Key Performance Indicators
What to Measure for Success

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IFMA
International Facility Management Association
Empowering Facility Professionals Worldwide

Meet Our Presenter: Robert Blakey

MSc Engineering Management

CEM, CFM, CHFM, FMP, LEED® AP, MRICS, PROFM, SFP, VMA

Director & Sr. Instructor for FM College Inc.

Robert has over 30 years of in-depth and diverse facilities management experience. His background spans both public and private sector work. He has worked for municipal governments, state agencies, and federal agencies. In the private sector, he has worked in the healthcare, real property management, research laboratory, maritime, and fuel transportation industries

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Review Session Learning Objectives

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- Explain where our goals come from
- Discuss how our goals roll up into larger goals
- Discuss tools for success in KPI Implementation
- Explain alignment between Performance and Management

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Measuring What We Manage

- Facilities are complex and getting more so
- As managers we need to make progress in many areas at the same time
- We often confuse staff by asking them to manage performance for too many goals at the same time
- Staff need to keep their goals in mind all day, every day
- A handful of KPI's that you need to do several things right to impact can achieve this

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Performance | Understand where our goals come from

- Corporate goals drive Departmental goals

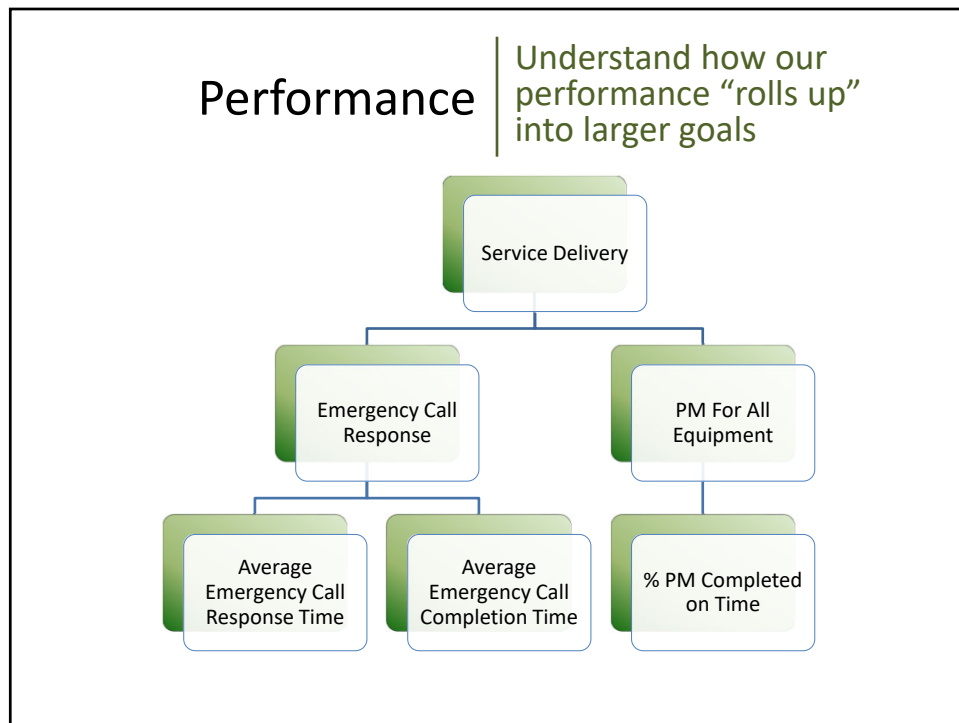| |
|---|
| Service Delivery |
| Service Reliability |
| Safety |
| Relationship Management |
| Customer Service |
| Financial |
| Continuous Improvement |
| Project Management |

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Performance | Understand where our goals come from

- Departmental goals drive Team goals

Service Delivery	PM for Life Safety and Compliance
	PM for All Equipment
	Accurate Completion of Work Orders
	Emergency Call Response
	Non-Emergency Repairs
Service Reliability	Critical Interruptions
	Reporting

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Performance | Understand how our performance "rolls up" into larger goals

```
                    ┌──────────────────┐
                    │  Service Delivery │
                    └──────────────────┘
                    ┌──────────┴──────────┐
          ┌──────────────────┐   ┌──────────────────┐
          │ Emergency Call    │   │ PM For All        │
          │ Response          │   │ Equipment         │
          └──────────────────┘   └──────────────────┘
          ┌───────┴───────┐              │
┌──────────────┐ ┌──────────────┐ ┌──────────────┐
│ Average      │ │ Average      │ │ % PM Completed│
│ Emergency Call│ │ Emergency Call│ │ on Time      │
│ Response Time │ │ Completion Time│ │              │
└──────────────┘ └──────────────┘ └──────────────┘
```

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Performance | Choose wisely to Accomplish "Roll-Up"

- Can't Measure (and Manage) Everything
- What Matters Most?
- Pareto Principle
  - 80/20
  - "80% of our problems occur in 20% of our buildings, systems, etc."

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Performance | 2 Different Animals

- Performance Management is different than Benchmarking

Performance Management	Benchmarking
Goal Driven	Standards Based
Improvement Over Time	Peer to Peer Comparison
"Key" Indicators	Often a Comprehensive List
Continuous Monitoring	Usually an Annual Process
Corporate Process Usually	Public Reference Databases
May Directly Impact Team & Individual Rewards	May Justify Process Change

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Management | How do we Lead the Team to Success?

- What Internal Team Data Points must we impact for our "Performance" KPIs to improve?

    – If we reduce the number of customer created work orders it should improve "**Customer Satisfaction**"

    – If we can reduce the time to completion for work orders and eliminate "stale" ones it should improve "**Customer Satisfaction**"

    – If customers are contacted by our staff and given a realistic estimate of when the work order in their area will be completed it should improve "**Customer Satisfaction**"

    These are four easily measured data points for our Team!

    Question: Would any 1 of these require success in all 4 areas?

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Management | Tools for Success in KPI Implementation

- Gain Buy-in through Collaboration during Development
- Consistent Application. No "Different Drummers"
- Provide "Mid-Course" estimated values before the Actual Reporting Period ends
- Make Outcomes Visible
- Allow Teams and Individuals to Compete
- Reward Individual & Team Successes

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Management | Tools for Success in KPI Implementation

- Are these data points items that individual staff or teams can directly impact?
- Can these KPI's be managed to on a daily basis or are they only visible on a monthly data run?
- Can their importance be explained to line staff?
- Will line staff consider them relevant?

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Creation & Data Sources | CMMS System, Customer Surveys, etc

- Easy for staff to check progress
- May align with Industry Standards
- Departmental alignment not guaranteed
- May be difficult to "tweek"

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Creation & Data Sources | Excel & Pivot Tables

- Allow greater flexibility
- Departmental alignment better
- Ability to adapt if business units change
- Not as easy for staff to check on though
- "Drill Down" may be an issue
- "Text" versus "Numeric" data import
- Should probably write a "User Guide" to explain creation and update process

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Creation & Data Sources | Data Cycles & Trending

- Rolling 12 (13) Month
- Year over Year (Budget Cycle)
- Moving Averages
- Business Units vs Department as a whole
- Items/10,000 SF versus Items/Building
  - (Different size issues)
  - "Apples to apples"

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Creation & Data Sources | We need Data while we can still change it!

- Ability of Staff to get data sample during month instead of afterwards
  - Impact before score is final
- Data readily available
- Standard Tools (Excel add-ins available, etc.)
- Consistent application

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Example

Priority Response
Rolling 12
Regulatory

EMERGENCY SERVICE REQUESTS COMPLETED ON TIME

PRIORITY 1 WORK ORDERS BY MONTH FOR 2012/2013 (Rolling)

PRIORITY	(Multiple Items)		
RESPONSE	(All)		Old Mgmt data
SRVC_DEPT_DESC	(Multiple Items)		New Mgmt data

Count of WO_NUMBER	Column Labels												
Row Labels	01-Jan	02-Feb	03-Mar	04-Apr	05-May	06-June	07-July	08-Aug	09-Sept	10-Oct	11-Nov	12-Dec	Grand Total
SR	74	21	37	56	32	70	361	206	72	46	69	89	1133
Grand Total	74	21	37	56	32	70	361	206	72	46	69	89	1133

Notification of Non-Conformance on Response Time	0	0	0	0	0	0	0	0	0	0	0	0	0

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Pivot Table Settings
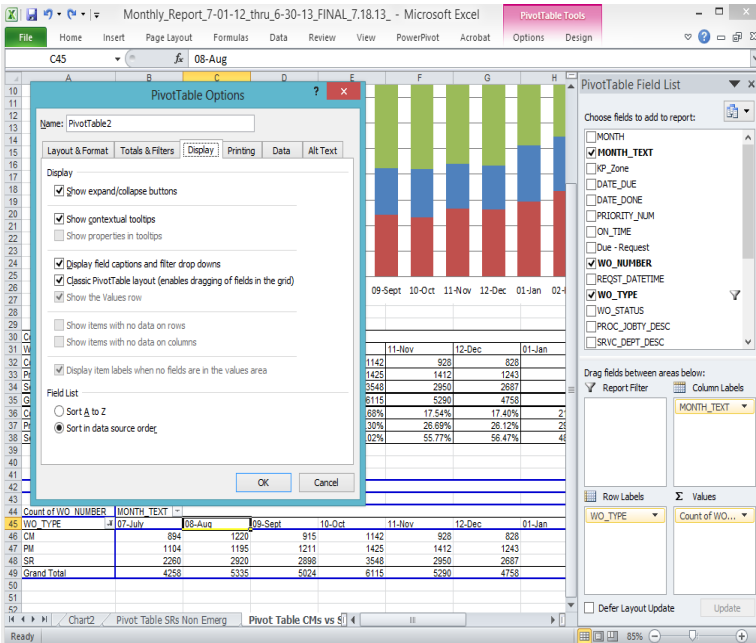
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Specific Topics | Reactive/Proactive

- Customer Satisfaction & work requests
- Find it first!
- Know your most common Tenant Request types
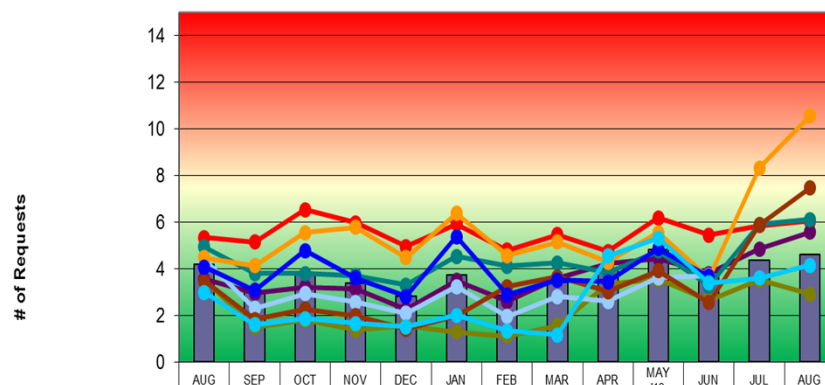- Tracking Reactive & Proactive
  - Sharpshooter vs. Shotgun

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Example | Reactive Requests Business Unit vs. Department

Total WO per 10K Sq Ft (Non-proactive)
(August 2012 to August 2013)

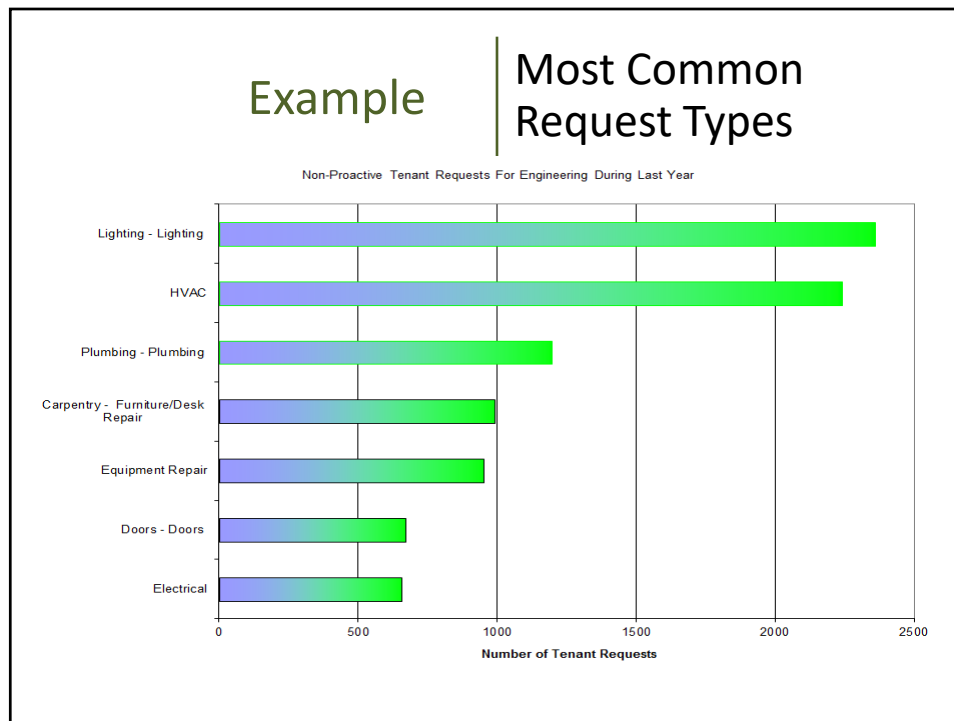*Note: Request types that did not apply have been removed from these numbers.*

WSSHE 2013 Annual Conference   Sept. 10-13   *"Tacoma Narrows: Safe Passage through Challenging Waters"*

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Example | Most Common Request Types

Non-Proactive Tenant Requests For Engineering During Last Year

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Specific Topics | Craft Utilization (Craft and Individual Charts)

- Craft and Individual Charts
- Roll up from individual (not vice versa)
- Fire-fighting (unreported effort is unmanageable)
- Scheduling/Planning key to improvement
- What are our true time constraints (Travel, Rounds, Projects)?
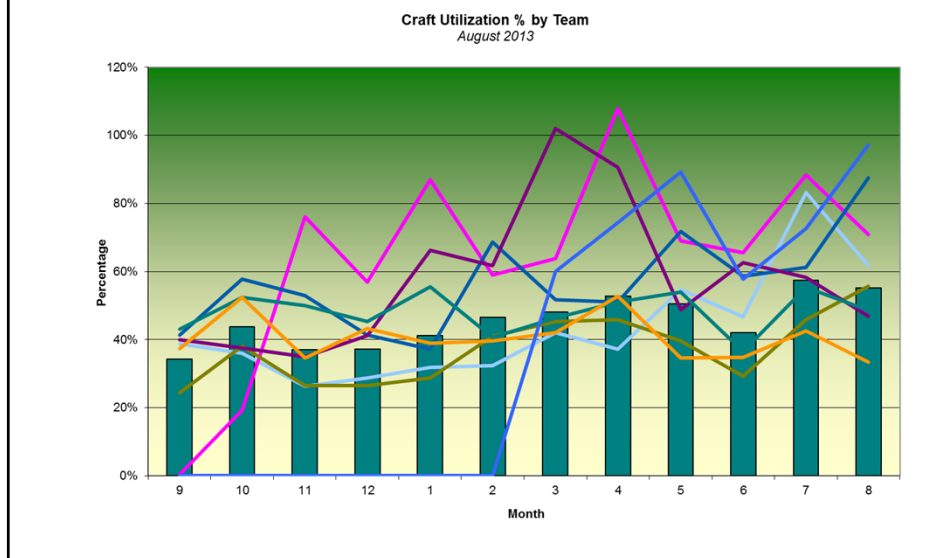- Great tool for justifying staff additions when well managed

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Example | Craft Utilization - Individual
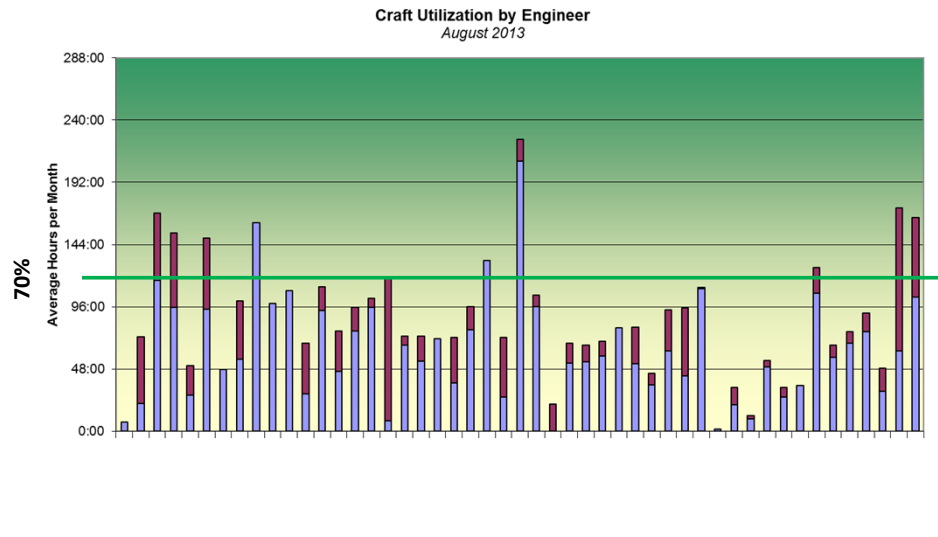
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Example | Craft Utilization - Team
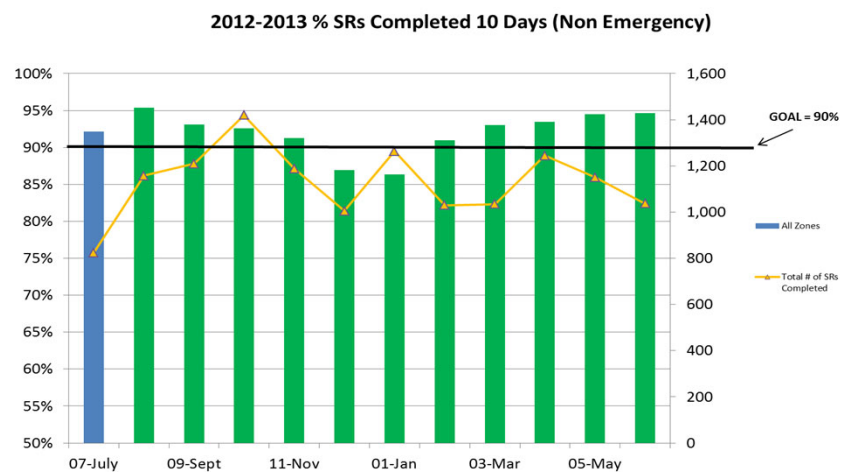
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Specific Topics | On Time Performance

- Priority/Emergency Work (Often High Level Goal)
- Regulatory Compliance
- General within schedule
- PM% on time

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Example | On Time Performance Rolling 12 Workload Factored

2012-2013 % SRs Completed 10 Days (Non Emergency)

GOAL = 90%

All Zones

Total # of SRs Completed

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Specific Topics | Backlog/BackOrders

- Overall & by areas, building types
- Root Cause Analysis
- Access, Parts, Contractors, Approval, Budget
- Deferred Maintenance tracking between budget cycles
- Facility Condition Index (FCI)
  - May be in "Planning" instead of "Operations"

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Example | Backlog/BackOrders

Average Time to Completion - Hours (TR)
(August 2012 to August 2013)

Note: Request types that did not apply have been removed from these numbers.
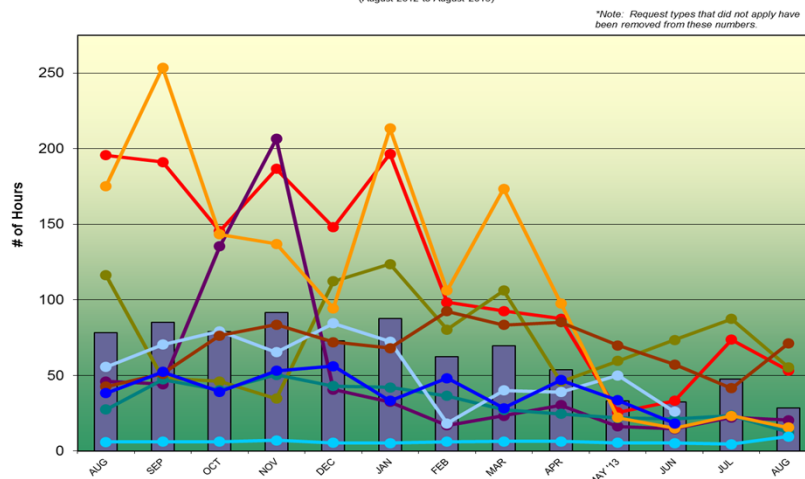
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Alignment between Performance and Management is crucial

- Staff needs to align daily effort with Overall Facility Goals
- Proper selection of a handful of KPI's
- As a Manager, you need to "Roll Down" Departmental Goals
- Choose wisely and focus on a few key things.

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Questions?

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