

The Six Steps for Success



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The cries of “Happy 2017” continue to reverberate as we start planning our course for the new year. Within the industry however, the dominant feeling seems to be “Careful in 2017”. This sense of caution is pervasive in our region which is still treading the uncertain socio-economic landscape quite gingerly.

The global economy remains mostly stagnant with a few bright spots of development. The FM industry, hearteningly, seems to be one of these exceptions. Industry analysis reports suggest that FM will continue to enjoy a period of robust growth, particularly in the Middle East and Asian markets (According to an IFMA study, the size of the global FM industry is currently \$1.2 Trillion).

The critical need of the hour for our industry, is to tap into the potential of this opportunity while reinforcing our capabilities in the face of lower margins due to current economic situation as well outpacing strong regional competition. To cope with the challenge of assuring growth in the current scenario, innovation, strategy and lean operational footprint are crucial. I can think of six interlinked factors that can help us thrive in these testing times. In my opinion, these pillars of “out of the box” thinking will be essential as we devise innovative strategies to succeed in the new year.

● **Lean Service Organization:** The eternal challenge in our industry is the increasing demand from clients

to reduce the costs of our services, while maintaining high levels of service standards. The key to overcome this is to expertly manage client expectations by creating a lean and tactical service oriented organization. Clients should be provided improved value through lean and efficient service organizations by passing on the benefits of standardized processes and skilled resources.

● **Value Engineering:** Value Engineering is a novel and widely adopted strategy in achieving cost rationalization. Companies are increasingly focusing on reduced costs in energy, occupancy, logistics and supply chain management. IFM plays a significant role in managing these expectations and helps to reduce overhead costs by leveraging efficient methodologies.

● **Technology Innovation:** Our industry needs to invest in innovative technologies and systems. We believe that in times of austerity, technology will be a key driver to keep us ahead of competition whilst also sustaining our bottom lines. To implement this, we must maintain robust cash flows which requires dedicated and smart capital investment. Striking the perfect balance between costs and investments, to achieve critical mass is crucial for sustained organizational growth.

● **Training & Development:** Paucity of skilled resources is another key challenge that our industry must deal with. There is an imminent need to align

Everything negative - pressure, challenges - is an opportunity for me to rise - Kobe Bryant

lofty productivity goals with growing clients’ demands to raise the services quality bar. Rapid changes in building technologies, new compliance standards and requisite certifications are some of the other factors that influence the demand for continuous education and training initiatives.

● **Compliance:** Our services portfolios must meet global standards of compliance and newly introduced regulations. We must emphasize the implementation of requisite regulations and standards by enforcing heightened measures and informing clients about the implications of the latest regulations and compliance and generate demand for the same.

● **Sustainability:** Sustainability must evolve beyond corporate social responsibility or meeting client requirements. Sustainability initiatives such as energy savings, waste recycling and green consumables can realize bonus financial gains that can help in mitigating risks due to the low margins prevailing in our industry.

(The blog is written by Tariq Chauhan, Group Chief Executive Officer, EFS Facilities Services. Find the online version in www.fm-today.com)