



THE FUTURE OF FACILITIES MANAGEMENT:

WHY HEALTHCARE SHOULD PARTNER BY 2020

The physical environment in a hospital or healthcare system defines the healing environment, supports the patient experience, and is integral to the organization's overall brand.

However, achieving optimum stewardship of a facility's physical assets has become increasingly challenging, both operationally and financially. Many of the most basic functions of facilities management—cleaning, plant engineering, landscaping and energy management—have not kept pace with industry changes, let alone with the newer responsibilities of delivering engaging environments and experiences.

The services the facilities staff delivers and the environments it creates directly impact a health system's mission and outcomes. Too often, this broader definition and expectation of the function of facilities management is not recognized. As a result, many institutions suffer the shortcomings unnecessarily. Facilities management has a clear role in the success of every healthcare operation.

Looking ahead, a number of forces will challenge healthcare's ability to manage facilities successfully and achieve broader objectives. Understanding these forces now will provide healthcare systems with a competitive advantage tomorrow.

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Delivering a high-quality physical environment in a cost-effective manner is increasingly the domain of outsourced service providers. The 'supply side' of the FM industry sector has grown rapidly over the past five years and is increasingly dominated by large, global providers who are equipped to use their deep appreciation and understanding of the built environment—including design, construction and emerging technologies—to deliver services that enable FM to offer integrated strategic life cycle solutions.”

— 2017 International Facilities Management Association (IFMA) report, “Raising the Bar”

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FUTURE FOCUSED FM DELIVERY TODAY AND THE ROLE OF TECHNOLOGY

Integrated Facilities Management (IFM) is undergoing a revolutionary change, including significant disruptions from digital technology and data analytics. **The Internet of Things (IoT)—the network of connected devices that collect and exchange data on their environments—is fundamentally changing how facilities are managed, as well as end users' experiences in those spaces.**

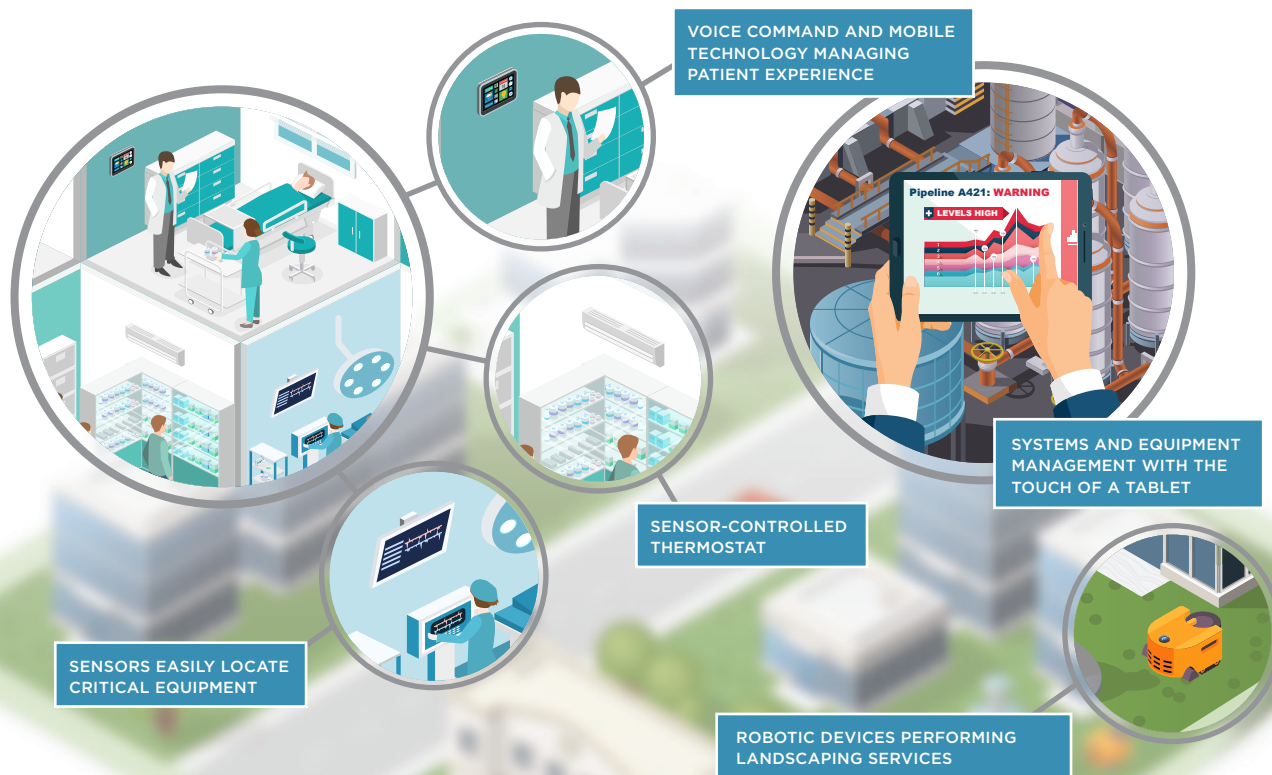
The digital transformation of the IFM industry through technology is well underway. Sensors, automated processes and even artificial intelligence abound. The profession as a whole has embraced these changes. The benefits are many, including higher levels of productivity, faster response to service, lower energy consumption and costs, elevated staff skills, better-informed decisions and an improved user experience.

Self-operating hospitals and healthcare systems are well behind the innovation curve. Merely using out-tasking functions as a way to reduce costs, versus a more holistic approach to IFM with investments in emerging technologies and staff training, has become ineffective and outdated.

IMAGINE THIS:

Patients adjust the temperature in their rooms, raise and lower blinds, or engage entertainment systems with voice-activated command. Call button volume drops precipitously as many common requests are addressed directly by the patient, increasing their satisfaction. Patient throughput and nurse satisfaction improve as sensors indicate whether a patient bed is empty or the location of an IV pump. Through predictive maintenance, failing mechanical equipment proactively notifies operators of its condition, automatically checks inventory for replacement parts, and places a purchase order if necessary. HVAC systems automatically detect unoccupied spaces and restrict airflow, minimizing the spread of airborne pathogens, improving infection prevention. Restrooms proactively indicate when they must be serviced. Heating and cooling plants are managed from a tablet. Administrators have transparent insight in the true cost and performance of their facilities operations.

FEATURES OF A SMART HEALTHCARE SETTING



By 2020, it is estimated that there will be 50 billion connected devices, with that number growing to 500 billion by 2030.

As technology becomes the ultimate enabler, the resulting data analytics will drive how facilities are maintained. The

data created by the digital age arms facility managers with real-time performance information they previously never had. The needs of both building systems and occupants can be predicted in advance. Data analytics allows informed decisions on budgets, investments, staffing and services. Such information provides a greater level of confidence, as well as building performance and manager accountability.



THE SKILLED LABOR SHORTAGE IS ONLY PART OF THE PROBLEM

The [skilled labor shortage](#) in America continues to challenge healthcare. With more than 50 percent of the [skilled labor workforce](#) over the age of 50, the physically demanding work often leads to workers' earlier exit and as a result, a surge in staffing vacancies.

The [plight of electricians](#) clearly illustrates the challenge facing healthcare and other employers. Annually, 10,000 electricians exit the workforce, but only 7,000 enter it, creating a net deficit of 3,000 electricians. The law of supply and demand is now working against healthcare as electricians and other skill sets are commanding starting salaries higher than their predecessors. Compounding this problem is that electricians are one of the primary skill sets needed to deploy the emerging technologies expected to change facilities and the healthcare environment.

EVERY YEAR 3,000 ELECTRICIANS EXIT THE WORKFORCE

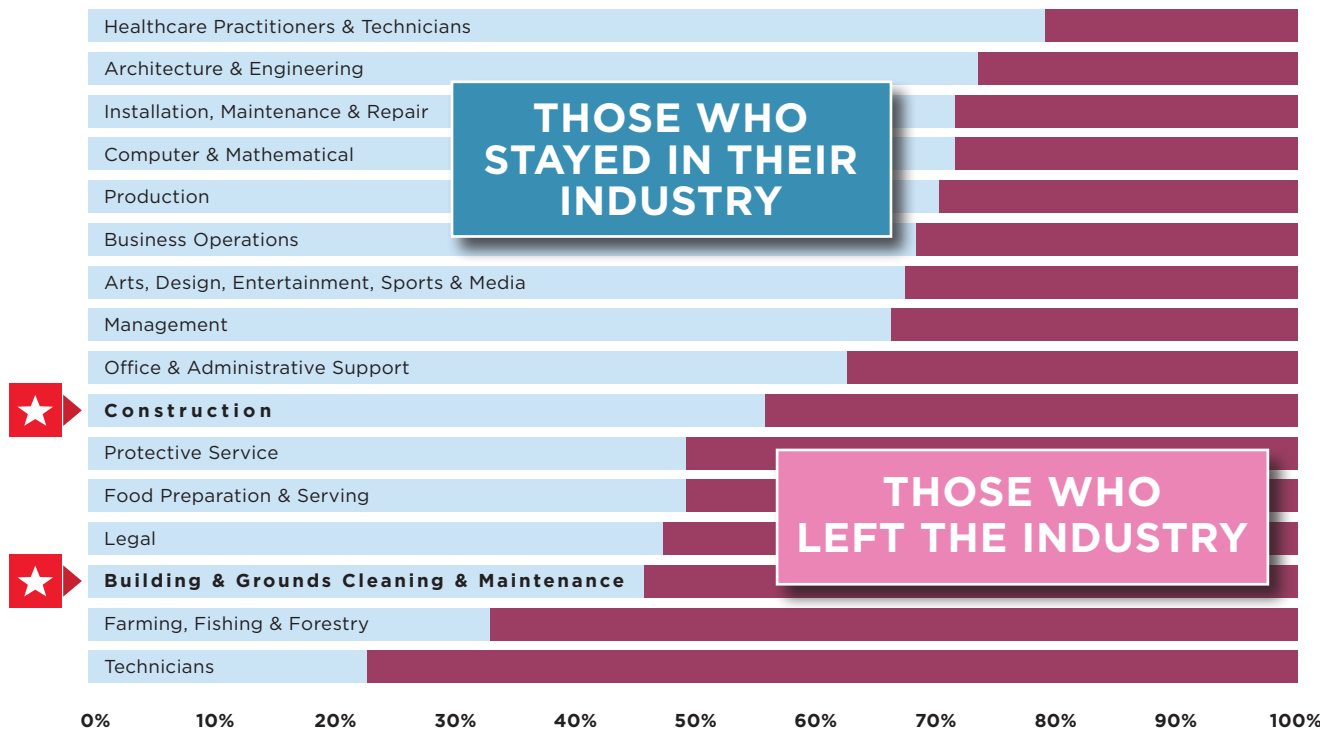
YET, FINDING TALENT IS ONLY PART OF THE PROBLEM.

Adding to the current skilled labor shortage is the challenge to retain individuals who enter the industry. A recent study of professionals conducted between 2016 and 2017 found that **47 percent of construction-related labor left the industry** a year later. For **labor in the buildings, grounds, cleaning and maintenance category, that figure jumped to 56 percent**. This graph shows the primary categories of skilled labor within every facilities organization.

STAYING IN THE SAME LINE OF WORK

Among those who switched jobs:

- Who Stayed In Same Area
- Who Left



The challenge for healthcare to staff its facilities is similar to the one it faces with nurse recruitment and retention. First, employers must **find** qualified labor to maintain their facilities. In today's constricted labor market, the ability of organizations, to meet the market price point is compromised. Second, retaining individuals who are attracted to the facilities industry has become more challenging. Employee skill sets quickly become outdated, and the need for continuous training is essential to remain current with the pace of technological change. Staff without access to continuous development and career opportunity will seek alternative employment. Healthcare organizations must have a compelling offer, complete with continuous training, to attract and retain talent capable of managing their facilities in the future.

Organizations without the ability to attract, retain and develop skilled labor will quickly find themselves at a competitive disadvantage.

RISING DEFERRED NEEDS AND SHRINKING SPACE UTILIZATION

Every healthcare system has some level of deferred maintenance. The inherent funding limitations of a not-for-profit, coupled with the broader mission of treating, rehabilitating, and patient satisfaction, will always take precedence over maintenance needs. Addressing deferred maintenance involves, first, understanding the level of outstanding need and, second, implementing a corresponding plan to address the highest priorities in a manner that minimizes risk while supporting the broader institutional mission.

The commonly accepted deferred maintenance strategy involves a combination of “catch-up” and “keep-up” funding, coupled with a strategic need prioritization. Catch-up monies are one-time capital infusions used to address existing deferred maintenance, while keep-up funding recognizes that the primary source of historical maintenance deferrals is an underfunded operating budget. **Unfortunately, the simultaneous need for both capital and operating funding further burdens existing facilities operations. Without a proactive strategy, building conditions will continue to deteriorate, and risk exposure will continue to grow.**



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HEALTHCARE IS REACHING AN INFLECTION POINT

Together, the unrelenting forces impacting facilities management—exponential technological growth, skilled labor shortages and deferred maintenance—have reached a tipping point. Healthcare is at a critical “inflection point” on the curve from historical approaches to facilities management to the modern approach of IFM.



THE ROLE OF FACILITIES IS BEING REDEFINED.

IFM has become an enabler to drive broader healthcare outcomes by impacting the patient experience, creating user engagement, and driving higher productivity. Maintaining assets, the traditional function of a facilities department, is the price of entry. Rather, the physical space and those who maintain it are responsible for creating environments and experiences that allow patients to heal and clinical staff to excel.

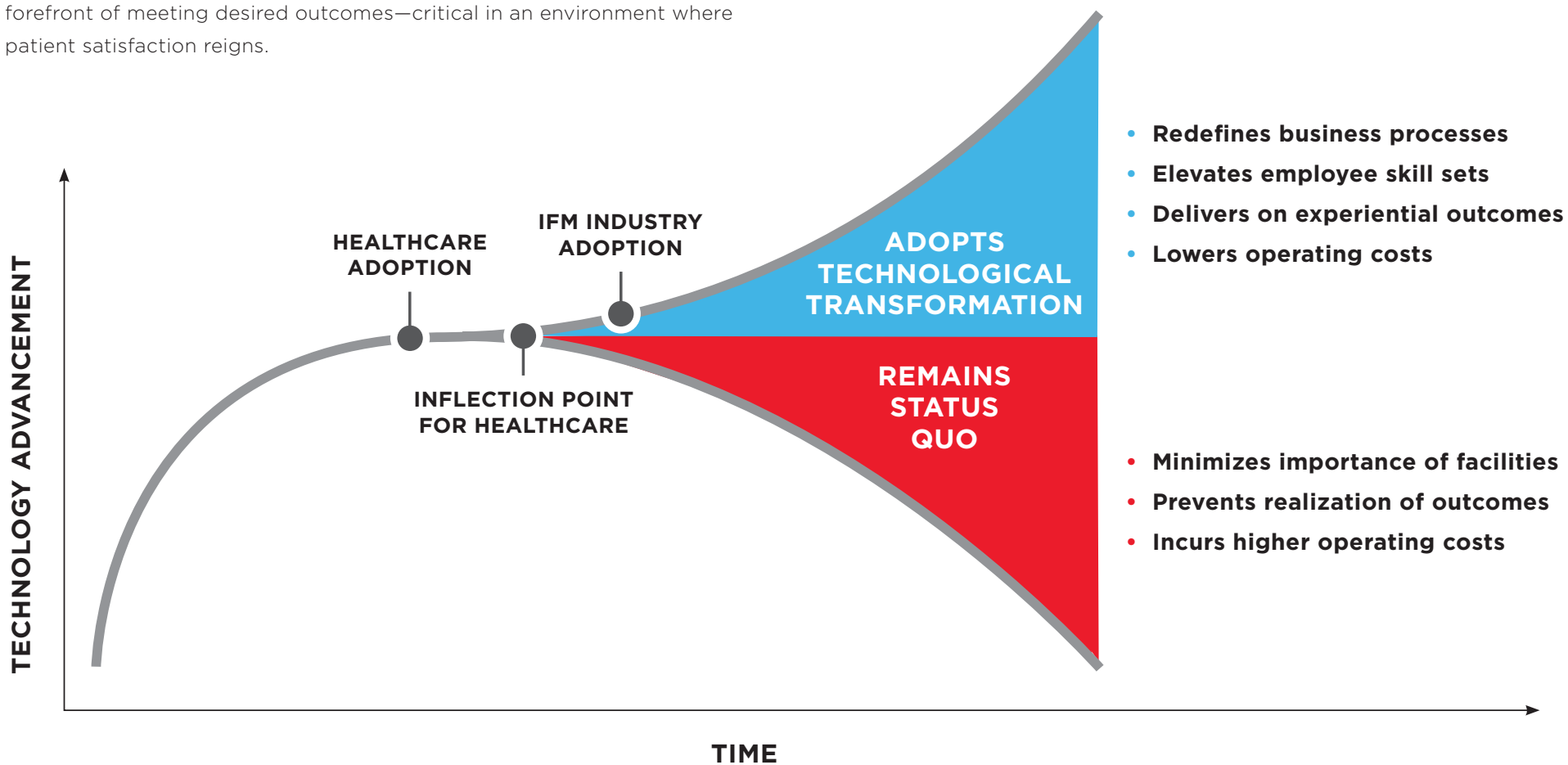
Healthcare systems that adopt a modern approach will gain the insight from technology and data analytics to define a better healing and clinical experience. Basic comfort needs, such as lighting, temperature, audiovisual, even dining requests are accomplished at the utterance of a command. Sensors detect foot traffic, alerting facility staff when space needs cleaning or restrooms need restocking - all before a negative experience is delivered. Smart systems detect anomalies in building performance, reducing energy and water waste. Both mechanical equipment and clinical equipment, proactively indicate when service is needed, assuring continuous operation and avoiding costly repairs.



Tech-savvy future generations of clinicians will expect this environment and experience. The broader facilities management industry is already embracing this environment. Yet, healthcare lags in its approach to facilities management and associated adoption of technology.

By embracing IFM, healthcare organizations will gain a competitive advantage over their peers by redefining their operating processes and adopting a more experiential approach to facilities service delivery. Employee skill sets will elevate. Hospitals and health systems will be in the forefront of meeting desired outcomes—critical in an environment where patient satisfaction reigns.

Conversely, those who maintain a status-quo approach to facilities management—namely, applying traditional philosophies, outdated methods and skill-challenged staff—will find themselves at a competitive disadvantage. These institutions will fall quickly behind in the effort to recruit and retain, as well as graduate classes prepared for a decidedly advanced post-secondary or healthcare environment.



THRIVING IN A NEW FACILITIES MANAGEMENT LANDSCAPE

The new landscape of facilities management requires a different thought process for healthcare administrators. To succeed in this new era, healthcare organizations will need to secure the following:



COMMITMENT TO INNOVATION

It's estimated that technology changes approximately every 12 months. New technologies have the ability to greatly reduce operating costs, improve decision making and create environments and experiences that improve the patient and clinician experience. Healthcare systems able to stay abreast of these changes will gain a competitive advantage through access to lower operating costs and improved outcomes. However, not all technological advancements are beneficial. The ability to first pilot them will aid in smart application and prevent wasting time and resources.



ACCESS TO CONSISTENT FACILITIES TALENT MANAGEMENT

Success in facilities management requires attracting and retaining the right skilled talent. Attracting talent will require broadening traditional searches and sources, and leveraging partnerships with talent providers. Career management paths will be needed, including hands-on training, certifications and other professional designations. Training and skill set development must be custom and able to flex with the changing needs of each campus as well as the broader FM industry. For example, understanding information systems and processing big data, analytics and data-based decisions must complement the purely technical training skilled facilities staff normally receive.



ALIGNMENT WITH STRATEGIC PARTNERS

Additionally, as technologies become more and more specialized, the need for strategic partnerships becomes essential. Relationships with original equipment manufacturers (OEMs) and specialized service providers are essential to stay abreast of change and respond accordingly. These partners can greatly assist a system's ability to deploy best practices and remain in the forefront of change.

THE ROLE OF SERVICE PARTNERS IN THE FUTURE OF FACILITIES MANAGEMENT

Few healthcare systems are prepared for the critical changes taking place in facilities management. It's a luxury for most organizations to have what is essentially a research and development (R&D) function in-house. Rarely is the commitment to innovation extended to the very facilities in which patient and clinician satisfaction is achieved. Few can afford the level of staff required to identify, pilot and deploy new technologies. Furthermore, hiring the right talent is just the beginning. Specialized industry training and professional development to retain staff is often overlooked, misunderstood or underfunded. Even standardized training programs may not address the specific needs of each campus.

Today healthcare organizations are not making the necessary investments in facilities management technologies, equipment, people and process to levels of patient satisfaction and staff engagement that complement their intent.





WITH ALL OF THESE CHALLENGES, HOW CAN HEALTHCARE REMAIN CURRENT WITH THE VERY REAL AND PRESSING DEMANDS OF MODERN FACILITIES MANAGEMENT?
ENTER IFM PARTNERSHIPS.

Partnering with experienced service providers solves many of the facilities management challenges faced by healthcare systems. Through the partnership, they gain leading-edge capabilities they could ill afford to fund or staff on their own. **With the right facilities partner, organizations gain the following benefits:**

1

Staying on the forefront of industry changes—Service providers have dedicated R&D departments and relationships with channel partners to proactively bring best practices and innovations to healthcare. For example, Aramark deploys a Center of Excellence—a dedicated group of industry subject matter experts that focus exclusively on facilities innovation, best practices and skill development. They form strategic relationships with industry partners to develop solutions to challenges faced by healthcare systems and their staff. Among their initiatives are piloting new technologies and innovations to gain advantages such as productivity increase and greater user engagement.

2

A proven modernization process—Not all innovations are right for an institution. Service providers have an established approach to research need, identify options and pilot them across a broad portfolio of clients and facilities. They bring confidence that an industry best practice will perform well across your health system.

3

Broad technical expertise—All health systems require highly technical expertise at some point. Yet, most do not have the need for full-time staff. Most service providers retain these skills on staff. Through its **Engineering and Asset Solutions** group, Aramark provides planning, construction, commissioning, energy management, and even specialized systems troubleshooting capability. Additional strategic skill sets such as customer engagement, sustainability, deferred maintenance planning, and even education support are also available. Institutions benefit as these service provider resources can be deployed quickly and effectively and for a limited period of time. Through the benefit of a broad portfolio of clients, they bring solutions to both the common and obscure campus challenge.

4

Environmental and regulatory risk compliance—Many building owners and hospital administrators are not aware that environmental risk management is an imbedded specialty of today's leading service providers. The cost of non-compliance is great, including expensive remedial action and public relations damage control. The smartest approach to risk management is working with a partner who has a proven history of incorporating environmental risk as a key component in their facilities operations.



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Robust and proven talent acquisition resources—IFM providers focus exclusively on sourcing facilities talent. Their reputations in the industry become a draw for quality talent, just as a hospital's clinical reputation can be a draw for quality clinicians. Additionally, they have established relationships with trade organizations, military recruiters and specialized search firms that may not be known to those outside the FM space. These resources can be leveraged quickly and effectively to attract needed talent.

6

Tailored developmental programs to retain talent—IFM providers have robust training programs that few systems can develop on their own. Through its **College of FM**, Aramark delivers tailored training and provides third-party certification and credentialing, as well as in-depth skill development. More importantly, service provider training is tailored specifically to the operating programs being delivered on campus. The application of skills learned is immediate.

7

Proven talent management resources—The labor force within facilities is one of the most unique on campus. Human Resource departments often report this group requires a disproportionate amount of their time and effort relative to the rest of system employees. Service providers employ thousands of facility staff and understand their unique aspirations, challenges, organizational dynamics and motivations. Providers have developed established programs specifically to engage and motivate facility staff. They also have deep expertise and relationships with organized labor.

WHICH DIRECTION WILL YOUR ORGANIZATION CHOOSE?

Today—at the inflection point of facilities management in healthcare—every system has a choice when it comes to their facilities management.

Maintaining the status quo means knowingly operating behind the curve and risking relevancy in the broader competitive marketplace. Conversely, updating your approach to facilities management with the modern capabilities of a service provider, including leading-edge technologies, progressive labor management, and advanced nonclinical service delivery management strategies, will position your hospital and system for success.

Organizations that choose to modernize their approach to facilities management—and gain all of the many advantages—don't have to go it alone. An experienced facilities partner can accelerate a health system's physical transformation to create a better and more engaging experiential environment, all while working within budgetary considerations.



ARAMARK INNOVATION AND INTEGRATED FACILITIES MANAGEMENT

Aramark has won more than 60 awards for innovation and operational excellence.

The forces influencing facilities management are well upon us. Organizations that are not prepared or slow to respond will find themselves at a distinct disadvantage. Partnering with an experienced service provider offers a proven path forward to success. Discover how Aramark creates environments that support patient healing and satisfaction.

Why Aramark?



**FREE GUIDE: WHY CHOOSE ARAMARK
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