Role Model for Chief Facility Managing Officers (CFMOs) based on the Service Allocation Model for Service Companies (SAMoS) A Theoretical Reflection and Basis for Discussion

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ABSTRACT

The profile of a Chief Operating Officer (COO) mostly defines the role of the manager responsible for daily business operations, reporting to the Chief Executive Officer (CEO). For service companies or institutions with no industrial production but instead a high ratio of hospitality aspects, no adequate profile in terms of leading support processes has so far been discussed on a broad level. The setup of the Service Allocation Model for Non-Medical Support Services in Hospitals (LemoS) has revealed that the coordination of resources and data between the different FM areas defined in the norm SN EN 15221-4 (2011) means a new discipline and role, by means of which FM will be able to prove its importance in controlling and developing service companies. For this purpose, LemoS was adapted to general service companies such as airports, ground transportation companies, hotels, food service providers, event management businesses, safety & security providers, logistics & procurement firms and postal services, where FM plays an even more important role than the classical management support services. The result is the Service Allocation Model for Service Companies (SAMoS). On this basis, the differences between the tasks of Chief Operating Officers (COOs) and Chief Facility Managing Officers (CFMOs) can be discussed systematically, as well as the (future) profile and role of the latter.

KEYWORDS Facility Management, Chief Facility Managing Officer CFMO, Chief Operating COO, Resource Management, Service Companies, SN EN 15221-4

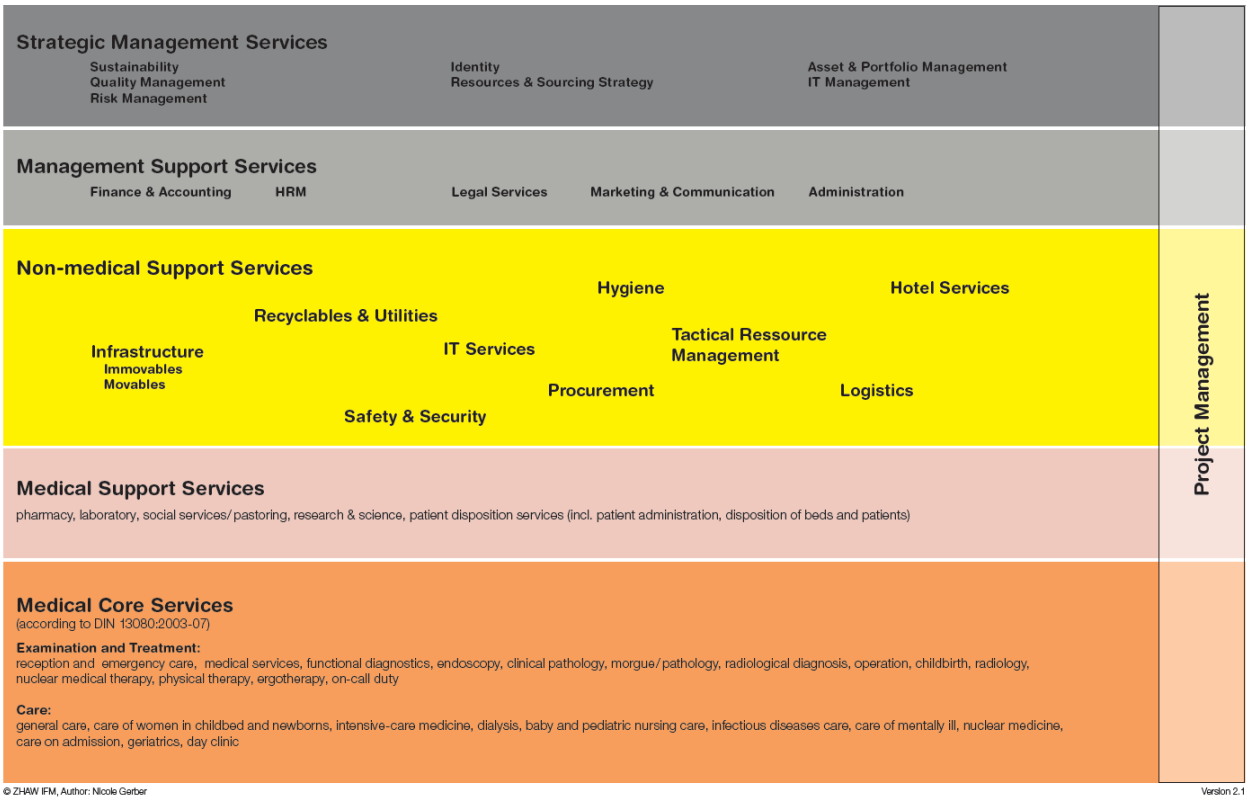
1 INTRODUCTION

In classical business administration, the role of managing the daily operational business has so far been defined as Chief Operating Officer (Lüth & Leicht, 2008; Miles & Bennet, 2006; Investopedia), or in brief COO. What this function includes is usually the conduct, control and organisation of (production) processes, including the reporting of production quotas. For service companies or institutions without industrial production but instead with a high ratio of hospitality aspects as well as the processes related to the buildings- e.g. airports, ground transportation companies, hotels, food service providers, event management businesses, safety & security providers, logistics & procurement firms and postal services - no adequate profile has so far been specifically discussed. When working in the FM context it becomes clear that it is necessary to promote such a new role and most probably in addition to the classic COO tasks, taking into consideration the specific FM needs of service companies, and at the same time to grasp the opportunity to position FM at the board level.

2 SERVICE ALLOCATION MODEL FOR NON-MEDICAL SUPPORT SERVICES IN HOSPITALS (LEMOS)

According to Hofer and Gerber (2013) and Gerber and Läuppi (2014) and their Service Allocation Model for Non-Medical Support Services in Hospitals (LemoS - *Leistungszuordnungsmodell für nicht-medizinische Supportleistungen in Spitälern*), in the hospital industry, the service levels can be distinguished between Strategic Management Services and their Support Services, Medical Core Services and their Support Services and Non-Medical Support Services (see Figure 1). Focusing on the Non-Medical Support Services, the authors describe the different FM services in hospitals (see Figure 2) with the goal to create a basis for a common understanding and in order to be able to set up clear key performance indicators. The methodology for setting up LemoS were iterative rounds of expert interviews and focus groups, with both norm and hospital FM experts from all different levels and various specializations, using semi-standardised guideline-based interviews.

Figure 1: Overview of Service Levels in Hospitals



Source: Gerber & Läuppi (2015)

3 RESOURCE MANAGEMENT

In a qualitative survey conducting expert interviews Gerber (2014) found out that the specific aspect of resource management covering the complex network of FM services is of great importance (see also Klaus, 2012), but currently not specifically described in the norm SN EN 15221-4 D (2011) / SN EN 15221-4 E (2011). In addition, it became clear that there are hardly any software applications linking all the different FM factors. As a consequence, expert interviews with people from finance/controlling, IT as well as of the operational FM levels were conducted to find possible approaches for IT-supported FM applications to achieve more specific resource management in hospitals (Gerber, 2014). The author points out that the partial results

showed three main findings: first of all, there are very rarely people whose function is to take care of resource management spanning all the different FM disciplines. This means that different profiles are specified in FM sub-disciplines, but there is no key person with a hub function representing the organization's official management level also called the C-level due to the fact that its representatives are mostly called Chief … Officer. Secondly, the different units therefore very often operate in their own area without harmonising resources with other FM areas. This is thirdly also the case because the software applications implemented are not (fully) interlinked and therefore cannot support the FM staff in planning for different resource scenarios.

Figure 2: Service Allocation Model for Non-Medical Support Services in Hospitals

Source: Gerber & Läuppi (2015)

4 SERVICE ALLOCATION MODEL FOR SERVICE COMPANIES (SAMOS)

Transferring the findings from LemoS and the survey on Resource Management to the context of service companies in general, it becomes apparent that even when the specific hospital content is removed, the situation concerning resource management and coordination of the FM sub-tasks in service companies remains similar. This leads to the setup of the Service Allocation Model for Service Companies (SamoS) illustrated in Figure 3, describing all the different tasks on the three service levels, without the specifications of the healthcare context. The model is also based on SN EN 15221-4 E (2011) but the services are clustered in a more systematic manner, according to the findings of the LemoS project (Hofer & Gerber, 2013).

The goal of the model is to have a basis for discussion for future research of different interactions between the specific strategic, tactical and operational services in service companies as well as to develop clear empirically founded guidelines to enable future Chief Facility Managing Officers (see following chapter).

Figure 3: Service Allocation Model for Service Companies (SamoS)

Figure 4: Three main objectives of CFMOs

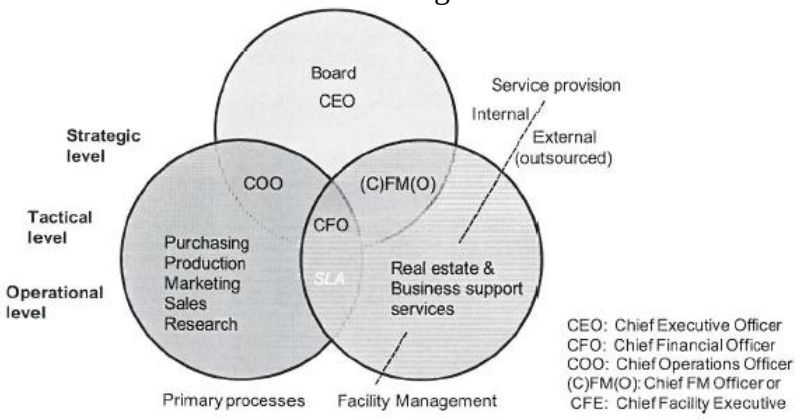
5 DISCUSSION: CHIEF FACILITY MANAGING OFFICER (CFMO) OR CHIEF OPERATING OFFICER (COO)?

It has become clear that, especially with the growing need for sustainable resource use and the increasing importance of FM, the role of combining resources and FM, as well as being represented on the C-level management board, implementing the role of Chief Facility Managing Officer - CFMO – has to be discussed on a broad level. A CFMO should at least have three main objectives: firstly to align the different aspects on the strategic level with each other, with the focus on FM. Secondly, to coordinate and adjust the FM services and their resources on an operational/tactical level. Thirdly, to handle the alignment between the strategic and the operation-

al/tactical levels. Figure 4 illustrates the above mentioned interlinks within the Strategic Management Service level, the Support Services for Core Business level as well as between the two levels.

These ideas lead to the discussion on how the role of COOs and CFMOs differ and under which circumstances it would be advisable to appoint which role. As a result, it will have to be considered to adjust the illustration in Figure 5. The Service Allocation Model for Service Companies (SamoS) is supposed to provide a systematic basis in this discussion process.

Figure 5: Example of an organisational model based on the FM-model where the primary activities and the support activities are organised on an even level and the FM organisation is incorporated on board level. The line between Internal and External represents the flexibility in outsourcing



Source: SN EN 15221-4 2011, p. 62

6 OUTLOOK

In general it can be said that current research reveals that FM specialists will in the future most likely be even more interdisciplinary than nowadays, speaking the language of both the strategic and the operational levels. Furthermore, suitably designed FM-Software will play a major role in establishing FM on the C-level. The cooperation between IT and FM specialists is therefore vital, as is looking at FM in a very holistic way.

Should the role of CFMO as a representative of the FM discipline on the strategic level be promoted, further studies will have to be conducted. For example, the different interactions between the specific strategic, tactical and operational services have to be researched and a framework with practical checklists to support CFMOs will have to be developed, both in the hospital as well as the general service company context. In order to develop the FM software development, one possibility would be the exploration of information systems and application mappings to enhance scenario planning in FM. It is hoped that through these systematic applied research projects, FM will soon reach the position in the business world it deserves - on the strategic level, represented by CFMOs.

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