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CONSULTANT
HERE'S HOW



FM CONSULTANTS
COUNCIL

FALL 2018



This guide was prepared to accompany a webinar where each author presents briefly, necessitating that several sections be abridged. The full versions, especially the business case and procurement sections and an appendix describing the building project viewpoint, may be found on fmcc.ifma.org.

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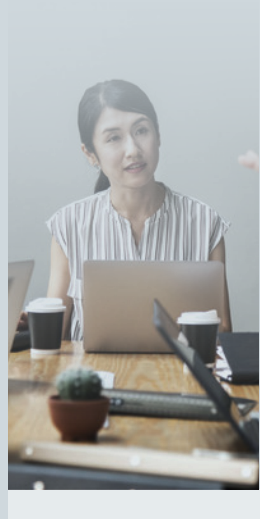
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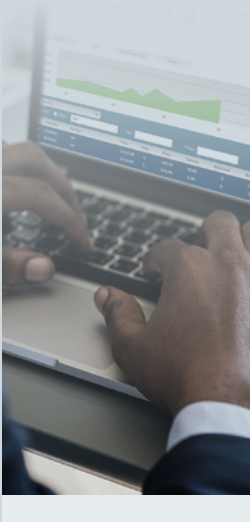
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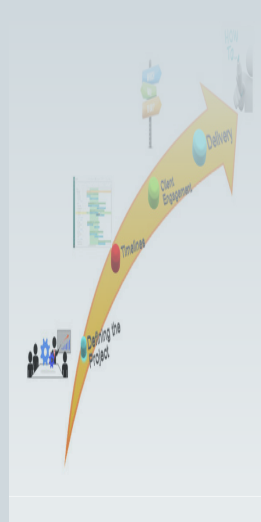
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PREFACE

The FM Consulting Council of IFMA, FMCC, is pleased to offer this guide, to facility managers and executives with facilities responsibilities, on how to proceed after deciding to acquire an FM consultant.

IFMA FMCC members who contributed to this edition recognize that some FMs do not routinely think of consultants among their resources to use in a given situation. This document will also address how a consultant can add to the pace, accuracy, and economy of the FM response to organization goals and objectives and may ultimately become part of a regular menu of choices to advance results and knowledge. We will also address how top management understands and reacts to consulting when included in a business case from FM.



INTRODUCTION

Teena Shouse

As the built environment evolves and Facility Management as a profession becomes more complex, it is important for facility managers to gain insight about the benefits of using FM consultants. Think of the consultant as a resource to resolve a specific problem of short duration, or a partner of broader scope and duration. Either way, there are guidelines that apply to all business sectors where the use of FM Consultants can benefit your organization and your FM initiatives.

You may notice multiple voices in the sections that follow. This guide contains contributions of FM consultants with decades of experience working with facility managers in diverse engagements. They share how they have achieved successful relationships, contract management, positive customer impact, and improved asset management – all adding value toward specific goals. Bringing value to your organization and its employees is the cornerstone of FM consulting and the foundation of this guide. It is divided into sections which build on one another in the order to successfully engage a Facility Management Consultant.

The brief first section clarifies consulting as an FM resource. It does not directly lead to obtaining approval to use a consultant or to selecting and working with one. Users of this guide who are ready to go ahead can skip to the second section to build the business case.

The sections of this booklet are as follows:

- 1. Consultants as FM Resource**
- 2. How to Build a Business Case for an FM Consultant**
- 3. How to Procure an FM Consultant**
- 4. How to Successfully Partner with your FM Consultant, Monitor Progress and Measure Success**



SECTION 1: **CONSULTANTS AS AN FM RESOURCE**

Stephen Brown, with David Reynolds

Alert facility managers know the problems, opportunities, and goals of their parent organization and its stakeholders as related to facilities. Parent organization problems and opportunities drive FMs to try to deliver the best possible results toward enterprise goals. Among resources to this end are fellow FMs who engage as consultants. IFMA has a wealth of knowledgeable and experienced experts in this area.

The right consultant at the right time, utilized in the right way, can change circumstances markedly, making way for lasting improvements achieved by your FM organization. Such outcomes justify expenses incurred and your time and effort.

This section concerns willingness to go forward confidently, managing an FM consultant as a resource. The authors of later sections will treat how to build a business case, and to identify, select, and work with an FM consultant.

RESOURCE FOR THESE TIMES

FMs seek and find opportunities for innovation and collaboration. This way of leading and managing favors successful engagement with FM Consultants who possess the same qualities. FM Consultants come in many varieties - from specialists in niche markets to generalists and diverse combinations in between. If the KSAs (knowledge, skills, abilities) of your FM organization are not sufficient to initiate and carry through to reach the objectives set by top management, engaging a consultant shows your mastery in managing the implementation of a project and your foresight in identifying the necessary resources required to get the job done, not any insufficiencies in your internal resources. Even if you and your FM organization are fully capable across the IFMA Core Competencies to fulfill every facility-focused need in the enterprise, capacity can limit what you can accomplish. This is true whether the objective is ramping up to meet expanded responsibilities or an exceptional need for a limited time.

The need for outside assistance also reflects the complexity and diversity of facility types (e.g., academic, industrial, commercial,



retail, office, etc.). An FM who encounters events such as a change in top management priorities or a corporate acquisition can find that consultants are often the best answer for a time-constrained activity, especially one making use of specialized knowledge.

RESOURCE WITH A PURPOSE

An FM Consultant can be most effective as an ally when your parent organization has explicit goals and strategic initiatives. Until this point, FM is in a READY-FIRE-AIM mode. A consultant can ensure that strategic objectives are effectively clarified and addressed at the start, working with the FM client, top management, and strategic planning office (if present). Until strategic objectives are in place, there is probably insufficient basis for moving forward. Even so, a consultant can help by working with the client FM and top management to clarify high level objectives and transform them into specific initiatives to drive FM plans and actions.

Let's say that, in the light of clear objectives, you have identified an issue to be resolved or recognize an undesirable potential

outcome or condition. An FM Consultant can help you confirm the issue(s), outline the FM requirements, and guide, or directly assist, you to produce the solution while keeping in alignment with the vision/mission/goals and strategies that apply. This will result in achieving the forecasted outcomes through the consultant's time-tested experience and precisely coordinated activities. The consultant can also provide specialized support to augment the generalist corporate FM team by completing more complex assessments (deeper dives) and using niche experience and acumen to guide, coach and counsel the FM team and their organization. Thus mitigating or controlling potential risks.

RESOURCE FOR FLEXIBILITY AND RESPONSIVENESS

Although it is often expected that you as an FM have “all the answers”, you may have heard that facility management is sometimes described as an “accidental” occupation, entered into consequent to work events and project opportunities. Architects, engineers, construction managers, and business or real estate professionals are plentiful in our industry along with a host of other backgrounds too. Encountering a challenge, we may think, “I wish I had a more technical background,” or “I wish I had greater financial acumen,” or “I wish I understood the CMMS technology requirements”. In such circumstances, an FM Consultant becomes an adjunct to your team to deliver best results.

A team relationship can be realized for an extended full-time commitment, or as little as a few hours on-line, based on your specific needs. Many FM Consultants readily vary scale and scope to fit their FM client's budget, schedule and resources. FM Consultants can engage with you and improve most any FM circumstance or initiative. For example, an FM Consultant may fulfil a mission enabling role to identify, procure, and manage service providers, or provide staffing cover during medical leaves or transition of senior personnel.

TAKEAWAY

- Proposing and making effective use of a consultant demonstrates resourcefulness.
- FM consultants are knowledgeable and capable in a broad area of FM competencies as well as specialty services.
- Using an FM consultant is distinct from purchasing FM services in that consultants at this level are problem solvers to engage at any time to ensure that FM initiatives align and perform in accord with top management objectives and that the right work is undertaken and completed in the right way.

SECTION 2: HOW TO BUILD A BUSINESS CASE FOR AN FM CONSULTANT

Peter Stroup and Richard Fanelli

Obtaining the expertise of an FM Consultant is a practice of experienced Facility Managers. FMs seeking continuous improvement, creative problem solutions, or benchmarking against industry accepted standards are recognizing the value of an objective perspective without prejudice. Senior managers can have the belief that you and your organization are in place to provide the necessary support and expected to “know it all”. We all know that’s not the case. We walk a fine line in approaching higher management with a convincing manner that qualitatively justifies the need.

Here are just five of many FM needs to address:

- 1. Functional Expertise** – an area in which you and staff lack specific skill to accomplish, for example reprogramming of building automation graphics
- 2. Transferring Knowledge** – delivering knowledge in an educational setting such as coursework or lecture e.g. bringing your team up to speed on sustainability or FM technology
- 3. External, Objective Advice** – securing conclusions and recommendations with an independent viewpoint - without bias - to provide external validation of operations or the merits of initiatives, validating your operation or initiatives
- 4. Seeking Improvement Opportunities** – assisting in problem solving or identifying areas for improved outcomes and recommending “best in class” approaches
- 5. Examining Costs & Revenues** – reviewing costs to find anomalies or variances from industry standards or providing recommendations to increase revenue generation

4. List the alternatives, risks, and benefits associated with each alternative.
5. Explain costs in detail. Make certain you present realistic figures, not what you think may be tolerable. Offer data to support cost estimates in areas to be addressed with the consultant.
6. Describe the schedule with key milestones. Again, be sure that the schedule is realistic. An overzealous approach may adversely influence your next request. An unrealistic timeframe imposed on the consultant may hinder the ability to provide the best product/outcome.
7. At any point, be prepared to concisely state the expected value of a consultant engagement in quantitative and qualitative terms.



SECTION 3: HOW TO PROCURE AN FM CONSULTANT

Michel Theriault

UNDERSTANDING AND COMMUNICATING YOUR OBJECTIVES

Typically, you hire a consultant to solve a problem, provide guidance or get something accomplished that you and your staff do not have the time or resources to do. Using a consultant does not mean that you don't know what you are doing. Successful, highly-qualified facility and other managers in your organization may use consultants to supplement their workforce or expertise.

Your objectives for a consultant are different from a service provider hired to execute tasks or provide products that you buy. You should have a clear idea of the result you require (e.g., a maintenance plan, workplace strategy, finalized procedures, organizational model, benchmarking report, efficiency report, etc.) and articulate your expectations clearly within your request for information or proposal (RFI, RFP) so the consultant can approach the work and achieve the result in the best possible way - an outcome-based approach for achieving your objectives.

HOW PROCURING A CONSULTANT IS DIFFERENT FROM A SERVICE OR PRODUCT

Depending on the project and objectives, the consultant can have a direct impact on your organization's employees, productivity, staff, overall costs, safety, culture, etc. The potential impact of their work means that the risk if you hire the wrong consultant is high. Also, with an outcome-based objective, you won't tell the consultant what to do, but instead the results expected. There are typically no task or activity-based specifications involved.

For the consultant there are often many unknowns, depending



on the type of work. This makes it difficult for the consultant to know confidently what needs to be done in order to achieve your desired outcome. The consulting engagement will often be for a one-off requirement. Each such procurement is unique.

When you procure FM products and services those activities are straight forward and are usually repeated every couple of years. There are mostly technical criteria or specifications, so the companies know exactly what is required and the level of effort or quantities to price the work.

For consulting, there are often different ways to achieve the results, and not just related to the skill or knowledge of the consultant, but also to the depth and activities involved. For instance, take the number of stakeholders to be consulted as a variable that influences costs and time, making pricing a challenge. One consultant may propose and price for each stakeholder to be interviewed for two hours. Another may suggest sampling using a written survey and a shorter interview. The two methods will probably lead to different costs, requiring the FM client to decide.

Underpriced work brings the risk of not getting the thoroughness you expected, or that the consultant will require additional funds. Consider closely. The adage “cheaper is not always better” is worth remembering.

WHAT IS IMPORTANT WHEN CHOOSING A CONSULTANT

Just as when choosing other service providers, some elements are typically important when selecting a consultant. These should be built into your procurement and evaluation process. They include:

- **Experience** – Consultant experience and how it matches your needs, both in the types of projects they have completed and their sector experience. If possible, look for practical, original, and operational background as well as consulting. Be sure you get the resources they propose and commit, not a substitute or a junior consultant. Since you should expect the consultant to provide you with insightful advice or leading practices, consider a consultant familiar with other business sectors. For instance, if you manage post-secondary education facilities, someone with experience outside that sector, say in retail, hospitality, or health care, can add value.
- **Results** – Depending on your project, demonstrated results may be important. This may be quantified (e.g., reduction in sq. ft., increase in percent maintenance completed, procedure documents or plans completed on time). Keep in mind that results may be recommendations or reports, up to the client to execute effectively – so long as the deliverables were manageable and realistic to execute.
- **Fit** – The consultant should be a “good fit”. Take time to meet in person and interact to find out what they are like. Past clients can be important, either because they compare to your own organization, or because they may be different in ways that help add to the consultant’s perception of your organization in beneficial ways. Discuss their business philosophy and problem solving approaches. When the evaluation of competing consultants is close, it may come down to which consultant personalities are going to work best with your team.

- **Methodology** - A well-structured, well-planned approach to tackling your project and getting your results is important and should be a large part of your evaluation. This includes the overall approach, activities, tasks, reporting, communications and timelines. All of this should be something you request in the proposal.

KNOW YOUR REQUIREMENTS FOR PROCUREMENT

Every organization has rules for procurement. You probably know the rules for the services and products you procure. However, consulting is different, so you need to understand how your procurement department will treat consultant services.

If their approach does not match your needs and doesn't account for the guidance you get in this document, you should request changes. Often procurement 'rules' are just that, someone decided to do it that way and can also decide to change it, even if the decision is at a high level. For example, government organizations often interpret or implement government rules rigidly when, in many cases, they actually have flexibility that they do not use due to choice or that they are unaware that changes in procurement policies can be modified.

Your consultant will be an important resource that you need to select a way that works for you, based on criteria which matter for the specific project. This can call for a different process for procurement than when you purchase office supplies or cleaning services. Process and selection criteria must enable your success.

HOW TO COMMUNICATE YOUR NEEDS TO PROCUREMENT

Procurement is there to help. They want to make sure the acquisition process is fair and transparent, that you get best value, and that you and your organization are protected. These benefits to the organization supposedly arise, in part, from the procurement group doing things the same way on every project, even though the scope and resources needed on every project may vary. Procuring outside consulting services for a project can be seen by your procurement department as a potential problem if acquiring consultants is not a familiar process for them. If you are told that you need to follow a specific protocol, as well as legal terms and conditions, because it is the 'rule', ask if the intent of the rule could be met with a different approach and clearly describe your needs.

If you are still having any difficulties with your procurement process, do some research. Talk to colleagues who have had similar circumstances to find out what they have been able to do, helping you make the case to do things differently. In one example, a government department's procurement staff always used price as the primary criterion for selection. When they were challenged to focus on other factors, they said that it was a rule governing their actions. In fact, the rule never said that price was primary and it allowed for other factors to be more heavily weighted as long as the criteria used and evaluation process followed were outlined in the procurement document. Come to find out, other departments were already doing that.

Your Procurement Department may need to be educated from time to time by your FM leaders and your FM Consultants. Frequent issues that arise where some guidance and expertise may need to be shared with Procurement may be:

- Terms and conditions that is appropriate for the consulting services being procured. This can include appropriate insurance types and limits as well as language that will not compromise the FM Consultant's insurance coverage.
- Technical scope for incorporating into an RFP for professional consulting services.
- Methods for providing preliminary budget estimates provided by a resource that has access to current material and labor costs.
- Never allow projects to be "wired" for a specific FM Consultant just so you can go through a competitive bid process that is required by your procurement rules and regulations. All competitive RFP responses need to be judged on their own merit between equally qualified consultants using a pre-determined RFP evaluation processes. If best and final fee adjustments are requested, give the FM Consultants bidding on the assignment some guidance on what scope can be adjusted in order to reduce the consulting fees.

PROCUREMENT APPROACHES AND TECHNIQUES THAT GET BEST RESULTS

A sampling that have worked:

- If you are highly price sensitive, provide guidance on processes, interactions, involvement and expectations so that the consultants understand the level of effort required and can estimate their costs and set prices accurately. Information such as how many site visits, number of documents, interactions, progress reports, and number of staff surveyed are pertinent to pricing. Make sure that all consultants being considered are on a level playing field with the necessary qualifications such as years in business, financial stability, qualified personnel with the necessary experience and a good reputation with excellent references from recent engagements.
- Give an idea of your cost expectations for the project. This can help limit respondents to those likely to fit your needs. Evaluate the consultants on their methodology and proposed output in view of cost to you. Consider providing budget limits to the finalists.

- Closely examine if a proposed fee is significantly below your budget. The proposal may be incomplete, or your needs and circumstances misunderstood. Alternatively, determine if the work proposed may involve innovative approaches and methods that are more economical than others submitted.
- Shift the financial weighting to a lower percent and evaluate on their technical capabilities. For instance, a government organization may weigh pricing as little as 10% of the total score.
- Start your procurement with a solution/methodology analysis. Select the preferred consultant on that basis and negotiate price. If the best combination of consultant and method proves beyond your reach, move down to the next in order.
- Choose a consultant from your network, get referrals from your colleagues, use the IFMA Consultants Directory, etc. and negotiate directly to achieve your objectives.

SECTION 4: HOW TO SUCCESSFULLY PARTNER WITH YOUR FM CONSULTANT, MONITOR PROGRESS AND MEASURE SUCCESS

Karla Reid, with Teena Shouse

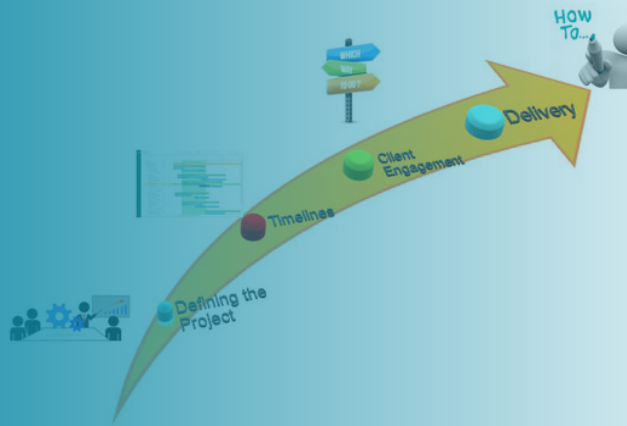
You have successfully built and sold the business case for the procurement of an FM Consultant, found what you believe to be a great fit, and secured a win-win contract, so now what? How do you ensure that the relationship and the outcomes will be all that you hope for? How do you be a good partner, supply the consultant with great support, and document a successful engagement that moves your organization forward? It is all about communication.

DEVELOP AND AGREE ON THE COMMUNICATION TOOLS TO ENSURE ALIGNMENT

- This step begins with a comprehensive Implementation Brief with a high-level Project Timeline showing coordinated activities and clear deliverables. These initial defining stages should be done jointly; consultant and client together.
- Be sure the expectations are reasonable and that you provide for flexibility when necessary to handle unforeseen occurrences. Even with the best of plans, unexpected things happen.

DEVELOP AND AGREE ON THE OPERATING MODEL

- Who will report what to whom and how. Be very clear about the chain of command regarding decision making, budget issues, etc. This will include how often the team should meet, in what manner (WebEx, call, Skype) and roles and responsibilities for each team member.
- Establish honest and open discussions. Keep the consultant informed of every issue that may impact the project.
- Be fair. Don't ask unreasonable demands of your consultant when it comes to the use of their time and



expertise with the intent of not compensating them for some of that time. Consultants are professionals and should be compensated accordingly.

- Encourage your consultant to be open and honest with you and your team. Remember the children’s tale - “The Emperor’s New Clothes”? Do not let that be you!

CREATE A SYSTEM BY WHICH YOU CAN OVERCOME OBSTACLES

Projects and engagements succeed due to the ability of the lead team to keep an eye open for obstacles and handle them as they come along. This takes trust, sharing, and a solid written plan for risk mitigation and recovery. Project teams fall apart once finger pointing begins.

Keep measuring and documenting your progress and success. The true and immediate indicators of performance are key measurables – KPIs (key performance indicators)– initiated by the consultant, designed jointly, and used with buy-in by the entire project team. Key indicators should look forward, to help guide actions, and look back, to establish results. Key indicators should answer these basic questions:

1. Will we/did we finish on time within the scope requirements?
2. Are we/did we finish within the project budget?
3. Will we/did we deliver the promised documents, programs, budgets, project plans, etc. germane to the project?
4. The overall test of success: Did our solutions really achieve the desired outcomes?

This guide suggests opportunities for consultants and clients to define paths to get results, agree on documentation of achievements, and provide baselines to measure progress and accomplishments during and after the project.

Wouldn't it be great to be able to produce a portfolio with the full story of the condition of the operations prior to the FM Consultant's engagement, during the engagement, and then 1-2-3 years after the end of the initial engagement. As a client, this strengthens your position with substantial proof of your initiative and the contributions of the teams. This affords you, the client, the opportunity to show your management that they made the correct decision and improves your chance to engage with them on yet another improvement opportunity.

EVALUATING YOUR CONSULTANT

Regarding evaluating FM Consultants as work proceeds, the key element is defining success measures for both the FM

FM Consultant Key Performance Indicators

Component	Key Tasks	Measurement
Strategic	Strategy Development / Option Assessments	Provision of FM Strategy Options and best practice recommendations
	Costing	FM Costing of Strategy Options and recommendations
	Design / Development Review	Review of development at respective development stages concept schematic, detailed design
	Handover and Transition Mgmt	Review and Gap analysis of Documentation Provided
Procurement	RFP Production	Production of FM Service RFP including Service and Operational Requirements register
	Supply Chain Analysis	Provision of Market Analysis of FM Supply chain providers in a sector or market
	FM Contract Development	Provision of FM Contract and related SLAs and KPIs
Operations	Operation/ Service Provider Performance	Develop Performance Criteria, Review of key performance parameters
	Compliance	Maintenance , Statutory Compliance Review
		SOP Development

Component	Deliverable	Outcome	ROI
Strategic	FM Strategy	<ul style="list-style-type: none"> • Strategy Options meet Client key outcomes • Cost efficient • Tehnologically inclusive • Feasible with existing supply chains 	
	FM Cost proposals	Cost Models	
	Gap analysis and best Practice Recommendations	Input to feedback an improved design , procurement or operations process	
	Gap Analysis Report	Input into Assets, Warranties , O&Ms , Data Storage Management, CAFM/WWMS integration	
Procurement		RFP feedback meets client sadifaction RFP Estimates are withint +/- 5% of Bid Price	
	FM Supply Chain review for FM Services		
	FM Contract	Improved Value for money options written into the contract including performance credits. Add-ons , material and consumable provision etc.	
Operations	Utilisation studies Performance Report, Gap Analysis and best practice recommendation	<ul style="list-style-type: none"> • Improved reliability • Improved Productivity • Enhanced Functionality • Efficient Space Utilization 	
	Compliance Reports, Benchmark with industry standards	<ul style="list-style-type: none"> • Fewer accidents • Fewer building related illnesses 	
	Process Maps and SOPS	<ul style="list-style-type: none"> • Fewer insurance claims 	

FMCC CONTRIBUTORS:

For additional information regarding this document subject matter, please contact the guide contributors listed below. For a complete listing of all IFMA members who are members of the IFMA FM Consultants Council as well as their areas of expertise and geographic regions of work, please visit the FM Consultant's Directory at <https://engage.ifma.org/network/fmcc-directory>.

