

# The IWMS Value Guide

*Understanding and Communicating the Value of Integrated Workplace Management Solutions to Senior Management*

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# Understanding Executive Value

Real Estate is the second highest cost to most organizations (surpassed only by payroll), representing an immense opportunity for organizations to save money on operations and obtain competitive advantage in the market place. It stands to reason, then, that gathering relevant RE insights from all aspects of the organization can dramatically shape and inform growth strategies.

But IWMS/CAFM technology has vastly different value to each member of the executive team. Armed with this guide, anyone can be prepared to engage any member of the C-Suite in an informed discussion of how FM:Interact can help executives deepen their own value, while contributing to the health and success of the organization.



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*Across the organization, FM:Interact provides visibility into the heart of what matters, but what matters changes for every executive in the C-Suite.*



# What's Next?

## What your CFO Needs to Know

*Today's CFO's are trusted strategic advisers, with unprecedented visibility into cost structures across the company. The CEO trusts them to see around corners to drive performance and set strategy.*



*of CFO's rank monitoring business performance as TOP 3 priorities*

## **A Pivotal Role**

The CFO's role is a pivotal one, and CEO's rely more heavily on the CFO than on the rest of the C-suite when they're formulating business strategy. In a 2015 IBM Survey of Global CFO's<sup>1</sup> CFO's named their 2 most critical tasks as measuring and monitoring company performance and providing strategic input – two key tasks that the right technology can help them achieve.

## **Cautious Innovation**

While CFO's can be stewards of innovation – a critical strategic enabler for almost all organizations – recent research from Accenture shows that fewer than 20 percent believe they derive competitive advantage from their innovation strategies, largely because they are too risk-averse.

The CFO's understanding of innovation's risk-return profile and clearly established criteria can help mitigate risks and realize ROI. This includes a better understanding of

how investments in real estate and facilities operations can drive transparency and better insight into one of the biggest costs to most organizations.

## **Organic Growth Strategies**

While CFOs still seem to think they can wring more savings out of cost-cutting initiatives, they are seeing diminishing returns from those efforts. That is shining a brighter spotlight on finding growth.

One in five, in fact, say they are actively pursuing major transformational deals, according to the Q1 2012 CFO Signals survey, and more than half are looking to make smaller deals. At the same time, organic growth remains in favor, with the focus overwhelmingly on generating synergies and scale efficiencies. CFO's need to optimize the management of such critical facilities and functions as manufacturing, warehouses, human resources & technology.

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<sup>1</sup> IBM Pushing the Frontiers, CFO Insights from the Global C-Suite Study

## Watching for Wildcards

The impact of a black or grey swan event is something CFOs continue to worry about – and should prepare for. Companies with operations in Europe, for example, should plan for additional surprises and residual effects stemming from the euro situation. In addition, a conflagration in the Middle East could affect oil supplies and create global instability and demand reductions for an extended period. CFOs may want to consider hedges against increases in oil prices and contingency plans for reducing output efficiently in the event worldwide demand falls.

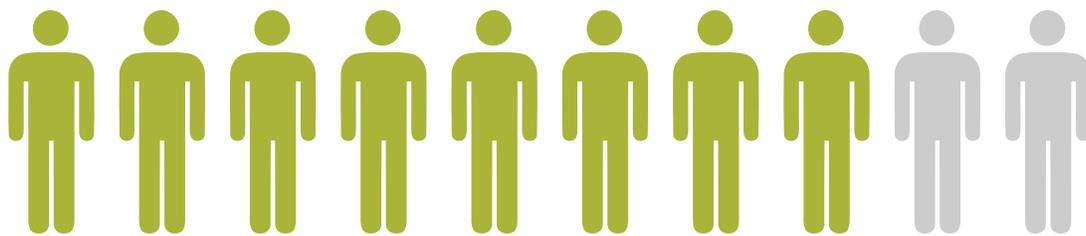
## Time Management

To meet the demands of their role, many CFOs say they are putting in 12 to 15-hour days at work. That is not effective over the long run, nor does it help in other aspects of their lives. A major contributor to this time creep is the massive amount of emails CFOs receive, and they need to put better processes in place, including better delegation, to deal with the decision making inherent in that communication. Responding to 250 to 300 messages a day is simply not effective. Instead, CFOs need to focus on what is most important to their companies at the time – and that means picking your battles and being extremely frugal with your time.

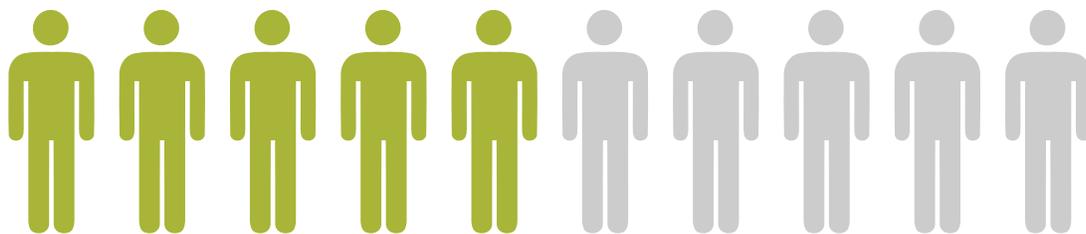


*CA's global facilities team delivered 15 percent savings in occupancy costs by decreasing real estate footprint and eliminating excess vacancy.*

The biggest risk lies in the people who would be alienated by technology that is not up to par



**8 of 10** *senior executives place high importance on technology<sup>2</sup>*



**Over half** *would quit a job over old technology<sup>2</sup>*

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<sup>2</sup> The Global Evolving Workforce, AWS.com



## What If?

### What Your CTO/CIO Needs to Know

*The business-centric CIO of the future will not just “support” the relationships within the C-suite, but will initiate them, enrich them, extend them and protect them.*

## **Security. Security. (Privacy). Security.**

Given that security breaches have become almost commonplace in Corporate America, cybersecurity has ascended rapidly on CIOs' priority lists. They have good reason to be concerned. According to the Ponemon Institute's 2012 study, incidents of data breaches cost U.S. companies an average of \$194 per compromised customer record, and the per-incident costs averaged \$5.5 million. Moreover, attacks are becoming more frequent, opportunistic and sophisticated. And given the proliferation of mobile devices, the concern is not only to keep hackers out, but to wall them off from proprietary and private data once they get in. The threat is not lost on executives, who seem to be stepping up defenses: one-third of finance chiefs in the Q1 2014 CFO Signals survey say they will make significant improvements to their risk management approaches (54% for CFOs in the technology sector) in 2014.<sup>3</sup>

## **The Cloud Change Agent**

Think about how rapidly this cloud model has evolved: a handful of years ago, it was mostly the province of test and development, and later some trials in "non-essential" areas like HR or marketing. And the hope was that this new approach could lower the cost of IT. Today, we're seeing companies move major portions of finance over to ERP clouds, which is about as mission-critical as you can get. They're unleashing powerful new recruiting and talent-management capabilities through HCM clouds. And marketing clouds have become indispensable sources of revenue generation and customer engagement in both B2B and B2C environments. The strategic CIO in 2015 will leverage the growing sophistication of cloud solutions to not only re-engineer the economics of IT by liberating more funds for innovation, but also to accelerate and enhance core business processes through powerful mobile-first software as a service applications.

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<sup>3</sup> 2014 CFO Signals Survey



## Accelerating Performance

The pace of life here in the twenty-first century continues to intensify at home and at work, and that pace is surely not going to diminish as young digital natives move into the workforce and expand their purchasing power. Businesses and other large organizations must come up with good ideas more rapidly than ever before, make better decisions in hours rather than weeks, find and hire world-class talent more quickly, spot emerging trends and opportunities before competitors do, and move as fast as their customers move. CIOs are in an ideal position to make speed a virtue across the enterprise.



<sup>4</sup> 2014 PWC 18th Annual Global CEO Survey

# SOURCES OF CIO SUCCESS<sup>5</sup>



<sup>5</sup> Gartner, Reimagining IT: The 2011 CIO Agenda, 2011



# What Now?

## What Your COO Needs to Know

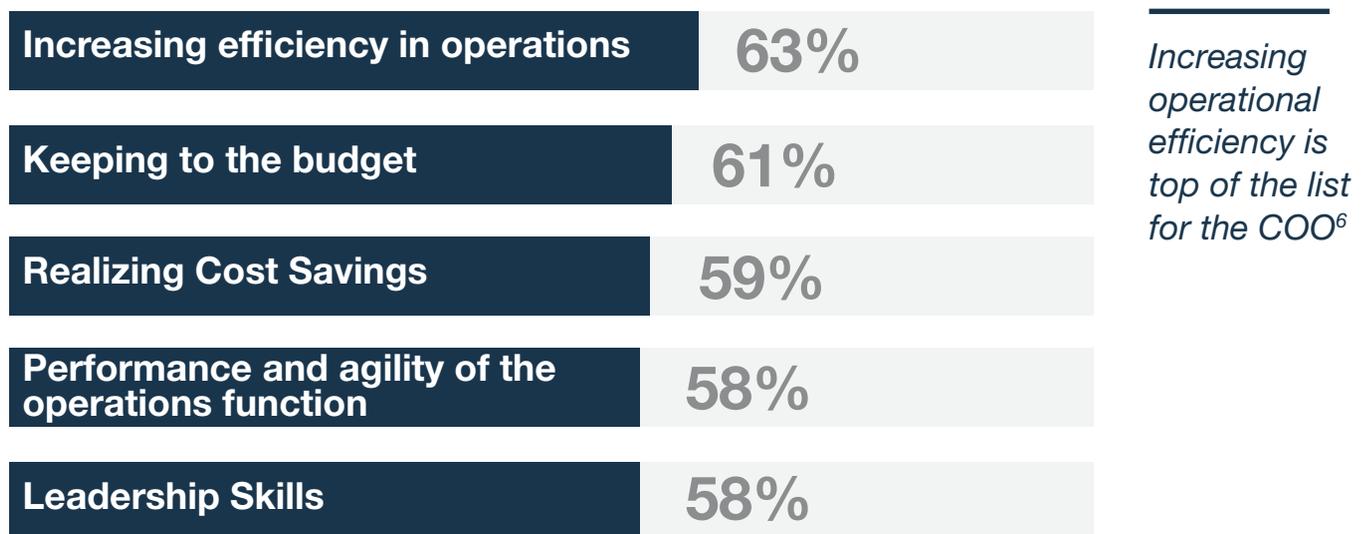
*Successful COOs have to adapt constantly to a fast-changing corporate and external environment. They must possess a mastery of change to help translate strategic vision into action.*

## An Evolving Role

In the past, the role of the COO was primarily concerned with keeping the wheels turning and little else. Today's COO demonstrates that they now bring a strategic contribution to the business, and that their role "moves the needle" on business performance. COOs may need not only to master operational excellence, but to become a driver of strategy as well. This switch in focus also highlights a dichotomy in the role of today's COOs. On the one hand, they must focus their attention on the here and now. This demands a deep involvement across the company's operations to ensure that they are performing at the optimal level. On the other hand, they must find the space to shape longer-term strategy, because they are best placed to assess the company's readiness.

## Masters of Change Management

A mastery of change management is therefore a core part of the role for many, and often even how the position was secured in the first place. The willingness to embrace change requires COOs to be comfortable making decisions, and that means having analytics that are rock solid and real-time.



<sup>6</sup> EY, The DNA of the COO

## Improving Operational Efficiencies

Under pressure to meet growth targets within tightly defined investment strategies, CEOs know they have to change the way their companies function. That's why nearly half of CEOs say improving operational effectiveness is one of their top-three investment priorities this year and why COO's rank this at the top of their critical task list.

## Leveraging A Unique Vantage Point

Because COO's get involved in almost every function, COOs can spot interdependencies and serve as the integrator between different activities across the business. They can help to break down functional and geographical silos, and identify ways of combining assets to drive efficiencies and transfer best practice.

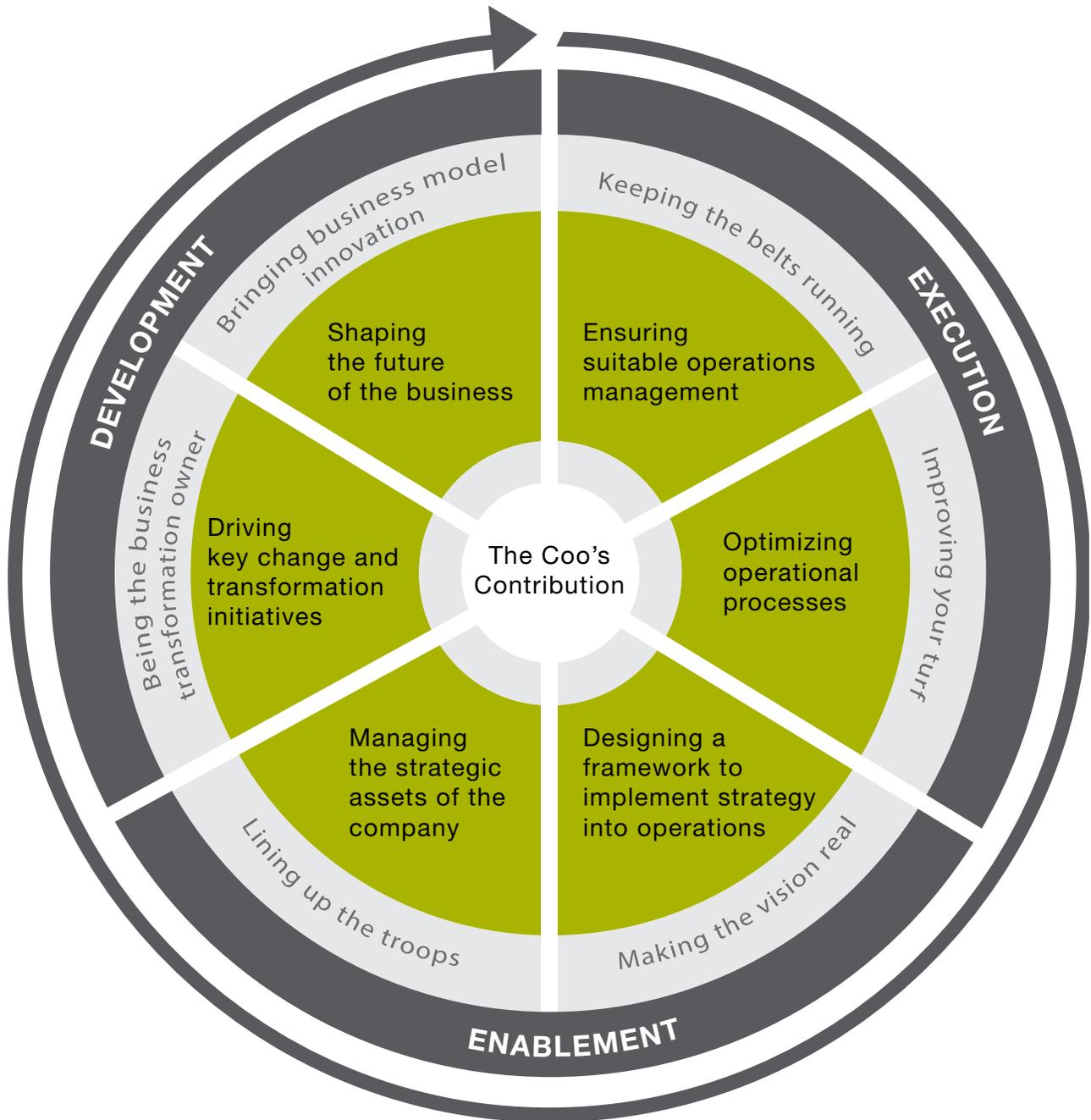
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*“Recently, we had to shift 80% of the company, separating them into two separate groups, and we were able to move 90% of the people within four months. FM:Interact significantly impacted our ability to reach that ambitious goal.”*

*- Steven Baumgardner, Bayer Healthcare*



# There are few roles in a company as broad as that of the COO<sup>7</sup>



<sup>7</sup> EY, The DNA of the COO



# What's Happening?

## What Your VP Real Estate Needs to Know

*Managing assets is a critical component to the growth and resilience of an organization. The VP of Real Estate has to have constant visibility into the ever-changing, growing, and contracting work environment.*

## Managing a Whole New World

We are in the middle of major, disruptive change in how we manage the workplace. By the end of this decade, the traditional model of managing space with a simple palette of offices, workstations, and conference rooms may be a relic of the twentieth century. The traditional approaches to reactive space management are being replaced by creative, proactive ideas in workplace strategy.

## Visibility

Understanding and measuring your company's performance is a key concern for senior management. Leading edge real-estate and facilities organizations are now firmly entrenched in the world of "Big Data" and the need information insights are the key to identifying and measuring trends across all aspects of building operations. Real-estate and facilities organizations need to take a leading role within corporations or institutions in terms of gathering real-time data from all aspects of operational workflows which can be utilized to drive performance.



*“Better visibility into space and occupancy has helped Herman Miller improve utilization of space and served as the foundation for move and service request process improvements”*

*- Dave Kuiper, Herman Miller*





## **Understanding the Financial Impact of Facility Management**

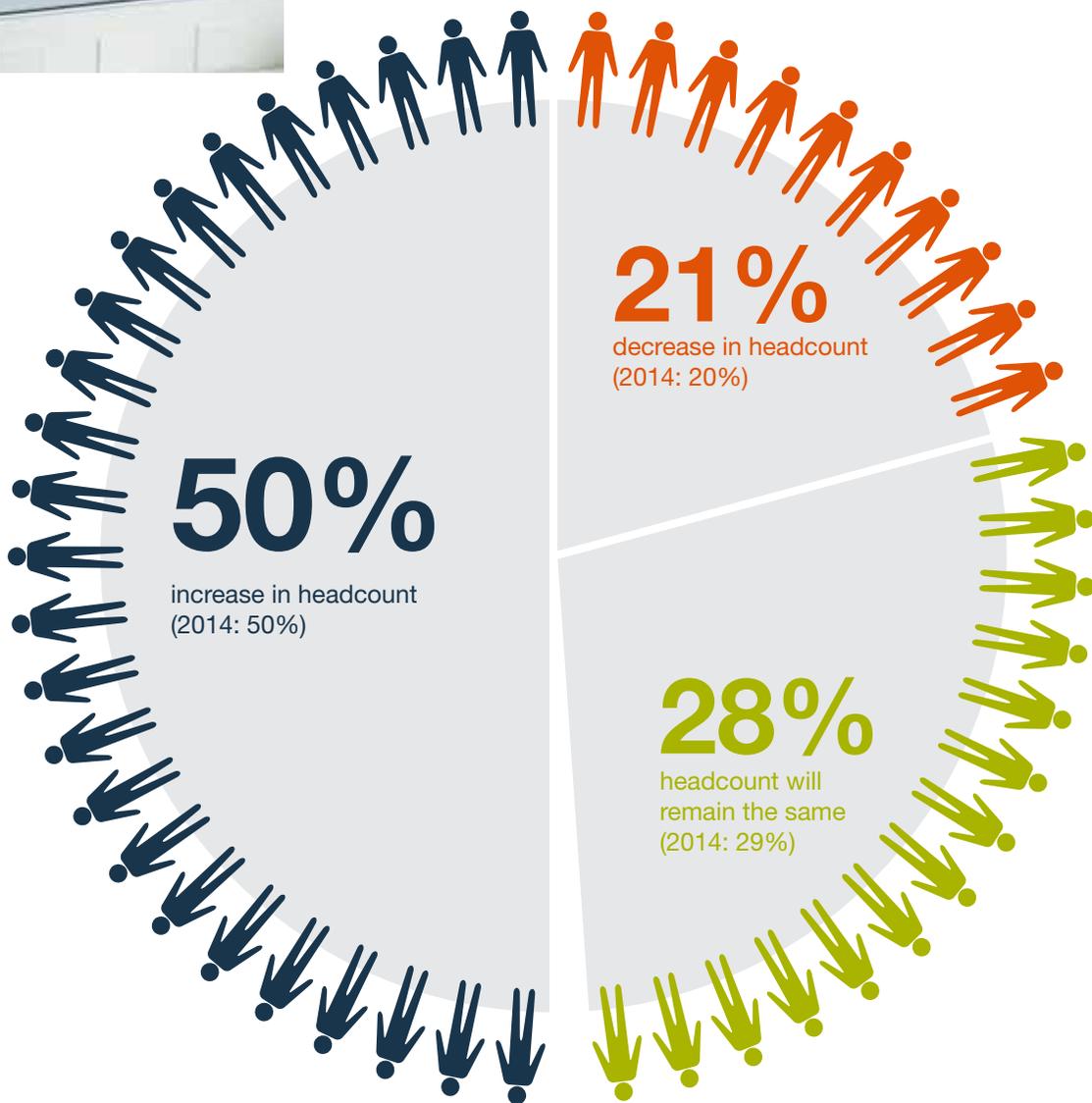
The quickest way for real-estate and facilities leaders to be recognized as leaders within their organizations is to fully understand the financial impacts of how building operations affects the company's bottom line. This includes understanding how the company determines and manages growth, profit and operating margins and the overall financial condition of the organization and how real estate costs fit into the overall strategic plans.

### **Asset Planning: Scenarios**

Dynamic work environments and the increasing need for greater flexibility in how organizations use their available space and assets is pushing facilities professionals into new territories unimagined just a few years ago. It is imperative for corporate real estate and facilities teams to align their plans for their facilities including growth, contraction, consolidation, optimization and more facilities plans with the overall business of their organization by analyzing space requirements and forecasting future space needs.



## Half of the CEO's plan to increase headcount in the coming year<sup>8</sup>



<sup>8</sup> PWC 18th Annual Global CEO Survey



# What Matters?

## What Your CEO Needs to Know

*To the CEO, it all matters, all the time. Real-time insight from all parts of the organization is critical to create strategies that can adapt to the constant change of the digital revolution.*

## Staying Prepared in a Volatile World

Just as the industrial revolution did a century and a half ago, the digital revolution is reshaping the way we live our lives and the way we work; it's also forcing a fundamental transformation of business – changing the relationship with customers, bringing new entrants and their disruptive technologies, driving new channels, products and services, breaking down the walls between industries and, in many cases, forcing a basic rethink of the business model.

In today's digital age, CEOs need to be sure that the business is fit to react quickly to whatever the future may throw at it – and the key to that, is knowing what's happening in real time from all sides of the organization, and working with senior executives to plan for and adapt to what's next.

## Creating Cultures that Thrive

Competitive advantage in the digital age lies not just in securing the best technology, but in using and managing talent well – and that demands truly great leadership. But this is leadership in a radically transparent world, where organizations are far more complex, where ideas are a commodity, and where talent is mobile and autonomous. Leaders must create a culture where innovation thrives, ideas spark into life and people – whoever and wherever they are – are bound together in a common cause. Technology can bring more than efficiencies; it can bring people together to provide a kind of insight never before available to CEO's. Insight that not only drives decisions, but also creates leaders at all levels of the organization.

80%

*of CEO's see data analytics as strategically important to their business<sup>9</sup>*

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<sup>9</sup> PWC 18th Annual Global CEO Survey

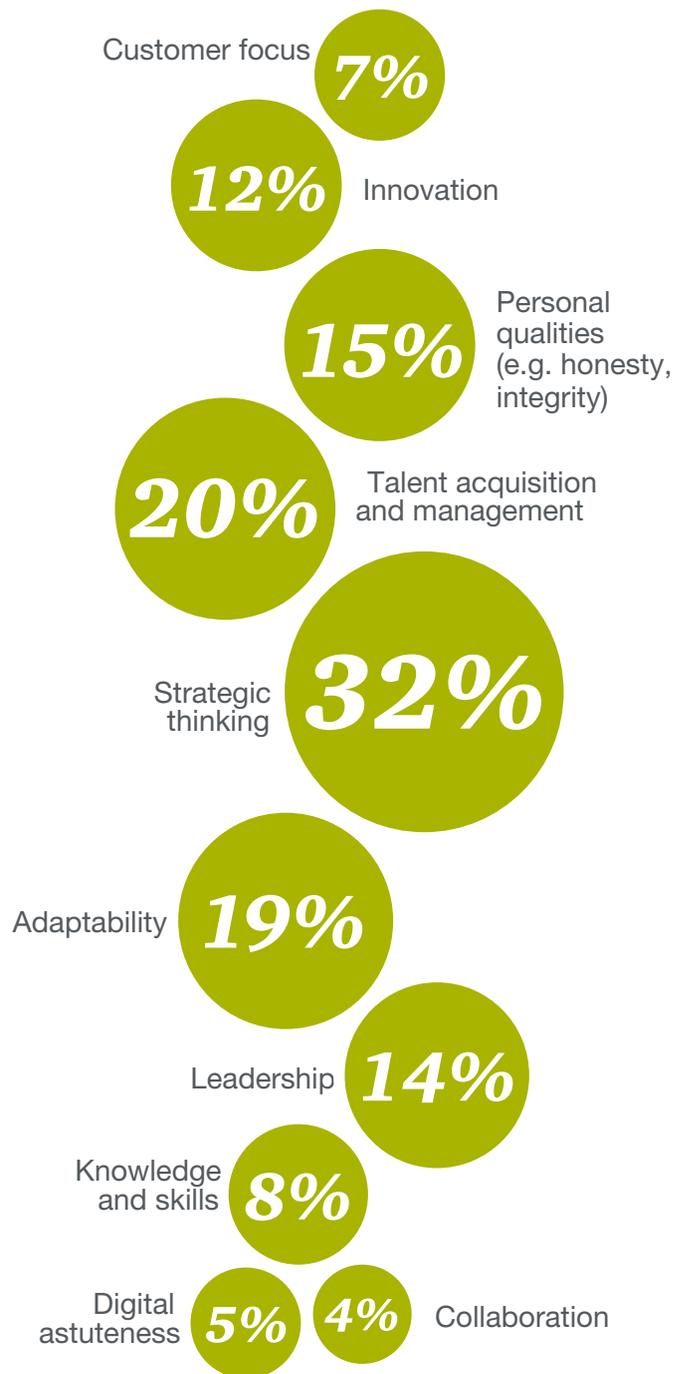
## Sharing Strategic Decision Making

The abundance of information – from both internal and external sources – is the richest possible mine when it comes to understanding what’s happening and how to make decisions. But the truly vital step is to transform the data collected into strategic advantage.

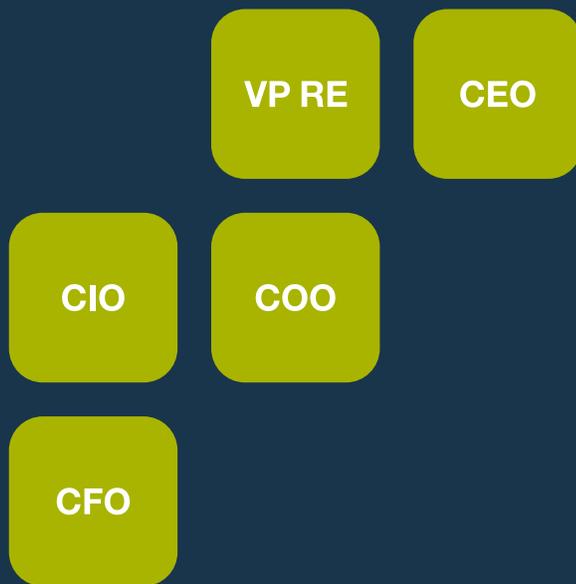
To do this, CEOs are putting more power in more hands. Nearly a third encourage the participation of managers below board level in strategic decision-making in order to develop and set the strategic direction of the firm. The goal is to encourage capacities for innovative and flexible thinking, by using technology to inform and prepare all executives in the C-suite for not only what’s on the horizon, but also for the unexpected.



*“Today’s new dynamic environment requires some original decision-making that has never been made before, putting tremendous pressure on CEO’s. By leveraging and integrating insights from all across the organization in real time, talent is better utilized, cultures thrive, leadership is shared, and strategies that are both innovative and resilient can be developed, launched and adapted”*



<sup>10</sup> PWC 18th Annual Global CEO Survey



# FM:Interact - What Matters to Everyone?

## Powerfully Different

*We recognize that you have choices when selecting an IWMS vendor. FM:Systems believes we have a unique set of differentiators which leads to superior experience and long-term customer satisfaction.*



*Now that you better understand the unique priorities of each of the senior level team members of your organization it's time to communicate the value of integrated workplace management solutions to them."*

## Uniquely Different

We recognize that you have choices when selecting an IWMS vendor. FM:Systems believes we have a unique set of differentiators which leads to a superior experience and long-term customer satisfaction. This document is intended to help you to communicate what makes our company stand out from the competition and why choosing FM:Interact as your IWMS solution should be a powerfully simple choice.

## FM:Interact

The old way of implementing IWMS that requires extensive implementation and is difficult to maintain and upgrade is unsustainable. We think that there is a better way.



## FM:Interact Technology

- Configure, don't customize
- Choice of deployment: SaaS, Hosted, On-premise
- Mobile access for a mobile workforce
- New tools for the dynamic workplace
- Enterprise integration



Ease of Use



Modular Suite



Configurability



Seamless Integration



Scalable & Flexible

## ➤ **Cautious Innovation**

FM:Interact is a truly Integrated Workplace Management Systems (IWMS) which utilizes a single platform and architecture. Forward thinking technologies such as HTML5 and BIM are innovative areas which are becoming an integral part of our core development environment.

## ➤ **Organic Growth Strategies**

Predicting future space needs can be the most difficult type of change for an organization to predict. FM:Interact enables teams to create “what-if” scenarios which can provide you with a detailed breakdown of your existing utilization combined with predictive modeling for future change to ensure you get the most effective utilization of your facilities.

## ➤ **Watching for Wildcards**

The type of change that is most disruptive is unplanned change which can disrupt your operations and ultimately your cash flow. FM:Interact has powerful scenario planning capabilities allowing you to proactively plan for and manage change in your physical space inventory.

## ➤ **Time Management**

In a recent Aberdeen Group report on mobile technologies in the workplace, 65% of executives said the number one reason for providing mobile support to their personnel who serve internal employees was to improve customer satisfaction.<sup>11</sup> FM:Interact provides a platform for your organization to better manage all aspects of your facilities timeline including tight control of Service Level Agreements (SLA's), escalation, notifications and access to all of your facilities data and drawings in real-time on a mobile device or through standard web-browsers.

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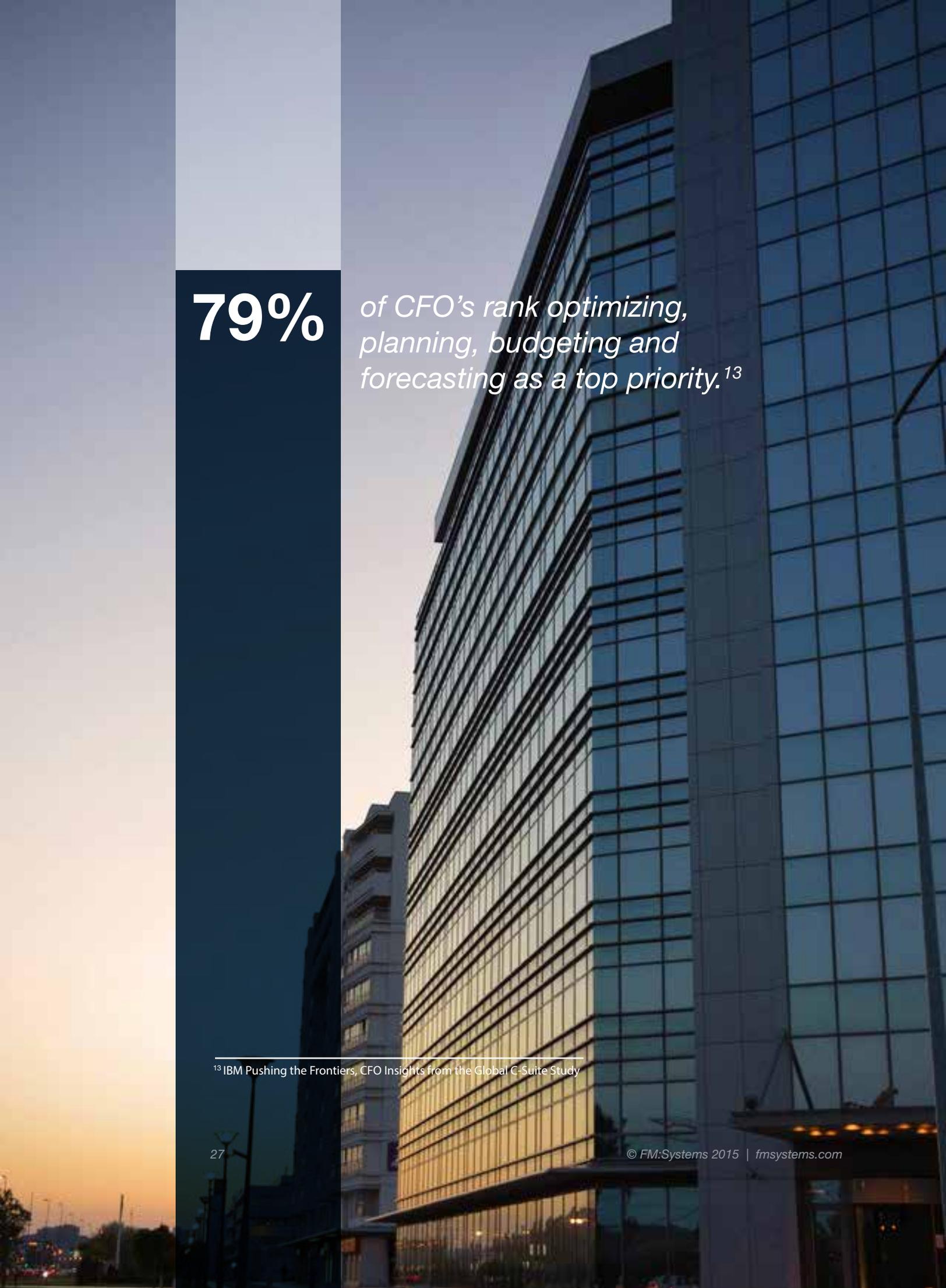
<sup>11</sup> Aberdeen Group – The Mobile Technician: The Evolution of the Connection in 2015



*of CFO's see the value of integrating enterprise-wide information<sup>12</sup>*



<sup>12</sup> New Study Highlights Top Concerns For CFOs



**79%**

*of CFO's rank optimizing, planning, budgeting and forecasting as a top priority.<sup>13</sup>*

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<sup>13</sup> IBM Pushing the Frontiers, CFO Insights from the Global C-Suite Study



# PROTECT

## ➤ **Security. Security. (Privacy). Security**

For customers who are using our world class hosting services, FM:Systems has achieved NIST certification. NIST certification is required by many agencies of the U.S. government and considered by most corporations to be an indicator of secure software. FM:Systems has also recently attained Safe Harbor certification for the European Union and Switzerland and Privacy Certification through TRUSTe, the industry leader in data security certification. We consider these certifications to be essential in providing high-quality and secure software services to global companies.

## ➤ **The Cloud Change Agent**

FM:Interact is a truly integrated IWMS solution which utilizes a single platform and architecture. Forward thinking technologies such as HTML5 and BIM are innovative areas which are becoming an integral part of our core development environment. FM:Interact is a true Cloud-based solution for IWMS where many of our competitors are only Cloud enabled.

## ➤ **Accelerating Performance**

FM:Interact can deliver an accurate picture of your facilities data enterprise-wide. This enables you to utilize reports and dashboards with embedded key performance indicators to help you quickly identify areas within your facilities where you might be experiencing inefficiencies.





# ADAPT

## ➤ **An Evolving Role**

FM:Interact was designed to manage organizational change and was built from the ground up to be configured. You can modify the system to match your business processes without the high cost, long timeframes and risk associated with customizing other products.

## ➤ **Masters of Change Management**

Facility Management is a profession that is driven by change. Whether it is corporate reorganization, new technology, or changes in workplace design, our field is defined by the need to constantly adapt or modify our facilities to respond to change. FM:Systems has been rapidly evolving new capabilities to meet these demands which are being enabled by maturing technologies such as larger clearer screens, increased security, faster data processing and higher bandwidth connections.

## ➤ **Improving Operational Efficiencies**

After organizations have implemented FM:Interact, they can often turn tough challenges such as reducing occupancy, move and maintenance costs while managing their facilities more effectively across their entire real estate portfolio.



*“Operations are increasingly of strategic importance, addressing both the revenue and the cost challenges organizations face.”*

### ➤ **Managing a Whole New World**

FM:Interact provides a host of tools for supporting new approaches to working that break away from the practice of assigning one workstation per employee which include open office environments, neighborhoods, room scheduling and hoteling. These tools can help your team meet today's rapidly evolving demands to manage employees who are highly mobile and can work anytime and anywhere.

### ➤ **Visibility**

Analytics is a core capability of FM:Interact and provides organizations with an integrated system for facilities information and seamlessly integrates all critical systems data. This allows organizations to have a clear, unified view of their portfolio, helping them identify and measure trends that will keep them on the leading edge of peak performance.

### ➤ **Understanding the Financial Impact of Facility Management**

Real estate and operations is the second leading cost in most companies, second only to salaries and personnel. Portfolio savings are one key reason leading companies have widely adopted IWMS tools to help them better manage the financial impacts of facility management operations on their bottom line.

FM:Interact enables you to analyze and optimize your operations which helps you align your portfolio with the needs of your business avoid unnecessary ticket items.

### ➤ **Asset Planning: Scenarios**

Aligning real estate and facilities plans with business operations is integral to the success of facilities and real estate organizations in today's highly dynamic facilities environments. FM:Interact's powerful Scenario Planning capability was specifically built for space and occupancy planning allowing you to proactively plan for and manage change in your physical space inventory.



### ➤ **Staying Prepared in a Volatile World**

FM:Interact enables your organization to have a complete picture of your facilities and real-estate holdings which can help you to pre-plan for drastic change brought on by unexpected events such as natural disasters that can have a sudden and unanticipated impact on the operational readiness of your organization.

### ➤ **Creating Cultures that Thrive**

The digital workplace continues to emerge which can enable employees to engage more openly with BYOD devices which is transforming the way that we do business. FM:Interact can enable all employees to become part of the facilities operations process by placing mobile tools into their hands that allow them to create their own requests, track status and even provide active feedback to the operations team.

### ➤ **Sharing Strategic Decision Making**

Evaluate your options with FM:Interact scenario planning by providing users with tools to create phased floor plan reconfiguration scenarios based on departmental and spatial requirements as well as analyze the costs associated with different scenarios.

# 61%

of CEO's say they see more opportunity for growth today than they did 3 years ago<sup>14</sup>

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<sup>14</sup> PWC 18th Annual Global CEO Survey

A grid of office cubicles viewed through glass partitions. The cubicles are arranged in a 4x5 grid. The central text is overlaid on a white rectangular background that spans across the middle of the grid. The cubicles contain desks, chairs, and computers, with some people visible working.

***Simply Powerful. Powerfully Simple.***

