

## REACHING CONSENSUS

HOW TO FRAME INTERNAL  
CONVERSATIONS ABOUT  
OUTSOURCING FACILITY  
SERVICES

# INTRODUCTION

Cost reduction is the most common driver of the decision to outsource facility services. But getting consensus from internal stakeholders on the decision to outsource, agreeing on a vendor, and transitioning service effectively are much more complicated. There's much more to consider beyond cost:

- What will happen to your current employees?
- How do you keep costs under control?
- How will you maintain or exceed your current level of service quality?

Your facilities are a major investment and it's important to consider each question carefully. While it may seem daunting, it's a good thing that there are many stakeholders at the table. Weighing the decision to outsource has ramifications that extend beyond the facilities department. A good service partner should anticipate all stakeholders' needs and be prepared to meet them.

This guide will walk you through common questions about outsourcing and how to have meaningful conversations with your colleagues about them.



# WHY SHOULD WE OUTSOURCE AT ALL?

## Keep Costs Under Control

While cost reduction is a key reason companies consider outsourcing, seeking out a vendor that helps with cost control is more likely to yield results that satisfy all stakeholders. Cost reduction alone may lower your bill, but it also often leads to lower service quality. Consider whether you want to find a partner who you may have to replace every two to three years, or a long-term relationship with a vendor that can enable you to maximize your facility budget over time.

Focusing on cost control allows you to forecast and budget more effectively, and reduce expensive repairs and out-of-scope work that often negate savings promised by low-cost vendors. Outsourcing enables you to budget for expenses like labor and supplies, and hold the service provider responsible for staying within that budget. An experienced facility services provider will offer numerous ways – through purchasing power, expertise in labor utilization, and sustainability – for you to maintain control over your budget and prevent unplanned expenses.

## Operate More Flexibly

Between regulatory changes, trade turmoil, and ever-demanding consumers, the pressures to operate more flexibly are intense. Your facility services program is a key part of enabling that flexibility. Outsourcing allows you to increase or decrease staffing during changes in demand or seasonal shifts.

## Take Advantage of Expertise

Within your organization, facility maintenance is just one of the many competencies required to keep things running, but it's not your core business. Facility services providers have one main competency: facility services. They're up to date on the latest tools, processes, and technologies and they bring proven best practices to your facility.

### WHERE EXPERTISE MATTERS

**Sustainability:** Whether you're trying to attain LEED certification or simply avoid greenwashing, you need a provider with knowledge of sustainable practices, equipment, and chemicals to achieve those goals.

**Compliance:** Highly regulated environments require scrupulous documentation. A provider with expertise understands those requirements and trains its staff to meet them.

**Safety:** A well-run facility is a safe facility – for employees, customers, and service workers. Providers with deep expertise know how to promote a culture of safety, resulting in fewer accidents and reducing your liability.

Not only do you benefit from their expertise, but by taking the minute details of facility services off your plate, you can dedicate more energy to your core business.

# WHAT ABOUT OUR CURRENT EMPLOYEES?

An outsourced facility services vendor is an expert at what they do, but your current employees are experts in your facility. A good vendor will see your current employees as an asset. Retaining them and moving them onto the vendor's payroll is mutually beneficial for all parties involved.

Your business benefits by retaining their expertise and gaining back the time you spent on hiring, training, and performance reviews. The employees benefit from a wider range of training opportunities and work continuity.

In fact, companies that include their current staff in the vendor selection process are likely to do a more thorough evaluation. Engaging them in this process will offer a critical depth of insight that you wouldn't get otherwise.



## HOW WILL WE MAINTAIN CONTROL OVER SERVICE QUALITY?

Concerns about quality are common when making the decision to outsource facility services. You have to rely on the vendor to be honest about issues when they arise and address them appropriately. You're no longer in the driver's seat, and it's understandable that you and other stakeholders may have concerns around quality issues being hidden or only brought to your attention when they've created a major issue.

### Clearly Define Your Expectations

In order to maintain a sense of control over service quality, it's important to clearly communicate your expectations. Oftentimes, conversations around quality focus only on KPIs and reporting methods. Those are important outcomes to establish, but in order for those KPIs to be accurate measures of quality, they need to be tied to broader business objectives.

Before getting into the nuts and bolts of inspections, KPIs, and surveys, start with your desired objectives and work backwards from there. With information on your company's goals, the outsourced vendor can work with you to develop a quality assurance plan that aligns with your objectives.

# WHAT ABOUT OUR CURRENT EMPLOYEES?

## Suggested Framework for Quality Assurance Conversations

OBJECTIVE CATEGORY	QUESTIONS TO ASK	SUGGESTED QUALITY MEASURES
Company Values and Goals	What is your company's culture? What company-wide initiatives are in place? What role do your facilities play in reflecting those values?	<ul style="list-style-type: none"><li>• Service response timeliness</li><li>• Survey results</li></ul>
Facility-Specific Needs and Goals	What do you want to accomplish in your specific facility? Zero safety incidents? A certain uptime percentage?	<ul style="list-style-type: none"><li>• Uptime</li><li>• Safety metrics</li></ul>
Regulatory Standards	Is your facility highly regulated? Is it subject to third-party inspections?	<ul style="list-style-type: none"><li>• Inspection scores</li><li>• Number of non-compliance events</li></ul>

When all stakeholders agree on the core objectives that the facility services program should align with, your vendor can work in alignment with your specific expectations, as opposed to creating a cookie-cutter quality assurance program that may miss the mark.

# MAINTAIN CONTROL OVER BUDGET & SPEND

Transparent, regular reporting is the key to tracking where your facility services dollars are being spent. Modern reporting tools offer real-time data and analysis, enabling you to hone in on how much is being spent and where.

Using insights from this data, along with proven best practices, a good vendor should be as committed as you are to keeping costs under control and giving you clarity into where your dollars are going. Their goal should be to prevent surprises and offer solutions if there are certain tasks that cause budget overruns and unplanned expenses.

## QUALITY CONTROL KEEPS COSTS UNDER CONTROL

There's a common misconception that high service quality and cost control are mutually exclusive. To the contrary, a quality-oriented facility services program is cost-effective. An expert vendor will see the correlation between service quality and cost control.

## HOW CAN WE ANTICIPATE THE DIFFERENCE IN SPEND FROM OUR CURRENT PROGRAM TO A NEW ONE?

### Start with an Accurate Quote

The first step to anticipating what your costs will be with an outsourced facility services program is to get an accurate quote. A good vendor will perform an onsite assessment before they commit to an estimate. You benefit from their additional set of eyes; they'll notice quirks and current service issues that may have gone unnoticed or unmentioned in bid materials.

Once they've completed the walkthrough, request a quote based on addressable square footage. The traditional model of pricing facility services is based on total square footage, which can be misleading. When a quote is based on addressable square footage, it only includes the area that will actually be serviced. This approach prevents overstaffing and gives you a clearer picture of what your actual costs will be.

### AN OUNCE OF PREVENTION

*Preventive maintenance costs 3 to 4 times less than a reactive approach.*

# DIFFERENCE IN SPEND

Working with an outsourced provider enables you to leverage the full range of their experience to provide an effective preventive maintenance program. How long would it take for you to develop a maintenance program internally? Which resources will you need? What about technologies? Compare that against the time you'd invest in selecting and onboarding a facility services vendor. An experienced provider shortens the learning curve.

A preventive maintenance program keeps your costs under control in numerous ways:

- Prevents the high costs that come with emergency repairs
- Allows for better labor utilization practices
- Extends the lifespan of your equipment, and ultimately, your facility

## Service Provider Purchasing Power

How much do you currently spend on supplies? Are you able to negotiate agreements with major suppliers? Larger facility services vendors have purchasing power that delivers lower costs on equipment and supplies that your organization likely wouldn't get on its own. They typically have national and regional agreements with major suppliers and can pass on those savings to you.



## **REACHING CONSENSUS**

*When it comes to quality assurance, cost control, and staffing concerns, you'll find that many facility services vendors understand your concerns. A quality-oriented vendor will value a long-term relationship that supports your facility-level and organizational goals. When you work together to define your goals and clearly communicate to potential vendors, internal stakeholders with various needs can be an asset to the decision-making process, not a hindrance.*





## LET'S TALK ABOUT TACKLING YOUR FACILITY CHALLENGES

*ABM has helped hundreds of companies like yours make the transition to outsourced facility services and reap the benefits.*

*We self-perform industrial maintenance and cleaning services to ensure reliability and cost control. Our technology-enabled workforce understands how to create a quality-oriented, sustainable service program that aligns with your company's objectives.*

**The result?** *An energy efficient, clean, safe, comfortable, compliant facility that helps you reach your goals.*

*Our team understands your operations and cares for your facility like you do. Count on us for proven janitorial, sanitation, engineering, electrical testing, HVAC services, and more.*

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