

THE ROLE OF THE FACILITY MANAGER WITHIN BCM

ABSTRACT: This paper is the result of a twenty week graduation research assignment into the role of the facility manager within business continuity management. It broadly describes the approach to and results of this research. Firstly, the most important developments that contributed to the reasons for the research are described. Secondly the research methodology is discussed. The two disciplines are then described briefly to define the scope of the research. The work focuses on the organizational part of BCM, so both the organization during business as usual ('peacetime'), as well as business as unusual ('crisis') are outlined. Depending on the context, FM can play five different roles within BCM, roles that are presented in a new model, 'the BCM Box'.



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Introduction

Business continuity management (BCM) and facility management (FM) are key domains of business that are developing rapidly. One component of this is the publication of international standards. Both business areas have seen the launch of new international standards recently (BCM BS 25999 and FM CEN15221-1). Where FM used to be primarily an operational discipline it is now developing into a service package of more strategic character. Where BCM used to be primarily an IT matter, it is developing into a more holistic process embedded throughout the entire organization.

When such critical matters change, research is required. This is why Humangement, an independent management organization specializing in facility management, thought it would be interesting to study the combination and interrelationship of these two developing disciplines. This paper is the result of a twenty week graduation research assignment into the role of the facility manager within BCM. It is of great importance for both the FM and BCM sectors to understand this role. In the context of BCM it will contribute to a more integrated and holistic form of organization; for FM it will offer further added value to create a better fit with the primary processes.

This paper broadly describes the approach to and results of this research. Firstly, the most important developments that contributed to the reasons for the research are described. Secondly the research methodology is discussed. The two disciplines are then described briefly to define the scope of the research. The work focuses on the organizational part of BCM, so both the organization during business as usual ('peacetime'), as well as business as unusual ('crisis') are outlined. Depending on the context, FM can play five different roles within BCM, roles that are presented in a new model, 'the BCM Box'.

Context

International developments endorse the importance of this research. This section briefly reviews them.

BIFM

Facility managers play an important role in business continuity plan development and management, according to *FM 2007 Challenges & Opportunities for the Facilities Management Sector* a joint research investigation by the British Institute of Facilities Management (BIFM) and accountants and business advisers BDO Stoy Hayward. The BIFM wanted to understand what the facilities management community saw as the key challenges and opportunities over the next five years. The first phase of this work was the largest survey on facilities management in recent times, with over 1500 FM professionals completing a detailed questionnaire online. The survey found that FM is well represented within business continuity

teams, with 92 percent of respondents whose organizations had business continuity plans saying that facilities professionals were included in the development and management of the plans.

IFMA

One of the International Facility Management Association's (IFMA) objectives is to engage and provide stakeholders with opportunities that expand and leverage their collective knowledge and experiences. To further this objective, IFMA periodically sponsors a forecasting workshop to examine the emerging trends and issues that will influence facility management professionals in coming years. Recently, the IFMA published *Facility Management Forecast 2007 Exploring the Current Trends and Future Outlook for Facility Management Professionals*. This forecast foresees a growing role for facility management in BCM.

Developments within BCM

Risks for organizations have always existed and will always be part of every undertaking. However, awareness of these risks has significantly increased over recent time. This has been strongly influenced by the media and widely reported disasters, including terrorist attacks and accounting scandals within renowned companies.

The increasing pressure to ensure continuity has contributed to this high level of risk awareness. This pressure is imposed by supervisors, customer requirements, media attention and laws and regulations, such as current corporate governance codes.

In parallel with this growing emphasis on continuity is the increasing difficulty for organizations to ensure it. This is being further compounded by the fact that new risks are created by developments such as outsourcing, offshoring and globalization. In addition, the potential impact of risks is also rising with new communications media, especially the Internet, which possesses the capability to impact an organization's image almost instantly.

The research

BCM is a supportive process to ensure the continuity of critical business processes. The main goal for FM is to support the primary process, so the question for the FM specialist in particular is; what should the role for the facility manager be within BCM and what will their responsibilities be? The research being described in this paper set out to address this question, stated as follows:

What role, and related responsibilities should the facility manager take/have within the total business continuity management process?

This research is qualitative in nature. Qualitative data relates to the nature, value and characteristics of a phenomenon investigated and not quantifiable data such as volumes, frequencies or extent of occurrence.

Research model

To structure the research, the following model was created:

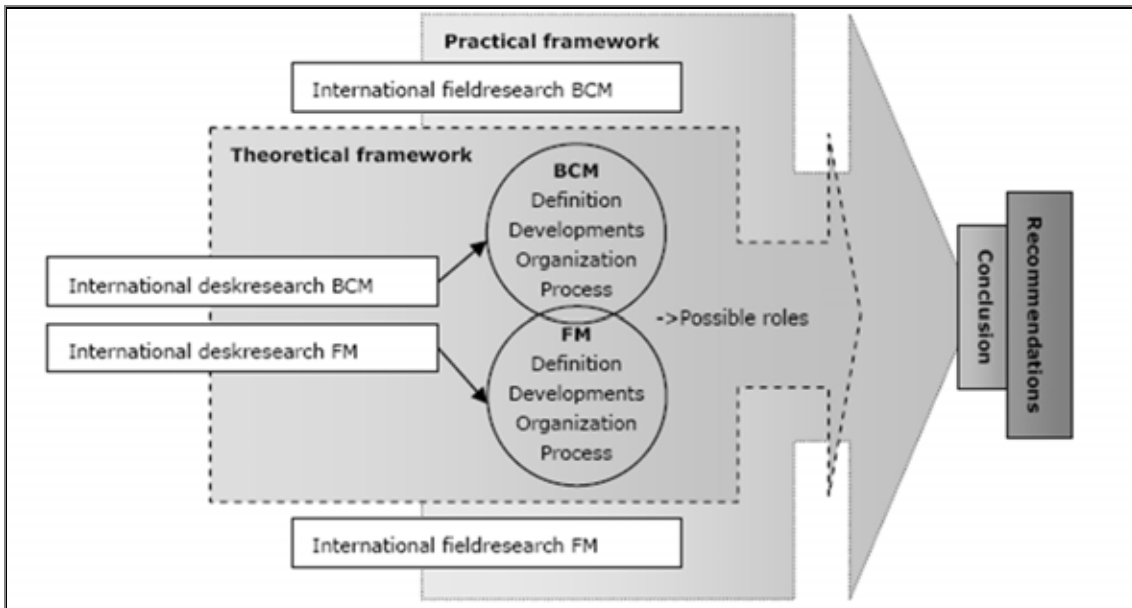


Figure one: research model

The research was divided into a theoretical framework and a practical framework. As the model shows, the theoretical framework defines FM and BCM and essentially involved desk research and investigation of relevant international standards (BS 25999 and EN15221).

The practical framework was based on interviews with some twenty FM and BCM experts and visits were made to various congresses and symposia. The main goal of this practical research was to confirm theoretical findings and develop new insights.

Facility management

There are various definitions for FM. For this research the definition is used as in the European standard for Facility Management, EN 15221-1:2006, prepared by the Comité Européen de Normalisation (CEN):

"Facility management is the integration of processes within an organization to maintain and develop the agreed services which support and improve the effectiveness of its primary activities."

FM covers a broad scope of supporting processes, services and activities in an organization. The distinction between primary and supporting processes is made by the organization itself. This study is based on the scope, as described in NEN 2748 (Dutch standard for FM) and presented in the following diagram.

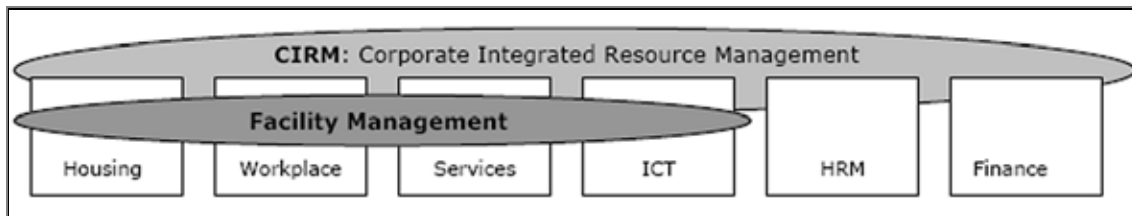


Figure two: the scope of facility management according to NEN 2748.

Business continuity management

Until the twenty-first century the concept of business continuity stagnated in the IT sector. Only during recent years and after a series of media-reported disasters, has BCM developed into a holistic process. The experience-economy, globalization, new e-business models, increasing laws and regulation, and increasing dependence on supply chain management have had an important role in these developments.

BS 25999, the British Standard for Business Continuity Management defines business continuity as follows:

"Business continuity management is a holistic management process that identifies potential impacts that threaten an organization and provides a framework for building resilience and the capability for an effective response that safeguards the interests of its key stakeholders, reputation, brand and value creating activities."

The organization of BCM

Due to the holistic character of BCM, the process is generally seen as complex to organize. So organization of BCM was one of the key questions addressed in this research. To set out the organization of BCM clearly, the distinction is made between BCM during *business as usual* and during *business as unusual*. Both organization forms are inextricably linked, but have a separate hierarchical structure and associated tasks and responsibilities. Both are discussed in the following paragraphs.

Business as usual

The way BCM is organized under the terms of *business as usual* depends on several factors including company size, sector, structure, culture, etc. To set up a standard for organization of BCM in 'peacetime' a blueprint is made below that contrasts with a regular organizational structure. Four key functions are differentiated:

- BCM strategic owner;
- BCM manager;
- BCM coordinator;
- (Operational) Specialist.

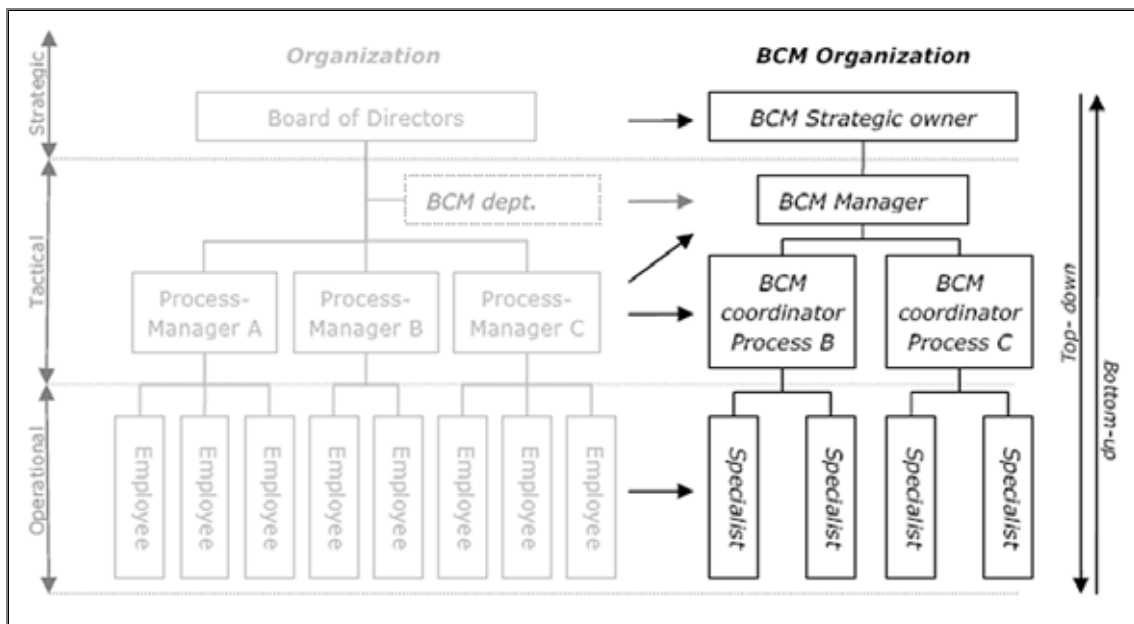


Figure three: BCM organization in business as usual situation.

The *BCM strategic owner* is at the highest level of the organization and responsible for BCM policy and sponsorship. This function puts BCM on the strategic management agenda. This person can be seen as the link between the BCM manager and the strategic top management. The function is necessary for such reasons as the creation of awareness across the organization and subject credibility. It is thus recommended that this person handles the commencement of BCM activities. This can be done by presentation to the entire staff or internal memo.

The *BCM manager* is the central coordinator for all relevant sections and functions. He/she guides the links from the top to the more specialized BCM coordinators operating both bottom-up as well as top-down. Information from lower levels is needed to be converted into business cases and concrete proposals for strategic management where decisions are taken. He/she also translates formal decisions from the top into operational plans for the various BCM coordinators.

It will vary by organization (size, culture, structure, industry, etc.) as to whether a BCM

manager is a separate function. A line manager can also be selected for the job in addition to their regular function. If selected, this manager has to be able to change hats. A clear distinction has to be made between his/her two positions.

A *BCM coordinator* converts the decisions and plans into concrete measures for their own department. Generally, BCM coordinators are managers of departments handling primary processes or supported processes. The BCM coordinator is responsible for that department's critical processes. This function must also ensure prompt signalling and communication of potential risks and other relevant BCM developments.

BCM specialists are employees at the operational level. They implement measures decided by higher levels. For example: maintenance work (preventive), creation of a press centre (repressive) or salvage work (corrective).

Business as unusual (crisis)

As for the *business as usual* organization, sufficient information is in the literature about an organization in crisis. To function optimally, communication lines must be short to implement activities and communicate as quickly and efficiently as possible. A crisis organization is, in general, flatter than the normal organization.

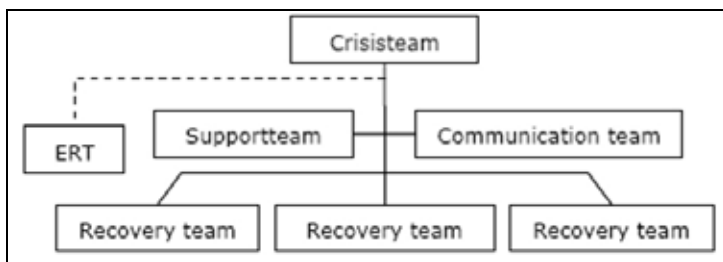


Figure four: BCM organization in business as unusual situation.

The crisis team consists preferably of key organization figures in decision-making positions, such as the CEO, CFO and COO. The support team supports the crisis team in its administrative and logistical duties and generally comprises support staff, such as the facility manager and HR manager. The communications team has a critical task in a crisis.

The emergency response team (ERT), if necessary, can operate independently and has its own mandate to initiate activities such as evacuation. Recovery teams may be deployed for the specific recovery of certain processes.

The BCM Box

BCM is a business process operating across every level and every function within an organization. From the strategic top to the operational level and from the primary processes to all support processes, they all have their own role within the holistic BCM process. Organizations naturally vary in how their BCM roles are allocated. Aspects which play a role in determining this include: size, degree of risk, culture, structure and dependence on certain processes.

The most important thing is to keep the critical processes going. Preventive, repressive and corrective measures may all be necessary to ensure continuity.

The BCM Box has been developed to graphically show the different roles and responsibilities in an organization. It can be considered as a framework or playing field in which the several responsibilities and roles can be determined. Within the scope of this research into the role of the facility manager within the holistic BCM process, a place for the FM will be stipulated within this cube. Other disciplines can also use the BCM box to graphically define their role within BCM.

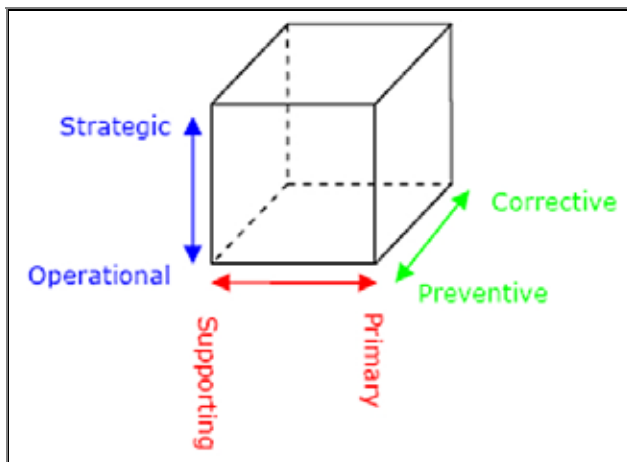
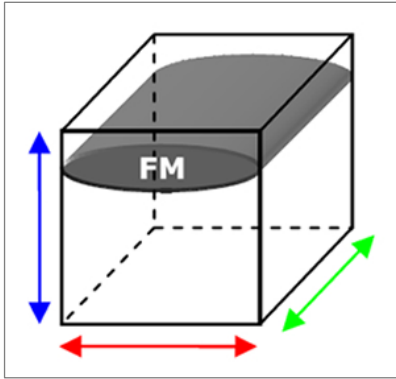


Figure five: the BCM Box

The next section describes five potential roles for the FM within BCM. Depending on the organization, the facility manager can choose one, or a combination, of these.

Five roles for facility management

Role 1: FM has the leading role

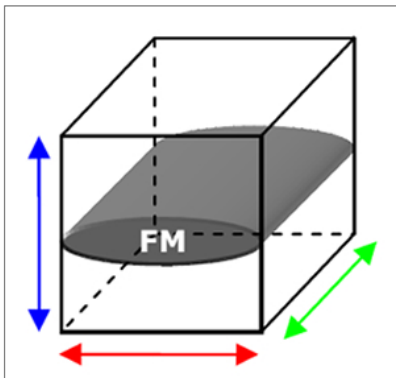


"Facility management supports the primary process; BCM should be an integrated part of FM."

In this role, FM operates at the strategic level within the organization as a *strategic owner of the BCM process* and is responsible for the entire BCM policy. For this role, FM has to be positioned at the highest level within the organization (board of directors).

In crisis, this is the only role in which the FM will actually be in the crisis team. The reason for this is that the FM in 'lower' roles does not have sufficient authority to be able to force decisions and operate effectively during (any conceivable) crisis.

Role 2: FM supports the strategic management



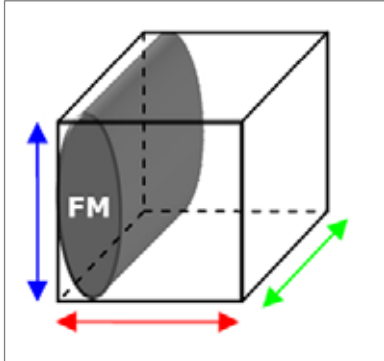
"The primary process is always leading to BCM; FM will support."

In this role FM has the function of *BCM manager*, during business as usual.

As described in the previous section the BCM manager handles coordination between the different BCM coordinators. Here the FM department should be positioned close to strategic management. This way FM decisions will be accepted by the top of the organization, which is important for effective BCM.

In this role during a crisis, the FM is in the support team to advise and support the crisis team.

Role 3: FM assures continuity of critical FM processes

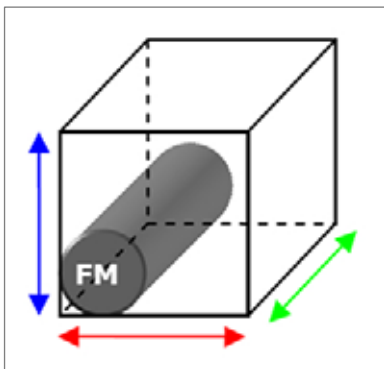


"Each department is responsible for its own critical business processes"

In this role the FM has the function of *BCM coordinator*. The FM department is responsible for the continuity of its own processes. For this role FM has to be positioned at least at the tactical level within the organization. FM will be organized professionally and there must be clear connection with the primary process.

In this role during a crisis, the FM is a member of the FM recovery team. This team is responsible for the restoration of critical FM processes, such as workspace recovery or power supply.

Role 4: FM is responsible for safety and security

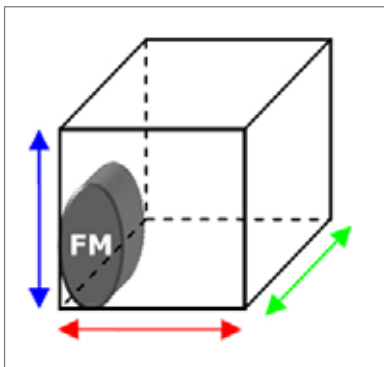


"BCM is related to risk management and FM is responsible for security and safety."

In this role the FM department handles the BCM function as the specialist in the field of safety and security. At the operational level FM ensures the implementation of safety and security measures.

During a crisis, the FM has a role in the emergency response organization. If necessary, this can operate independently with its own mandate to start evacuation.

Role 5: FM provides preventive support



"FM takes care of prevention, but during a crisis there is no role for the FM."

In this last role, the FM department operates at the operational level in the BCM function as a specialist. Ad-hoc equipped FM departments within organizations are eligible for this role. There is little or no knowledge about the primary process and FM does not need to be professional when fulfilling this role within BCM. During a crisis there is no specific role for the FM.

Which role should be adopted?

A clear growth of responsibility can be recognized in the five roles. While the nature of the primary process and the size of the organization will have great influence on the role for FM, of greater importance are the following three aspects:

1) The formal position of FM;

Traditionally FM is an operational department, but FM is developing rapidly to a more strategic level. At what level within an organization the FM department operates is important for the role within BCM, since formal authority is necessary for certain tasks. The acceptance of decisions rises as the FM department is higher on the hierarchical ladder.

2) The professionalism of FM;

The FM department’s professionalism is closely linked to the competences of the facility manager. In addition, the FM’s knowledge of the primary process is also an important aspect.

The professionalism of FM can be described in three distinct phases:

- Ad-hoc: Internally oriented, little knowledge of primary process, passive;
- Structured: internal/ customer oriented, adequate knowledge primary process, structure;
- Core-conform[®]: customer-oriented, optimum added value, proactive advisory.

3) How critical the FM processes are;

To what extent the processes which the FM department manages are critical for the continuity of the primary process. This aspect strongly depends on the core-business of the organization.

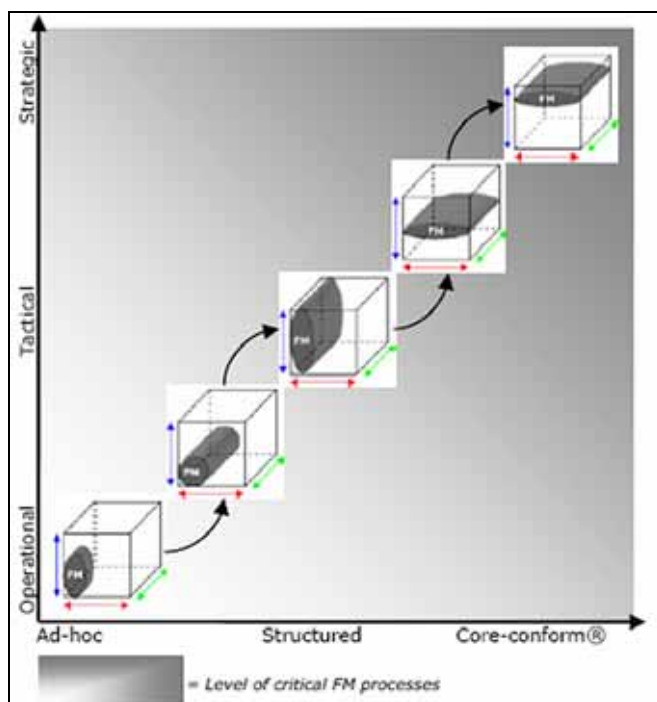


Figure six: FM roles in different contexts.

As shown in figure six, the FM department can 'grow' to a more responsible role by developing the three aspects above.

Conclusion

Internationally, facility managers are developing an increasingly important role within BCM. BCM can help to position FM closer to strategic management. FM therefore has to act proactively and put BCM on the agenda of the higher organizational echelons. It is then recommended to start with a step by step implementation of BCM, rather than trying to implement it all at once across the whole organization. Starting with only FM processes (i.e. housing/workplace) is a good way of starting to develop BCM within an organization. In this way organizations can learn from mistakes in a small (and safe) environment and FM can create awareness through the entire organization by showing quick-wins.

In the BCM field, this research is important as it looks at BCM from a different discipline. The BCM field is developing into a holistic process. For the process to work effectively, all players should be aware of their role in this. This study has defined the role for one of the players involved. Other disciplines should do the same. This research, and more particular the BCM Box, can act as a helpful blueprint for other business disciplines to determine their role in this holistic business domain.