

SUMMARY

DIGITAL TRANSFORMATION

IS FM READY?

Delivering the exceptional, every day

SUMMARY

Drawing upon the insights from key decision-makers in facilities management, corporate real estate and the workplace, this report had two primary aims. The first was to build a more accurate picture of digital transformation in the built environment, including which technologies will be prioritised in the coming years and which business areas stand to benefit from their adoption. The secondary objective was to examine organisations' readiness for change, providing a much-needed analysis of the opportunities and threats to the creation of smart buildings and digitally connected workspaces.

Mitie's research found that built environment leaders are still largely guided by highly visible baseline needs, such as cost and compliance. Respondents cited cost efficiency, energy management, and operational risk management as the most important factors currently shaping their facilities management strategy. These results clearly indicate that facilities managers are currently focused on the areas of service that they can measure or that have a tangible and high profile impact on core business operations.

The majority (84%) of organisations are already embracing new digital transformation technologies and solutions at various levels of maturity. This clearly illustrates the value that organisations are placing on the potential of digital technologies, and the data that lies behind it, to transform facilities management.

Facilities management executives should ensure that only data that will provide a valuable impact to their organisation is collected from their buildings and people. It is recommended that facilities management teams should either recruit data scientists, or work with suppliers who have their own, to unlock relevant and actionable insight from that data. Furthermore, data collection must be undertaken ethically and organisations should let their people know what is being monitored and, importantly, what is not.

The research revealed that the three industry practices that would witness the highest impact from digital transformation over the next five years would be, in order of impact, energy efficiency, security/access control, and mechanical and electrical installation, replacement and maintenance.

The research determined that implementing effective energy management, supported by digital infrastructure, will help organisations to mitigate the impact of the anticipated spike in energy prices over the next five years. Connecting building infrastructure assets to a building management system allows for data analytics, asset optimisation and performance and cost efficiencies. These in turn allow organisations to set realistic net zero carbon targets with deliverable actions and measurable outcomes.

Security access control was identified as a holistic challenge that includes recruitment, screening and onboarding of people, as well as their permissions to access the physical building and digital assets. Digitally-enabled remote monitoring and remote guarding offer clear cost efficiencies as well as a more agile response to incidents. However, when implementing new digital solutions or technologies, organisations must always consider the potential cyber vulnerabilities that might be created and mitigate these.

Mechanical and electrical maintenance can benefit greatly from building remote monitoring and analytics that can assess, diagnose and predict when an asset failure could potentially occur. Preventative maintenance can then ensure that the asset is fixed before it fails, thereby reducing downtime and improving asset resilience. Building Management Systems (BMS) can also help bridge the divide between the introduction of new digital solutions and legacy building assets.

The research also reveals that facilities management executives appreciate that their role has expanded, from the performance of buildings to the comfort, wellbeing and productivity of the people who occupy them, too. However, capitalising upon the potential of digital transformation will require facilities managers to be realistic about where the gaps in their knowledge are and to plug those as quickly as possible. To overcome this potential gap, organisations must either invest in new talent or identify the small number of facilities management suppliers that possess these skills

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The final chapter of the report looks at the importance of managing change within any digital transformation and ensuring the effective adoption of new technologies, behaviours and ways of working. Organisations must take the time to tell people how to use new technology, the behaviours expected and the benefits it will bring. The report also suggests that the C-Suite must own any digital transformation and champion its adoption throughout the organisation.

The insights in this report – both quantitative and qualitative – paint a clear picture of the opportunities and obstacles that lie ahead for those embracing digital transformation.

The majority of facilities management leaders have a positive outlook on the potential for digitalisation to transform existing facilities management industry practices in the long term. They are also already engaged in a wide range of digital transformation initiatives, having made at least some progress on many fronts.

Ultimately the research reveals that the digital transformation of the built environment and workplace represents a paradigm shift for organisations, with the potential to significantly improve the performance of buildings and the productivity and wellbeing of the people that work within them.

To download the full report visit:
<https://www.info.mitie.com/digital-full-report>

