

Leading Practices—From Outsourcing

Improving Service and Results

Introduction

Facility Management Outsourcing companies manage a large portfolio of facilities. Their success depends on leading practices that reduce costs and improve services. Their success is based on advantages that you can use to improve service, improve efficiency and reduce costs.

Performance Management

Almost always part of outsourcing contracts, this focuses the outsourced provider's priorities and resources on the things that matter to you. An effective performance framework can also be applied to in-house delivery or subcontracted services.

First, establish your corporation's primary objectives and design performance measurements (Key Performance Indicators) to support those objectives. Translate these to the activities and services you deliver and establish measures, targets, reports and review processes. Use the results to spot trends or missed performance and make changes with staff or subcontractors. Build these measures into your next round of procurement.

Quality Assurance

While some outsourcing companies are ISO certified, you don't need certification to apply the principles of QA to your internal services or subcontractors. Start by learning the basis of QA, which includes documenting processes and procedures, identifying inputs and outputs, key process elements, tracking and reporting, adherence to procedures and auditing. Apply these principles for improved results.

QA itself doesn't ensure you are doing the right things, but once you establish best practices, it ensures they are followed.

Customer Service and Satisfaction

A benefit to outsourcing is a new and stronger supplier/customer relationship to replace internal culture not usually focused on customer satisfaction. The satisfaction of internal business units and occupants is important to ensure they are efficient and contribute to your company's core business.

To change internal culture, implement change management with your staff. Educate them on the importance and reasons for customer satisfaction, train them in techniques, provide them with tools and processes to deal with customer issues and measure customer satisfaction results with the purpose of introducing improvements. Maintain this focus as a constant initiative, otherwise it will fade away.

Policies and Procedures

Outsourcing companies use policies and procedures to reduce management and administrative costs while focusing on higher value initiatives. This isn't simply documenting what you do, it's assessing all aspects of the service delivery and developing

procedures, tools and even systems that support efficiency, consistency and quality.

Outsourcers operate large portfolios so this is critical. To benefit, look closely at what you do and make changes, implement processes, add tools and train your staff.

Systems

Outsourcing firms have an economy of scale you can't match, but you can prioritize and address key systems for more effective management of your services and assets. One solution for smaller organizations is web based applications, reducing IT support and hardware costs.

Implement a single solution or individual modules for work order tracking, space management, lease administration, preventive maintenance, capital planning, etc. Research implementation and ongoing maintenance cost of these systems and then establish priorities to keep costs down.

Centralized Services / Specialized Expertise

Outsourcing companies have the volume for centralized services and expertise. They hire subject matter experts who provide assistance and guidance to field staff. This includes energy, environment, project delivery, systems, quality assurance, compliance and health & safety. This ensures you can be strategic while delivering services.

Apply the principles creatively. For small organizations, existing individuals with the right background can be trained in the specialty. Keep them current and backfill a portion of their existing responsibilities. Tap specialty consultants or companies with standing offers and retainers or join with colleagues at other companies to share expertise.

Strategic procurement

Saving money and improving services through procurement is something almost any organization can do. Strategically procure services in larger volume packages to benefit from economies of scale. Bundle different services together to increase the volume in combinations that will work.

This saves resources needed to procure and manage the contracts while reducing your provider's costs, which are passed on to you. You also get more consistency and improved services when combined with performance management, QA and effective contract management.

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