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Weixler: “Facility managers are becoming system partners”

by Lars Wiederhold

International and driven by IT is how Otto Kajetan Weixler, Chairman of the Executive Board of the association Gefma, which was established 25 years ago, describes the future of facility management. He views systems partnership, as we have already seen in the automotive industry, as the new business model for facility management.

Immobilien Zeitung: Mr. Weixler, how has the German FM industry developed in the last 25 years?

Otto Kajetan Weixler: FM providers are becoming larger and more professional, together with their customers. While the highest turnover of service providers then was around DM 100 million, today the ten largest companies are all earning over € 400 million. And some have even exceeded the one billion mark. Unlike many other sectors, facility management is still a growth industry.

IZ: What role did Gefma play in the professionalization?

Weixler: We developed guidelines and standards, which do not exist in any other FM association in the world. These regulations are now in use in Switzerland and an adapted version is being used in Austria. We are also working on translating them into English to make them available to the global market, and hopefully to be one step ahead of the English-speaking world. We have also contributed significantly to education and training, from certified facility management to FM university degrees.

IZ: Have customers' requirements of FM service providers changed?

Weixler: Customers are increasingly focusing on their image and want to appear more environmentally friendly. It is therefore important for them that their properties are managed sustainably. We as the FM sector must take responsibility here. Who else will, if not us, the operators? We must increase awareness of the fact that this service has a value and a price, but that is only a matter of time.

IZ: Are customers now involving the facility managers in their planning processes at an earlier stage?

Weixler: That is still uncommon. A planner generally only considers the focus points. But is that sustainable and appropriate for FM? If the facility manager were involved from the beginning, they could influence the operating costs. In PPP projects, the question of how operating costs will develop in the coming years has long been a key aspect. You have to consider which materials and systems will allow reduced energy consumption and long maintenance cycles. You also have to guarantee consumption. If operating costs are a factor for contract awarding, then you have to think sustainably.

IZ: Where do you see the industry in ten years?

Weixler: It will be international and driven by IT and incorporate all aspects of sustainability.

IZ: Which technical developments will particularly influence FM in the future?

Weixler: Building Information Modeling can be extremely useful for a facility manager, if it allows building data to be condensed. This allows the facility manager to more quickly refer back to the data for renovation and restoration work and to identify the consequences that changes will have on consumption. The more buildings implement such conditions when they are commissioned, the better. Unfortunately, today's standard is still very different. You are presented with a few files and then have to painstakingly gather together the information. A further vision is make every device in the building, which uses electricity,

send out impulses. This would allow us to identify which devices are using a significant amount of electricity and whether exchanging them would be advisable. This will be the revolution of the next ten years. Cost transparency can be therefore achieved with simple means.

IZ: How has the association come with the development of its certificate for the sustainable operation of buildings?

Weixler: We want to start with presentable pilot projects next spring, which will have certified together with the DGNB. The building certification has so far not indicated whether the property is operated sustainably. Our certificate closes a gap. Companies can advertise this.

IZ: Where are the greatest growth opportunities in the FM sector in the coming years?

Weixler: Outsourcing is already common in classic office buildings. Hardly any banks or insurance companies still operate their own buildings. On the other hand, both small and large industrial companies offer great potential. Small and medium sized companies in the production industry continue to carry out many tasks themselves. We must make them aware that there are specialist service providers, who can carry out these tasks and optimize the building. International industrial companies are also relevant. These companies want global standards, reporting systems, key figures and comparability. Facility managers must also be represented in these countries. They have to understand the local market and acquire employees there.

IZ: How can an FM service provider distinguish itself from the wide range of suppliers today?

Weixler: There is no single solution for this. You could be a full-service provider or specialize in areas which are still less competitive. It is always a question of the customer's needs. Anglo-Saxon companies that operate throughout Europe set comprehensive international presence, international management, IT structures and reporting systems as their basic requirements. For small and medium sized companies, it is more important that employees are on site quickly and provide their own ideas for optimization. Smaller companies can also have advantages. The question is always: what are my strengths and which activities do I need to survive. This also means growth, because without growth there is no long-term survival.

IZ: What do the new business models mean for FM?

Weixler: The real estate sector is just as suited to

system partnerships as the automotive industry. We are the system partner, who develops and optimizes the FM and ensures transparency and comparability with through reporting. There are some customers who require their FM providers to guarantee a fixed price for operation per workstation. Of course, this places particular requirements on the corporate logistics and the real estate know-how of the service provider.

IZ: How important is self-delivery in FM today?

Weixler: That is entirely dependent on the type of customer. Self-delivery has a significant advantage in industrial companies. For fund properties, the focus is on good asset management. This provides not only the *raison d'être* for consultants such as JLL and CBRE, but is also an advantage, because they come from this sector.

IZ: What are your personal goals for Gefma?

Weixler: We started in 1989 with 60 members and today we have 800. 1,000 members would be a milestone I'd like to reach. Service providers, large industrial companies and the public-sector are already well represented in the association. What we're missing is small and medium sized industrial companies.

IZ: What makes the association special?

Weixler: Gefma depends on the involvement of its members. They work largely voluntarily, particularly the members of the working group from the member companies. The advantage is that everyone pulls together and shows initiative. In other associations, employees simply pay the fees. Without voluntary support, the association work could not be financed, because we only charge low membership fees. The largest companies paid € 2,600 per year for a long time, they now pay € 3,800. The general meeting agreed the new fees at the end of October.

IZ: Has the interaction in the association always been so cooperative? Many members are competitors.

Weixler: It has developed over the years. Otherwise something like the extremely active industry initiative "FM - Making it happen" would be unimaginable. In everyday business, every order is fought for. I don't think I have ever given up an order out of selflessness. However, we all benefit from common quality standards, because this ensures we have the same framework conditions. Within these conditions the decision is made based on who is better or more creative or can make a slightly cheaper offer.

IZ: Where is there still a need for optimization for the association and the industry?

Weixler: We still need to become much more interesting for young people. The industry needs well qualified personnel, in the commercial, technical and infrastructural areas.

IZ: Can FM distinguish itself from other sectors in the search for young talent?

Weixler: That has never been easy. Although FM has a better image today, it has still not come as far as it should have.

Competition from the manufacturing industry remains high. However, the increased proportion of women is pleasing. This proportion is now significantly higher in FM study programs than in construction-related programs. Women have good development opportunities in the sector. There is also a female member of the Gefma Executive Board. Beatriz Soria-León will also strengthen our international approach.

IZ: Is Gefma becoming more international?

We are becoming more international with our customers and our standards. We must make sure that what we are developing is well received internationally. To do this, we look for companies who are keen to apply our work internationally. The application of the standards is expanding. For example, a large German chemical company has already implemented them in two global projects. I think it is only a matter of time before other companies follow suit. We have a very different distribution and our standard is becoming an international standard.

IZ: Thank you very much for talking to us, Mr. Weixler!

Interview conducted by Lars Wiederhold.