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Uncertainties in the business
climate make a new kind of
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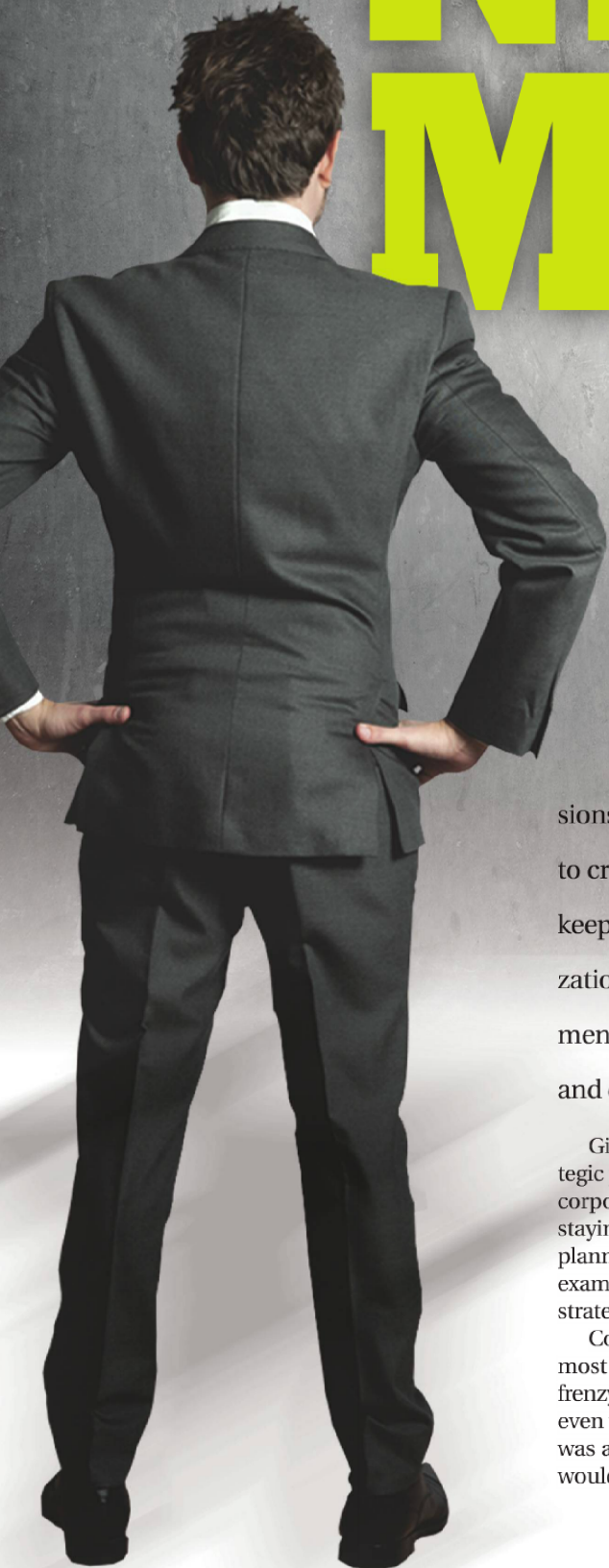
Uncertainties in the business climate make a new kind of FM strategic planning critical

by stormy friday

Facility management organizations are caught on the horns of a dilemma. On the one hand, they have visions for a desired facility management operational state and want to create strategies to get there. On the other hand, they struggle to keep pace with day-to-day activities required to keep their organizations afloat, as their companies function in an external environment fraught with political unrest, volatile economic conditions, and changing social values that alter core work cultures.

Given the situation described above, many facility managers opt out of strategic planning these days in favor of just coping with the idiosyncrasies of their corporate environment. They do not believe planning results in strategies with staying power, so they decide it is not worth the time and attention for purely a planning exercise and an end product that sits idle on a shelf. A real business case example from the world of technology, however, seems to put the relevance of strategic planning in perspective.

Consider what happened at Apple. After suffering the loss of one of the world's most astoundingly creative CEOs, Steve Jobs, Apple was able to generate a global frenzy surrounding the unveiling of its iPhone 5. Upon further analysis, it wasn't even the advent of new technology that created such hype about the product; it was a carefully crafted marketing strategy about the culture of customers that would be interested in the latest smart phone. Believers in the iPhone culture



worldwide camped out for days waiting for the latest and greatest phone from a company that is viewed in marketing terms as a “strategically-positioned innovator.” While much of the credit for Apple’s historical success has to be given to Jobs, the creative spirit behind Apple, even more impressive is the corporate legacy he left behind. He established a corporate atmosphere at Apple where strategic planning, alignment, and execution are premier, long-lasting concepts and these concepts have withstood a global marketplace of uncertainty.

Still unconvinced that strategic planning is relevant?

What’s Needed Today

Modern writers about strategic planning acknowledge that the thought process associated with strategic planning as we have known it will not provide the right foundation for survival in the future. What they all agree on, however, is that the concept of strategic planning is more relevant now in our current uncertain business climate than when the business climate was more predictable. From their perspective, strategic planning allows organizations to have input into the management of their own destinies rather than accepting a future someone else creates for them; thus it has tremendous appeal in an otherwise murky business climate.

The hallmark of strategic planning in this environment of uncertainty is that it is just different from what we used to do. The new order of strategic planning has different key concepts that should govern an organization’s thinking about how they approach the process. Upon further examination, we find these concepts are extremely timely and appropriate for facility managers.

1. Environmental Scanning. Understanding the business climate is more important to facility management organizations than it ever has been. How a parent company is positioned in the global market place vis-à-vis competitors, market share, and profitability need to be factored into facility management visioning for the future. It is no longer enough to just assess what internal corpo-

Seven Moves That Sink Plans

Any of these mistakes can undermine a facility management strategic plan. Don’t let them sink yours.



Strategic Plan Timeframe Is Too Long. When the plan covers a timeframe beyond 5 years, strategic planning is irrelevant. Knowing how volatile the business climate is these days, it’s unwise to generate goals, objectives and action plans extending past 3 to 5 years. Plans that go beyond that window end up on shelves; they become outdated before they can be implemented.



Too Many Overly Ambitious Goals. Often strategic plans with a protracted timeframe also have too many goals that are overly ambitious. Suddenly there are so many goals staff can’t see how they plausibly can conduct daily business and work on the strategic plan. Strategic planning needs to result in a few, carefully crafted goals. The lack of short-term success makes the whole strategic planning process unpalatable to the organization.



No Measurable Outcomes. The hardest part of strategic planning is the focus on critical success factors or measurable outcomes. Without these, however, facility management strategic planning is a moot issue. Even harder than attaching metrics to the current plan goals is the process of determining metrics for goals that result from posturing about scenarios that may or may not occur. Some facility management organizations give up at this point and fail to complete their scenario planning. That’s a mistake. Without those metrics, it is very difficult to try to implement a new strategic plan when environmental scanning dictates a change in direction. All of a sudden, instead of being more than prepared for a shift in direction by having anticipated and identified how performance will be measured, the facility management organization is scrambling to figure out how it will be evaluated against new goals.

4.

Internal Staff and External Partners Are Not Involved. Strategic planning cannot be performed in a vacuum. Successful strategic planning cannot be conducted by a lone facility manager sitting in an office or an external consultant furiously writing goals and objectives for the facility management organization. Strategic planning is an inclusive activity requiring input from and participation by a multitude of individuals ranging from facility management staff to internal and external service partners.

Sometimes the senior facility management team strategizes and develops initial goals and objectives for others inside and outside the organization to review; sometimes smaller groups of facility management staff propose initial goals to senior leadership. The point is that unless strategic planning involves everyone in the facility management organization along with external service partners, the final plan will not be relevant and supported when the time for execution occurs.

Strategic Objectives and Action Plans Are Not Crystalized.

Strategic planning that results in vague objectives and action plans which are subject to interpretation will relegate the plan to a long, unhappy life on a shelf. No facility management organization can implement a strategic plan with goals and action steps that won't be understood by everyone, long after they have been written. One of the most important aspects of strategic planning is ensuring that the objectives and sequence of steps to achieve them are crystal clear to all who read them. They also should be concise and actionable.

5.

rate executives think about the future; facility managers must analyze global product and services trends, and perform their own economic forecasting. Facility management organizations should study annual reports, attend shareholder meetings to determine how the company is viewed by customers and investors, and read trade publications. The end result of environmental scanning is an assessment of the external forces that impact a company and the factors needing to be addressed to meet these environmental challenges.

2. Scenario Planning. Creating one strategic path to a desired facility management outcome is no longer a viable approach for facility management strategic planning because it limits the development of action steps to a single outcome that may or may not work over time. What should happen today is scenario or role-playing that provides a facility management organization with options that can be ramped up quickly, when internal or external factors driving the strategy dictate an alternative course of action.

Scenario planning is really posturing. It asks, and then answers, the question, "What if ...?" Conducting scenario planning is the equivalent of having a written facility management insurance policy. Although one strategic path may be pursued at the time the initial strategic facility management plan is developed, the organization has built-in agility to switch to a different path when things change, because they have anticipated and planned for the need to revise the path.

3. Measuring for Strategic Adjustment. While identifying critical measures for strategic goals and objectives always has been important, it is now essential to a facility management organization's survival. Commitment to monitoring the plan against actual results allows facility managers to shift gears and make strategic realignments. If the corporate or market scenario shifts, the organization is prepared to change critical success measures since it has pre-determined the metrics that will accompany the new strategic direction. The facility management organization creates strategic paths for different scenarios

6.

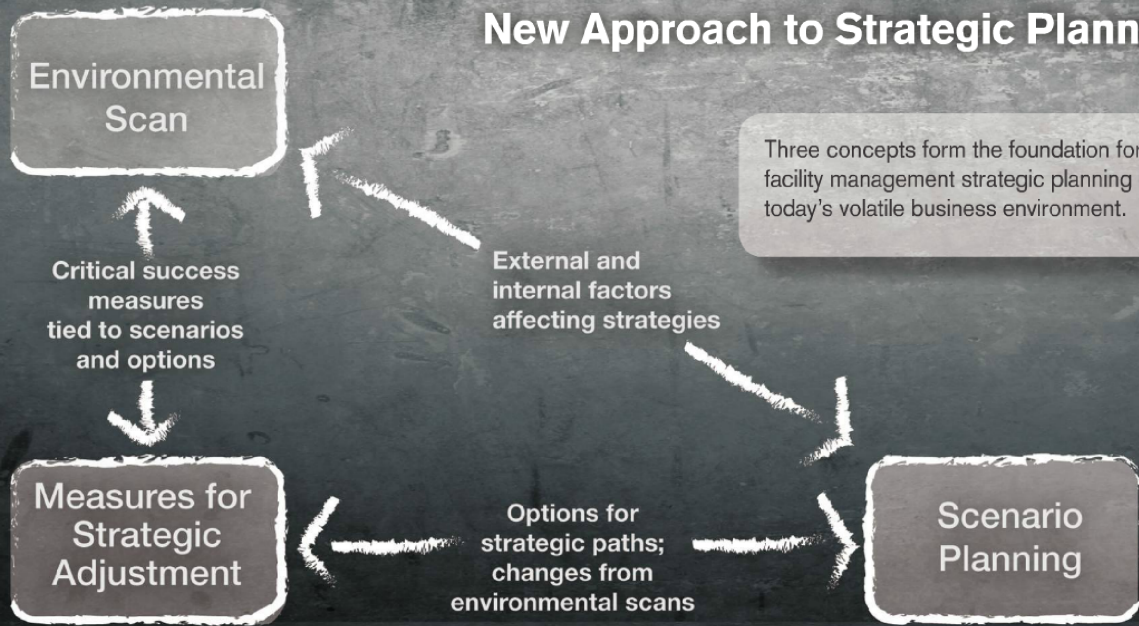
Individual Staff Do Not Have Performance Measures Tied to the Strategic Plan. If a facility management organization conducts "business as usual" after strategic planning, and staff do not have performance measures directly tied to goals, objectives and action steps, strategic planning is irrelevant. Facility management staff have to know that they will be rewarded for completing strategic goals or penalized for failing to accomplish them.

Plan-Versus-Actual Is Not Evaluated on an Ongoing Basis.

If a facility management organization's strategic plan has a layer of dust on it and is housed on a shelf rather than kept on everyone's desk, strategic planning is irrelevant. A strategic plan should be a living, breathing document that is reviewed continually for plan-versus-actual results. It should provide a roadmap for a facility management organization's work by creating priorities, milestones, and metrics. The beauty of a working strategic plan is that it can be changed. If the plan is not monitored regularly, there is no opportunity for course correction until it is too late. Then the plan is rendered useless and becomes inactive.

7.

New Approach to Strategic Planning



and is ready to perform to redefined success measures.

Benefits of Strategic Planning

We know that Steve Jobs left a legacy at Apple where the benefits from careful attention to strategic planning are institutionalized in the corporate culture. By the same token, facility managers who create an organizational climate where strategic planning is taken seriously also find the results of their efforts provide a compelling argument for its relevance.

A disciplined approach to strategic planning is key. Here are some things that have to be done.

- **Commitment to Understanding the Corporate Business Environment.** Daily operating pressures often overshadow the need for facility managers to focus on the bigger picture of how their company functions in the global marketplace. The need for environmental scanning as a core component of strategic planning forces facility managers to research and analyze business-related information they otherwise might consider superfluous to performing the facility management function.

- **Commitment to Forecasting Future Facility Requirements and Establishing Goals and Objectives to Meet Them.** Strategic planning requires fortitude and commitment to thinking outside the traditional facility management comfort zone by looking into the future. The scenario planning com-

ponent dictates that facility managers “gaze into a crystal ball” to brainstorm potential scenarios and develop a set of action plans for each. It is a stretching exercise for facility management organizations because they have to discuss situations that may never happen, but have the potential to alter the course of events.

- **Commitment to Empowering Facility Management Staff.** Strategic planning cannot be accomplished in a vacuum by one individual or group within a facility management organization. The staff development aspect of strategic planning is one of the most significant benefits as it creates a natural atmosphere to foster growth. Because facility management staff are armed with corporate business information and are encouraged to address the impact of business and market changes, they develop a sense of empowerment with respect to how the organization will function and be measured in the future.

- **Commitment to Allocating Resources in Response to Priorities, Milestones and Metrics.** Instead of typical “fire fighting” to contend with the daily uncertainties of facility management, strategic planning provides a framework for allocating resources based on priorities, milestones, and metrics. While the content of these components may change when environmental scanning determines a shift in strategy is neces-

sary, the basis for decision-making remains constant.

- **Commitment to Top-Down and Bottom-Up Approach to FM.** Strategic planning serves as the link between corporate senior management and the facility management organization. It provides a basis for communicating how facility management supports the company to achieve its vision and strategy, as well as demonstrating the organization's flexibility and agility to change direction when necessary.

The effort and pay back for facility management strategic planning receives a resounding “yes” from seasoned professionals. They support the notion that successful FMs need to continue to develop and communicate a clearly stated strategy — with the proviso that the strategy is not static, but nimble. Strategic planning is eminently relevant to facility management. ■

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