposed that industry work with the vocational education and training (VET) sector to support the provision of VET, and with universities to increase the availability of facilities management courses at the undergraduate level.

An innovative project to encourage greater collaboration between the VET and higher education sectors is also proposed, along with an awareness campaign to increase recognition of Facilities Management as a career of choice by school leavers.

### **4.4 Regulatory Reform**

The SILG proposed a campaign to raise awareness about three important regulatory areas asbestos, emergency evacuation plans and cooling towers. It recommends the industry undertake initiatives to further the cause of regulatory reform in these and other areas. Industry should seek to participate in the various regulatory consultative mechanisms to promote conformity of requirements and contribute to key areas of regulatory reform.



## **4.0 MANAGING THE BUILT ENVIRONMENT (Cont'd)**

### **4.5 Sustainability**

The FM industry is in a strong position to influence decisions made by business and governments to produce lower environmental impacts through practices that can benefit business.

The industry should actively promote the role it can play in helping business respond to demands for sustainability. It also proposes that industry promote the role it can play in key industry and government forums on sustainability. To enhance industry awareness of sustainability issues, the industry should utilise the planned innovation web portal to disseminate information and develop a business case model highlighting the costs and benefits of sustainable practices.

### **4.6 Implementation**

The SILG proposed that an Implementation Group be formed comprising leading people drawn from within the FM industry to follow through on the 20 actions incorporated in the FM Action Agenda strategic plan.

Such an Implementation Group would need to work closely with all industry stakeholders and meet regularly for a period of up to three years after the launch of the FM Action Agenda. It was proposed that industry work with relevant government departments and agencies to identify opportunities to raise awareness of the facilities management industry. The SILG also proposed an awareness campaign designed to communicate clear messages about the contribution and multiplier that FM represents to Australia's Built Environment.

The key objective of the FM Action Agenda is to support the future growth and sustainability of Australia's facilities management industry by successfully building on its competitive advantages.

## 5.0 IDEAS INTO ACTIONS

FM Action Agenda industry vision of being that Facilities Management should be;

*“the foremost contributor to a productive and sustainable built environment through excellent and innovative management of facility services.”*

The following is the 20 point action as developed by the FM Action Agenda and as published in *‘Managing the Built Environment’* (2005), and now being followed though in the Implementation Phase;

### 5.1 Facilities Management in the Australian Economy

- Action 1* Annually update data on the facilities management industry’s contribution to the Australian economy
- Action 2* Consult with the Australian Bureau of Statistics with a view to obtaining improved data for the facilities management industry.

### 5.2 Innovation

- Action 3* Establish a Facilities Management Innovation Forum for the facilities management industry.
- Action 4* Establish a web portal for the facilities management industry to disseminate information and provide feedback on innovation, education and training, regulatory issues, and sustainability.
- Action 5* Promote the benefits of innovation and encourage greater industry collaboration and investment in research and development.
- Action 6* Highlight the contribution that facilities management makes to productivity by establishing performance measures and ‘best practice’ benchmarks, incorporating client input, with a specific focus on improving workplace productivity.

### 5.3 Education and Training

- Action 7* Work with the Construction and Property Services Industry Skills Council to support the provision of vocational education and training (VET) for the facilities management industry.
- Action 8* Work with Australian universities to increase the availability of facilities management courses at the undergraduate level.
- Action 9* Develop an innovative project that will encourage greater collaboration between the VET and higher education sectors in the provision of facilities management education.
- Action 10* Undertake an awareness campaign directed at those who influence career choice – including school counsellors, career advisors, educators, parents and students – to increase understanding of facilities management as a career.

## **5.0 IDEAS INTO ACTIONS (Cont'd)**

### **5.4 Regulatory Reform**

- Action 11* Promote awareness within the facilities management industry of the regulatory requirements applying in three selected areas (asbestos; emergency evacuation plans; and cooling towers).
- Action 12* Identify the regulatory requirements for a further five identified areas (dangerous goods; fall prevention; confined spaces; plant safety; electrical inspection and testing and residual current devices).
- Action 13* Promote conformity of regulatory requirements and contribute to key areas of regulatory reform.

### **5.5 Sustainability**

- Action 14* Promote the role of facilities management in responding to increased demand for corporate accountability associated with sustainability performance.
- Action 15* Promote the role of the facilities management industry in key industry and government forums addressing sustainability.
- Action 16* Use the data web portal proposed in Action 4 to disseminate sustainability information.
- Action 17* Develop a 'business case' model that highlights the costs and benefits of embracing sustainable practices in the use and management of materials; energy; water; waste; and indoor environmental quality; with a particular focus on workplace productivity.

### **5.6 Implementation**

- Action 18* Establish an Implementation Group comprising leaders of the facilities management industry to manage the implementation of the Action Agenda.
- Action 19* Develop a communications strategy to increase recognition of the contribution of facilities management as an industry.
- Action 20* Work with relevant government departments and agencies to identify opportunities to raise awareness of the facilities management industry and to consult on relevant government policies and programs.

### **5.7 FM Exemplar Project**

Additionally the SILG resolved to commission an FM Exemplar Project for the Implementation Phase as a demonstrator of best practice to act as a base for industry technology transfer and upskilling. Several facilities at various stages of their life cycle were considered, however the Sydney Opera House was ultimately selected on 13<sup>th</sup> October 2004 based on its ability to cover a range of the 20 action areas and its iconic status.

## **6.0 IMPLEMENTATION PHASE BEGINS**

*“The FM Action Agenda puts our profession on the map and provides all industry participants and stakeholders with the opportunity contribute to delivering a productive and sustainable built environment through improved innovation, education and standards.”*

Stephen Ballesty, Chairman, FMA Australia (September, 2005)

Following the launch of the FM Action Agenda publication entitled *“Managing the Built Environment”*, which is the output of the strategic phase conducted throughout 2004 in consultation with industry, again saw FMA Australia and DITR representatives working form a Strategic Industry Leaders Implementation Group (SILIG). Again nominations from a broad spectrum of industry participants were received and during August 2005 ministerial appointments were made of individuals drawn from the following organisations, representing a mix of private and public sector facility users, FM service providers and consultants.

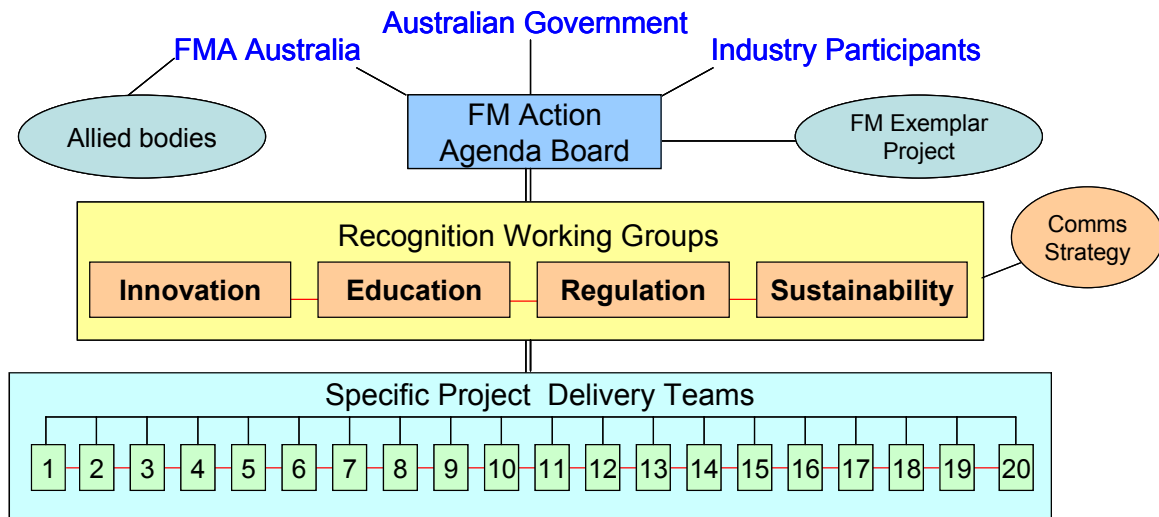
- AEH Group
- Australian Department of Parliamentary Services
- Investa Property Group
- Macquarie Bank
- Mirvac Group (until November 2005)
- Multiplex Facilities Management
- Myer
- Queensland Department of Public Works
- Resolve FM
- Rider Hunt Terotech
- Spotless Group (until February 2006)
- Transfield Services
- Tungsten Group
- University of New England

This voluntary body comprising 14 industry leaders with an *ex officio* member from the Department of Industry, Tourism and Resources, again chaired by John McCarthy has now been officially designated the FM Action Agenda Implementation Board. The Board at their first meeting reviewed the FM Action Agenda strategy and the 20 action items for the 36 month Implementation phase, and resolved;

- its structure and responsibilities around the focus areas of Innovation, Education & Training, Regulatory Reform and Sustainability;
- that FMA Australia would act as facilitation and provide support for the process;
- allocated specific responsibilities for the formation of Recognition Working Groups for each of the four focus areas; the formulation of a Communications Strategy and liaison with the FM Exemplar Project – Sydney Opera House in order to progress the 20 action items;
- to appoint a Board Secretary and seek funding for a scoping study to identify the requirements for Project Delivery Teams; and
- a meeting and reporting cycle for the future.

## 6.0 IMPLEMENTATION PHASE BEGINS (Cont'd)

Figure 6.1: Implementation Phase Structure (diagrammatic only)



Source: Stephen Ballesty

*"This is a defining moment for the Facilities Management and I am delighted to be part of such a dedicated team which represents a mix of experience gained during the strategic phase and new talent that would contribute to important industry transformation".*

John McCarthy, Chairman, FM Action Agenda Implementation Board (September, 2005)

The 36 month implementation phase is now underway and will take a multi-pronged approach to developing the FM industry and removing impediments to growth with a 20 point action plan across the following platforms:

- *Innovation* – Improved appreciation of facility life cycles, and greater understanding of the key drivers of workplace productivity, and the improved application of information technology.
- *Education and Training* – Improved access to dedicated FM education and training opportunities and creation clear career pathways into the profession.
- *Regulation Reform* – Explore opportunities to harmonise cross jurisdictional regulatory compliance requirements that have an efficiency impact on FM.
- *Sustainability* – Improved utilization of existing knowledge and the development of tools and opportunities to improve the environmental performance of facilities.

As of January 2006, the DITR Parliamentary Secretary, Bob Baldwin, MP, has assumed the oversight responsibility for the FM Action Agenda. The Implementation Board of 12 with John McCarthy as Chairman is making good progress on the four (4) Recognition Working Groups, Communications Strategy and FM Exemplar Project. The first FM Action Agenda annual report is due in August 2006.

## 7.0 DEMONSTRATING BEST PRACTICE

The *FM Exemplar Project : Sydney Opera House* was launched on 28<sup>th</sup> April 2005 as a CRC-Construction Innovation project with a team including the CSIRO, the University of Sydney, the Sydney Opera House, Transfield Services and Rider Hunt Terotech. The project is due for completion by the end of 2006.



*Courtesy of CRC-CI and the Sydney Opera House*

The Sydney Opera House has a design life of 250 years primarily as a 'performing arts centre', "providing first class venues, facilities and services that support our artistic and business aspirations."<sup>1</sup> However, at the same time is acknowledged as an 'architectural masterpiece' and an 'asset of heritage significance', being regarded as having 'iconic' status and value for 20<sup>th</sup> century architecture and contributes to the tourism value of Sydney. The facility comprises 7 theatres, 37 plant rooms, 12 lifts and over 1000 rooms. Sydney Opera House employs 300 full-time staff and a further 300 part-time staff, delivering over 2500 performances per annum. The Sydney Opera House provides some unique FM challenges.

The Sydney Opera House currently has an annual FM expenditure budget of approximately A\$19 million pa – across a wide range of activities from minor maintenance through to significant refurbishments and upgrades. The Sydney Opera House's FM Department has recently initiated a series of FM enhancements to the way they procure and implement FM services. Additionally there is a planned future upgrade of the Opera Hall (estimated cost of A\$400 million over the 2006-2008), ongoing acoustic enhancements, fire and hydraulic upgrades and maintenance, and architectural refurbishment works.

The FM Exemplar Project combines three (3) research streams dealing with *Digital Modelling*, *Services Procurement* and *Benchmarking* as a whole and then develop collaboration between them. It aims to achieve innovative FM strategies and models that will showcase improved FM performance and promote best practice.

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<sup>1</sup> *Sydney Opera House Trust Annual Report (2004)*

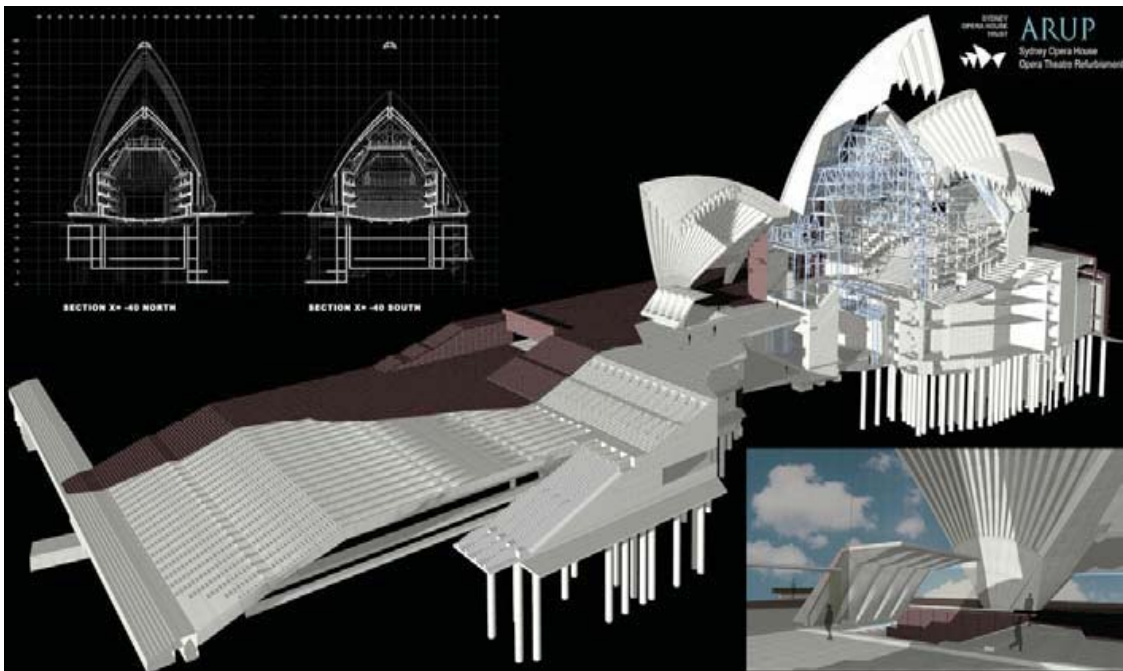
## 7.0 DEMONSTRATING BEST PRACTICE (Cont'd)

The Sydney Opera House has acknowledged the shortfall in their documentation management. A digital backbone of Building Information Model (BIM); or accurate three dimensional (3D) geometry with attributes that define the detail description of the building elements, and relationships to other objects; will be critical for future FM activities. The *Digital Modelling* theme will develop an appropriate BIM strategy and investigate the potential of state-of-the-art information systems to enable a future integrated platform to support FM activities and processes.

The *Services Procurement* theme focuses on the maintenance and cleaning services procurement, especially with reference to in-house versus outsourcing methodologies, in the context of the user requirements, prevailing market and the service provision reliability and risk. Various procurement methods and a multi-criteria assessment approach for supporting decision making are to be investigated.

The *Benchmarking* theme focuses on the strategic asset management of iconic facilities with similar functionalities, with a bias for the performing art centres. Critical success factors in the functional areas of FM are to be identified against organisational objectives and key performance indicators in order to better monitor, control and improve FM with respect to performance targets seeking participation from international comparators. Collaboration between Services Procurement and Benchmarking includes sharing of the benchmarking data and utility of key performance indicators to support innovative procurement strategies.

Further it is envisaged that a significant component of the project budget will be expended on Australia-wide workshops, industry brochures including 'How To' guides, conference and journal publications, and course development through higher education and TAFE institutions. In addition, the Sydney Opera House will be able develop best practice benchmarks not only to justify the iconic facility status but to demonstrate industry leadership in FM.



Courtesy of CRC-CI and Arup

## 8.0 CONCLUSIONS

The Facilities Management Action Agenda via its strategic plan released in April 2005, entitled '**Managing the Built Environment**' represents a collaboration between the Australian Government, public and private sector stakeholders, FMA Australia and other allied bodies. There is now a real commitment to achieve the FM Action Agenda's vision of a more "...productive and sustainable built environment..." through improved innovation, education and standards.

Arguably, the most significant challenge the FM industry faces is lack of recognition, not only of its distinct and relatively recent character, but of FM as a significant economic contributor and multiplier. Without identity and recognition any group of partitioners will struggle to attract quality candidates, access resources, achieve professionalism, develop standardisation and ultimately sustainability. The FM Action Agenda is a real opportunity to address such issues.

The 36 month implementation phase is now underway and will take a multi-pronged approach to enhancing the recognition of the FM industry and removing impediments to its growth with a 20 point action plan across the following platforms:

- *Innovation* – Improved appreciation of facility life cycles, and greater understanding of the key drivers of workplace productivity, and the improved application of information technology.
- *Education and Training* – Improved access to dedicated FM education and training opportunities and creation clear career pathways into the profession.
- *Regulatory Reform* – Explore opportunities to harmonise cross jurisdictional regulatory compliance requirements that have an efficiency impact on FM.
- *Sustainability* – Improved utilization of existing knowledge and the development of tools and opportunities to improve the environmental performance of facilities.

In addition, the FM Exemplar Project represents an excellent opportunity to identify best practice leverage off the iconic nature of the Sydney Opera House's international and national profile to identify and develop best practice within the FM industry. The innovations and methodologies delivered by this Project should be implemental across the FM industry at the strategic, management and operational levels, with clear training and educational benefits leading to improved service procurement and delivery.

The FM Action Agenda makes a clear case for Facilities Management as an enabler of business change and community benefit.



## **9.0 ACKNOWLEDGEMENTS**

The author wishes acknowledges the Australian Government's Department of Industry, Tourism and Resources' representatives and staff for their support of the FM Action Agenda, and the contributions of the members and their organisations of the FM Action Agenda's voluntary Strategic Industry Leaders Group, Implementation Board and the associated Recognition Working Groups, Project Delivery Teams and FM Exemplar Project Team and the Facility Management Association of Australia.

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