

**Concurrent Session D**  
**Monday 31 August**  
**2.25pm – 3.15pm**



**Session 1**

**Is it Time to Throw Innovation in the FM Dustbin**

**Donald Macdonald**

*Sw19*

*Donald is a Senior Consultant with SW19 supporting a number of tertiary education clients on the full range of FM and maintenance related consultancy services including: FM Strategy, PPP advice and support, building condition audits, interim management, strategic and operational audits, procurement support and whole life cost modelling.*

*Prior to this Donald provided executive level leadership to Programmed FM's Consultancy team .*

*Donald has been providing FM consultancy advice to tertiary education, blue chip, public sector and not for profit organisations since 2002 initially in the UK and from 2006, throughout Australia.*

*Donald's consultancy experience is complimented by the seven years he spent working for a publicly listed UK service provider (Carillion plc) with whom he held various roles including operational management, business development, and commercial management. Prior to this Donald had seven years client side experience in Central London with both local and central government organisations.*

In a world that is hurtling at Hadron Collider speeds through an era of technologically fired collaboration, communication and experimentation and as a consequence giving birth at regular intervals to a steady stream of bona fide innovation. The modern office, the modern household, the modern car and every other vestige of modern life boast bona fide features that make the world in large measure unrecognisable to the world of the last millennium. We can only imagine what earlier generations would make of mp3 players, mobile phones and GPS tracking, often in the one device. Innovation after innovation make device after device cutting edge, then common place, then old hat, at dizzying speeds. The world is littered with the dead limbs of false dawns in the family tree of innovation. The ability to see a device for what it can be rather than what it is frequently decides the fate of products and product makers. Apple realising the real appeal of mobile phones was in the ability to access app's rather than simply in communication helped it defeat Nokia in the fight for world domination in the mobile phone space.

Why then does facilities management feel like the Cinderella industry of the innovation ball? Left mulling over the invitation not received. Whilst cleaning the kitchen, emptying the bins and discharging all of the other obligations of a good facilities manager every other industry enjoys themselves at the innovation ball.

There are a number of good reasons why the facilities management industry struggles to innovate: **The FM model precludes it.** A number of excellent TED talks have shown where good ideas come from. And how they come about. Talks like 'Where Good Ideas Come From' by Steven Johnson and 'The Era of Open Innovation' by Charles Leadbeater show that innovation most commonly occurs through collaboration typically over a long period of time.

Sometimes, as in the case of mountain bikes, it is by end- users. Noodling away modifying a basic bicycle with racing bicycle and motorbike parts to develop what were known at first as clunkers and hybrids. Ten to 15 years later major industry discovered them and a mass market was born. Sometimes as in the case of GPS tracking it is through the collaboration of complimentary but different experts working together to address an issue.

This level of integration is largely absent from FM contracts. Clients typically have no interest in working collaboratively on a service that they have outsourced. To them it is non- core and therefore a distraction to their core business.

FM contractors employ a workforce distributed across a myriad of client sites. Contract Managers may meet at head office for monthly meetings. However the agenda of these meetings and the nature of the attendees preclude effective innovative collaboration. Beyond these meetings, collaborative meetings between employees from different contracts rarely occurs.

And what client is going to indulge blue sky workshops on their site when FM'ers should be emptying bins and changing light globes?

**The FM Industry can't afford it.** It is characterised by exceptionally low margins. To a large extent it leverages people power to get thing done. In such an environment there is simply not the money available to fund the 20% time that Google set aside or the 15% time that 3M make available for collaborative blue sky thinking. R&D budgets, unless in response to a tender requirement, are largely non- existent in FM. FM'ers are too busy doing the day job to innovate.

**Innovation is in the eye of the beholder.** A service provider may be contractually obliged to deliver six innovations a year. However innovation is by nature subjective and it will be in the clients purview to deem a proposal supported and if supported whether it is innovative or 'just part of the job'. In a world teeming with ground breaking innovations the bar is constantly rising. If FM is serious about joining it, it needs to start investing in proven processes to achieve it. Instead of doing what it does now, the day job whilst waiting for the mythical 'Eureka' moment to occur.

If it is not prepared to get serious about innovation perhaps FM should stop talking about it. Waken up, smell the coffee and focus instead on best practice with some good ideas thrown in for a stretch target.