



*cutting through complexity*

# Debate FMA End-user session



Supply chain & the FM Market

23<sup>rd</sup> May 2013



# Why did we establish FMA End User Group?

- **No trade body for customers**
- **Everyone benefits if suppliers and customers understand respective issues, concerns and pressures**
- **FM Industry not as developed as others in terms of customer management**



# Who are we??

Guy Stallard

Andy Christophi

Fiona Bowman

Gary Youngs

Louise Rushmer

Wendy Cuthbert



- **We work in a variety of environments with different FM models and varying responsibilities**
- **We all want to work with suppliers to deliver successful FM Operations for our customers**
- **Understand mature relationships have tensions but relationship must be sustainable**
- **No one benefits when one party thinks they are the winner**

FMA User Group

Facilities Operations

## 3 Functions

Business  
Continuity, Safety  
& Security

Property

Workplace  
Services

- 22 locations around UK ranging from over 5000 people in 15 Canada Square to offices of less than 50 individuals
- Mix of in house and single service outsourced arrangements
- Cost budget of circa £100m

# Facilities at Shelter

# Facilities at Lloyd's Register

# Facilities at Norton Rose



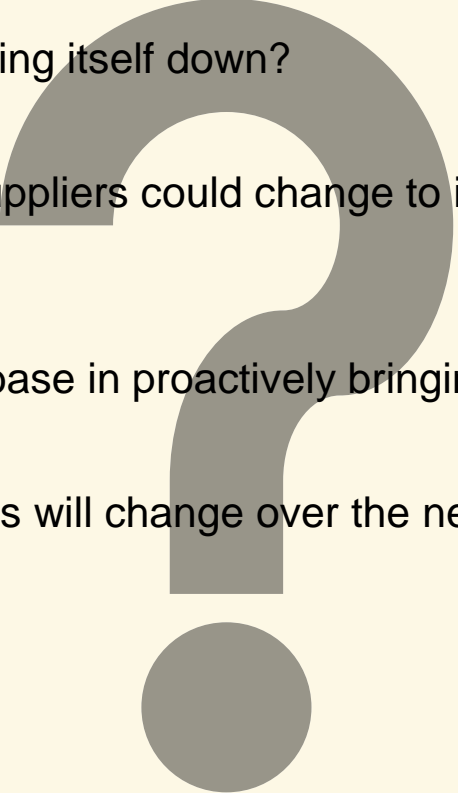
# Facilities at RSA

# Facilities at Barclays

A dark teal, horizontally-oriented oval shape centered on a white background. Inside the oval, the text "What we debated" is written in a bold, white, sans-serif font.

**What we debated**

# Questions

- What are the areas which we perceive to be improving?
  - Where we feel the supply base is letting itself down?
  - What are the main things we think suppliers could change to improve how they interact with customers?
  - How effective do we find the supply base in proactively bringing innovation to us?
  - How do we feel procurement methods will change over the next five years?
- 

# What are the areas which we perceive to be improving?

**Suppliers are recognising tough economic climate!  
Generally holding contract prices flat**

**Suppliers empowering local accountability**

**Continual improvement through contract period**

**Looking forward not back**

**Sharing knowledge/best practice**

**Move to 'open book' relationship which leads to trust on both sides.**

**Suppliers are becoming more strategic about which sectors they want to expand in**

**Career progression/training**

# Where do we feel the supply base is letting itself down?

Should be more open and prompt about raising concerns

New ideas not raised proactively

Varying capability across country, region, globe

Escalation of issues

Not understanding the client/buyers requirements

Supplier Collaboration and Integration

Bidding for all work rather than being tactical

# What are the main things we think suppliers could change to improve how they interact with customers?

Demonstrating knowledge, sharing best practise and future trends adds great value for the client

Demobilisation process

Continuous improvement and development of delivery model

Ensure no conflict between internal structure and client requirements

By professionalising staff and contract management

Getting even better at saying NO!

Treat Client like a partner

Suppliers should have the self confidence to recognise that they are the expert

# How effective do we find the supply base in proactively bringing innovation to us?

**Innovation – to make changes in something established, especially by introducing new methods, ideas, or products (Oxford Dictionary)**

**Incumbents only bring innovative ideas at tenders but not during the contract?**

**Do clients really get innovation or continual improvement & development?**

**Workshops for blue sky thinking held too infrequently**

**How well do suppliers know what FM need to do for 2025?**

**What does innovation mean? Different Perceptions?**

**Is the supplier paid enough to be innovative? Supplier should challenge Clients.**



# How do we feel procurement methods will change over the next five years?

**Different views regarding the success of TFM models. Seen some new starts as well as some winding down**

**Quality and capability of suppliers will be key**

**Potentially longer contracts with lower margins**

**Contract performance to drive decision rather than 'inflexible' rules**

**Closer working FM and Procurement**

**Market will diverge e.g. Global/region/national/office contracts**





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