

## European Leadership Group Conference Brussels, 11-12 January 2002

### Minutes

#### Participants:

Terrance Barkan	IFMA European Bureau	Jan Bengtsson, CFM	IFMA Sweden
David J. Brady	IFMA Headquarters	Juan de Sala	IFMA Madrid
Jos Duchamps	IFMA Belgium	Alistair C. Edie	IFMA UK
Marie-Luce Feugier	IFMA European Bureau	Bruce K. Forbes	IFMA Board
Elisabet Francke	IFMA Sweden	Kent Funderburke	IFMA Headquarters
Gerhard Haumer	IFMA Austria	Fred Kloet, CFM	IFMA Holland
Bettina Lechtape CFM	IFMA Deutschland	Michael S. Liddle, CFM	IFMA UK
Mariantonietta Lisena	IFMA Italy	Dennis Longworth, CFM	IFMA Headquarters
Daniela Michielotto	IFMA European Bureau	Valérie Mindlin	IFMA European Bureau
Jean-Marc Pedeboy	IFMA France	Philip Roberts, CFM	IFMA UK
Francine Schumacher	IFMA Switzerland	Jim C.A. Schutz, CFM	IFMA Holland
Paul Stadlöder, CFM	IFMA Deutschland	Ondrej Strup	IFMA Czech Republic
Pertti Vanhanen CREM	IFMA Finland	Francisco J. Vazquez	IFMA Madrid
Reinhold Wischhof	IFMA Deutschland		

#### Excused:

Martin J. Pickard IFMA UK

#### **1. Opening Comments**

Terrance Barkan opened the meeting and welcomed the participants. All chapters, except IFMA Luxembourg, were represented, including the new chapter in Madrid. After presenting the team of the European Bureau, he communicated the objectives of the meeting:

- Review and address the specific issues faced by the European Chapters
- Share best practices on Chapter Management
- Get some feedback on the FM industry at a European level.

David Brady stated that the presence of IFMA Headquarters at this meeting was essential to hear about the various experiences met by the Chapters, and to understand their challenges. He reminded the group that the growth of IFMA depends a lot on Europe, and ipso facto on the development of chapters and of the FM industry. D. Brady introduced Bruce Forbes, IFMA Second Vice-Chair, President and CEO of Archibus, who later presented the FM Mega-Issues as identified by the IFMA Board of Directors.

Dennis Longworth then presented the global strategy of IFMA (see presentation distributed on-site).

## 2. What's New in Europe ?

Each Chapter shared the trends and development of the Facility Management profession within their country.

### **IFMA Austria:**

See presentation attached

### **IFMA Belgium:**

See presentation attached.

### **IFMA Czech Republic:**

Until two years ago, FM was unknown in the Czech Republic. IFMA CZ raised the awareness of the industry, which leads now to a strong identification between IFMA and FM. Large companies, such as Skoda, banks, etc. started to use FM, and leverage it to smaller companies. The need for FM education is important, and conferences / seminars organized on the subject have a strong response. The big change now in Czech Republic is that FM is integrated in the daily business.

### **IFMA Finland:**

See presentation attached

CREM = Corporate Real Estate Management

### **IFMA France:**

Alcatel and France Telecom sold part of their buildings to move to leased space, which led to the set-up of FM divisions to ensure the maintenance, services, etc. of the buildings. The French government still owns about 1,2 million square meters spaces (army, hospitals, universities...). The market is very segmented.

After the catastrophe in Toulouse, the French government is considering not to allow plants in / at the outskirts of cities, which may change completely the space planning.

On the education side, ESSEC and HEC started MBAs in FM, and ISTP set up some courses, done by IFMA members on IT, strategic planning, etc.

The FM market is estimated at 1 billion EUR (UK market: 7 billion), with 3 main operators sharing more than 100 million EUR.

One task item set up by the new team of the Chapter is to link to ARSSEG.

### **IFMA Germany:**

See presentation attached

### **IFMA Holland:**

See presentation attached

### **IFMA Italy:**

See presentation attached

### **IFMA Madrid:**

The situation of FM is nearly the same as in Czech Republic 2 years ago.

See presentation attached

### **IFMA Sweden:**

Outsourcing: manufacturers are entering the FM market. There are new types of contracts: companies are now supplying everything in buildings. 2 universities are now providing courses in FM. Rent, Work, Leave, is the evolution of FM. The Architecture profession is not interested in FM. The FM potential market is of 20 billion EUR.

### **IFMA Switzerland:**

Not so much experience to share, as the FM market is quite new; it is either financial (CREM) or technology oriented (FM), with outsourcing being services oriented. Outsourcing is not so common / spread, as companies want to avoid pitfalls i.e. letting out knowledge, human resource management. FM is still a very pragmatic area of activity; with a low level of recognition from the upper management. The market will probably focus on more specific use and type of buildings, as a result of the influence of teleworking and e-commerce.

### **IFMA UK:**

The FM market, in the UK, is flat. Outsourcing is now overrun by Out-tasking (outsourcing, but still managed in-house).

PFI : Public private partnership (management of public space for a given period of time), such as hospitals, universities, government buildings, a model copied in IT, is prevalent.

The UK market is usually very innovative. At the moment, there is no move forward, with Real Estate, IT and Architecture professions looking at eating FM.

Terrance Barkan thanked everyone for sharing their national market information. Before Bruce Forbes' presentation, he wanted to show the participants a presentation intended for the Warsaw Chapter of IFMA kick off meeting, and asked for feedback on the articulation and message (see presentations attached).

Feedback was positive, but one should be aware of the legal constraints applying to Poland (i.e. ownership of building). It is necessary to understand the background of a country so as to adapt the speech.

### **Action item:**

The European Bureau will check for an official definition of teleworking, existing EU regulations and also if any benchmarking data, or report is available.

## **3. FM Mega- Issues**

See presentation attached.

## **4. What's New in IFMA ?**

### **4.1 Update on Member's Choice Programme (electronic delivery option), and future implementation of Chapter's membership option.**

See presentation distributed on-site.

The Member's Choice programme will lead to a better communication from the chapters, so their members can get a better understanding of their chapter benefits.

D. Brady stated that according to IFMA bylaws, only the IFMA Board of Directors is allowed to change the fee structure, and that each Chapter should comply to the bylaws. A special IFMA task force has been set up, to analyse how to address Chapters that are outside of the current bylaws. Phil Roberts, member of the task force, has been invited on Saturday so as to answer to these questions. A special agenda item will be added to the February meeting of the IFMA Board of Directors. D. Brady then stated that each new member costs USD 315 to the association.

Chapters have to comply to the IFMA bylaws, but also to their local legislation: in Germany, where the bylaws have been adapted to the local legislation, members are requested to vote for a change of the fee structure. New applications are reviewed by the Board before they are accepted, as per the Chapter bylaws.

Further revenues to chapters can be found through sponsorship (as implemented in the Madrid Chapter), or through seminars participation fees. However, in Austria, no vendors are likely to sponsor the chapter; therefore, additional revenues from members are necessary.

Action items:

- The European Bureau will set up an agenda of Chapter events, available on the web, so as to avoid conflicts in meeting dates.
- The European Bureau will send information to Chapter Leaders regarding Town meetings (phone number to dial in, schedule, etc.).

4.2 Update on World Workplace Europe 2002

See presentation attached

**5. IFMA in Europe: Revision of Issues Identified in January 2001**

From the summary that M. Liddle gave to D. Brady regarding the Chapter President meeting that took place earlier, one main issue identified was the language issue.

A statement was that benefits from IFMA are targeted to people part of international industries.

Most members in Europe are not interested in communications from IFMA (FMJ, Newsletter, etc.) as it is in English. The approach, to solve this issue, would be different in each country. I.e. in China, the government is paying for all the translation costs. Sponsors can also cover these costs. Another solution is to work together with publication partners, and have them translating at their own cost part of the content of IFMA communications. However, there are no final decisions yet regarding the copyright of articles published in FMJ and IFMA Newsletter. Should the content be interesting, it should not be a problem to find sponsors to cover the costs of translation.

But what do the members get for their fee? At the European Bureau, most of the information requests received are about market data (size, turnover, etc.). A membership survey could help to identify the needs of European members.

A tool that could be useful for translation purpose would be a glossary to identify the industry terms in various languages that could be posted on the web.

Action item:

- the European Bureau will check the feasibility of putting together a glossary of terms
- the European Bureau will check copyright issues for FMJ / Newsletter articles

## **6. Sharing Best Practices**

### 6.1 Membership Growth:

The group was asked to share ideas that have worked in their chapter, to expand membership and / or to help them better manage their chapter activities.

- The German chapter created regional offices, which act as a point of contact for members (for meetings, membership information, etc.). This approach leads to a steady growth of the chapter. The opening of a regional office is free to any member who wishes to volunteer; after a meeting with the chapter leaders where the expectations are explained, a contract defining mandates, responsibilities and areas of competence is drafted. The member is allowed to raise money for the meetings he organizes. The benefits for the volunteers are multiple: they gain a network of FM professionals in their region, and increase their knowledge. It is essential that relationships remain vendor neutral.

- In Holland, membership growth is obtained via the promotion of councils. *(Note: it was reminded that IFMA councils are the sole responsibility of their respective Board of Directors. They are the one in charge of calling meetings, organizing events, and can be contacted via the ifma.org website).*

- The Austrian chapter decided to invest in training: an information leaflet has been designed for students. Classes are given by IFMA members, in various regions (Vienna, Graz, Kufstein,...).

- In Spain, 15,000 EUR were spent on Public Relations (1<sup>st</sup> budget line item). Many articles on the creation of the Chapter have been written in the national press, and some members have been gained this way.

A successful chapter has a good balance between professional members and service providers. To avoid conflicts between competitors, the value added (i.e. personal development) should be clearly stated.

### 6.2 Sponsors:

- Francine Schuhmacher asked how to limit the power of sponsors within a chapter? The IFMA "Corporate Sustaining Membership" package will be revamped, and will offer to companies recognition, market and networking opportunities. It is recommended to chapters to offer a "sponsorship menu", that clearly indicates to benefits and the limits attached to the package. A benefit may be a membership in an advisory board, without voting rights. The other important point is to open sponsorship to many companies, not just a few, and to have a balance between the sponsors.

- For comparison, the German chapter managed to levy 150,000 EUR in sponsorship, the Spanish Chapter 80,000 EUR. This gives an example of how much can be raised at the Chapter level.

- Sponsorship revenue is one key to allow a Chapter to offer more services.

### 6.3 Services:

The Italian chapter provides to its member general information on IFMA, local market information. It acts as a resource / knowledge center, with dedicated staff organizing training in FM, benchmarking studies, two large events a year and an exhibition with revenue of 200,000 EUR.

## **7. Services specific to European Chapters**

The group identified what they understand their members (and potential members) most expect from an organization like IFMA. The group then prioritized the perceived needs and services they feel should be provided by IFMA:

1. Networking Opportunities
  - a. Face to Face contacts were identified as the most valuable type of networking opportunity. IFMA currently provides this opportunity through:
    - i. World Workplace US
    - ii. World Workplace Europe
    - iii. Eurolink
    - iv. Chapter meetings
  - b. Peer to Peer – The group agreed that most members were looking for contacts with professional peers as opposed to looking for suppliers, possible employers or other, non-peer contacts.
  - c. List Server – The group was asked if they were familiar with the use of “list-servers” as a communication and networking tool. Only one of the group members from Europe was familiar with this tool. (A list server allows a question or piece of information to be circulated to a large group by email, and to have the reply to the question also read by the entire group. This is an excellent tool to ask colleagues for answers to questions. Even those who do not post or answer questions can benefit from following the on-line discussions.)
2. Professional recognition (Definition of the profession, CFM) – At this time in Europe, many professionals who are performing the Facility Management function, and indeed the organizations that they work for, are not aware of Facility Management as a distinct profession. Therefore, the role of IFMA is to educate the market regarding the status of a true Facility Management professional and the need for an organization like IFMA.
3. Tools / Templates – members and potential members expect IFMA to be a resource for practical advice and tools that can be applied on-the-job. To that extent, it is important that a.) members are aware of what is available and b.) that it be available in their language. Some information that is available includes:
  - a. IFMA Customer Satisfaction Survey
  - b. Research Reports
  - c. Best Practice Reports
  - d. Books (some in languages other than English)
  - e. Best practices – discontinued in the US, this might be revived in Europe
    - i. Form Task Groups (and formulate results)

- ii. Archive Reports – research the reports that were produced for the US and that are available.
4. Market Information – members and outside organizations expect IFMA to be aware of the FM marketplace. They expect IFMA to know who are the main players in the FM market and how to measure the level of activity in the market. To satisfy this expectation, IFMA must consider if we are able to collect our own market data or to buy-in outside data for our members.

Action items:

The European Bureau will:

- facilitate the Eurolink meetings and establish a European Member Listserver
- investigate how to best collect market data (produce or buy)
- set up the requested practical templates or indicate where to find such resources.
- establish task groups for sharing best practices.