



IFMATM

International Facility Management Association
Empowering Facility Professionals Worldwide

Executive Summary

HIGH STAKES BUSINESS: PEOPLE, PROPERTY AND SERVICES

*Facility Management Perspectives on Emergency
Preparedness and Business Continuity in North America*

Sponsored by

RLE
Technologies



ACKNOWLEDGEMENTS

IFMA relies on the willingness and generosity of our members and other industry professionals to help us provide valuable insight into the profession. Our research program is a partnership between IFMA and our members. Ultimately, our program is strengthened by the collective voice of members, which contributes to a deeper understanding of the underlying themes and trends of the global FM industry.

We'd like to express our appreciation to the survey and forum participants as well as the following individuals:

- Forum moderator, **Mark Sekula**, IFMA Fellow, CFM, FMP, LEED AP, President, Facility Futures Inc.
- Research advisor, **Isilay Civan**, MSc, PhD², SFP, LEED AP O+M, GGP, GPCP Senior Associate, Specialist, Consulting, HOK

Additionally, we would like to thank our Silver Level Corporate Sustaining Partner and IFMA research principal sponsor, **RLE Technologies**, for their support of and contribution to this report and our research program. RLE Technologies is a leading provider of facilities monitoring and leak detection products globally.

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PREFACE

IFMA's High Stakes Business: People, Property and Services is a look at the growing necessity of emergency preparedness and business continuity planning as a strategic priority — one which provides a unique opportunity for facility managers to establish valued partner status in ensuring organizational resiliency and longevity.

This report is sponsored by RLE Technologies and commissioned by the International Facility Management Association (IFMA) to help its members navigate the challenges, and identify trends and practices in the area of emergency preparedness and business continuity. Discussions and results from the IFMA Emergency Planning and Business Continuity research forums, along with the IFMA 2014 Business Continuity Survey form the basis of this paper. Full survey results can be found in the appendix of this report. A complete report may be purchased at the IFMA store at www.ifma.org/marketplace/store



**“Life improves slowly and goes wrong fast,
and only catastrophe is clearly visible.”**

EDWARD TELLER

SUMMARY

Scott Adams once wrote that facility management “was one of three areas that are vital to many projects, shallow in substance and spectacularly uninteresting.”¹ However, IFMA’s *High Stakes Business: People, Property and Service* report illustrates the enormous responsibility that sits on the facility managers’ shoulders and the impact to the business if it is ignored.

As business continuity risks become increasingly more costly and complex, and as businesses continue to mature, facility managers will experience increased opportunities to share strategic roles. They will support the ultimate resiliency of their companies as protectors of the people, services, structures and profit that allow their businesses to function and thrive.

The question for the FM profession is, “Are we prepared for these growing demands?”

Facility managers must adapt to these new pressures and accept more strategic roles within their organizations in order to keep up with growing demands. By recognizing the strategic nature of these demands, facility managers will begin to form long-term visions for the continuity of their organizations, informed by risk assessment and analysis, as well as a keen understanding of mission-critical functions and a respect for cross-departmental cooperation and communication.

IFMA’s 2014 Business Continuity survey results indicate that there is opportunity for growth and improvement in these areas, but with the help of resources such as service provider partners and organizations like IFMA, facility managers have access to education, networking opportunities and best practice information necessary to continue to improve the overall effort and ultimate results.

1. *The Dilbert Principle, A Cubicle’s-Eye View of Bosses, Meetings, Management Fads & Other Workplace Afflictions*



BACKGROUND

The Case for Resilience

Given the elevated concern surrounding catastrophes, the increasing financial losses from downtime, the interconnectivity of resources and services and the growing risk of exposure and impact to reputation, the role of facility managers in protecting and continuing businesses has become a highly complex and high-stakes endeavor.

According to a report by Aberdeen,² “between June 2010 and February 2012, the cost per hour of downtime increased, on average, by 65 percent.”

As the cost of downtime increases, the efforts to avoid and mitigate such instances grow in importance, necessitating that the role of the facility manager be elevated to one of strategic partner to ensure the continued success of the business.

IFMA identifies Emergency Preparedness and Business Continuity as one of its 11 competencies as a response to expectations by businesses for facility managers to impact or lead this effort within their organizations.

...the role of the facility manager in protecting and continuing the business has become a highly complex and high-stakes endeavor.

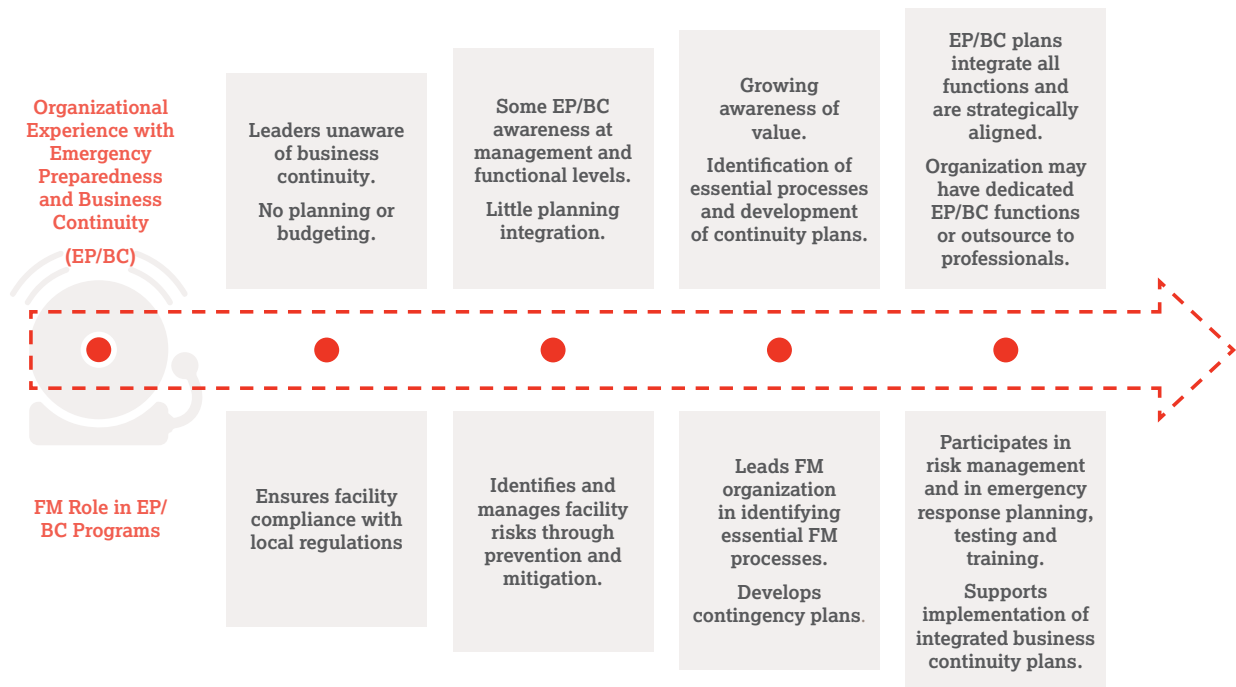
According to book one of the IFMA Facility Management Learning System, the increasing strategic involvement by facility managers in the emergency preparedness function grows in relation to the growth of the business.

“As the needs of organizations grow in number and complexity, the FM’s role also evolves from simply ensuring compliance to one of involvement in strategic activities focused on protecting and continuing functions necessary for business survival,” the Learning System states (see chart on the following page).

2. *Datacenter Downtime: How much does it really cost?* Aberdeen Research Brief. Aberdeen Group, 2012.

BACKGROUND

FM Role in Emergency Preparedness and Business Continuity



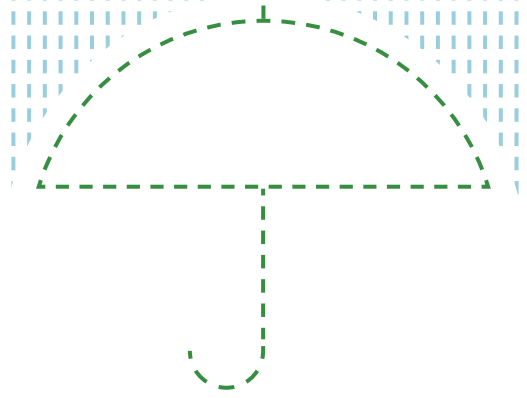
Note: Knowledgeable FM may lend an effort to expand awareness and planning in less mature organizations.

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In other words, when a business matures, it becomes more aware of the value of emergency preparedness and business continuity planning, and thus becomes more proactive in its efforts.

As a result of emergency preparedness and business continuity planning, businesses ultimately find that they are not only able to handle identified risks, but they are also more resilient when recovering from unplanned events.

IV. THE CHALLENGE

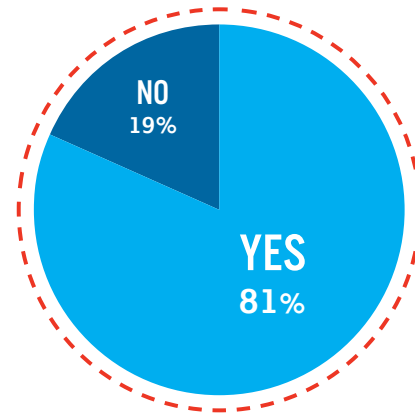


Protecting the Business – The Role of the Facility Manager

If the role of facility managers is to provide a safe, secure, healthy and productive work environment for employees, they must secure their position as a strategic partner. This will allow them to adequately respond to and plan for new and existing threats within an economy where many businesses are still struggling to recover from the Great Recession, sluggish growth and cuts to the bottom line.

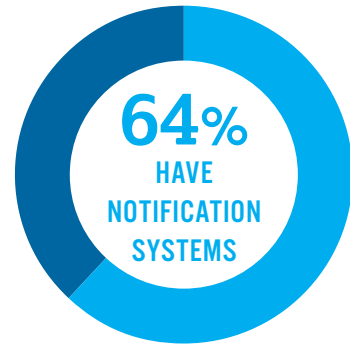
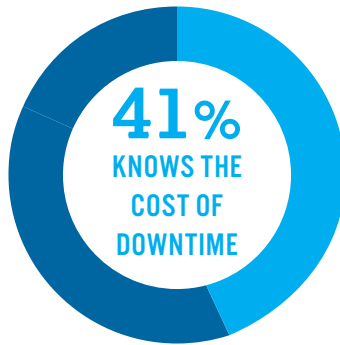
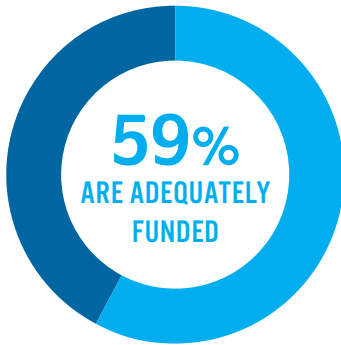
To combat potential risks, businesses turn to emergency preparedness and business continuity planning. The majority (81 percent) of the respondents to the IFMA 2014 Business Continuity Survey said that their organization has an emergency preparedness/business continuity plan created or updated in the last two years.

- **81 percent** of survey respondents in IFMA's 2014 Business Continuity Survey said their organization has a current emergency preparedness/business continuity plan.



Even so, survey respondents both with and without a current plan indicate their efforts may yet be lacking in the material, data and support necessary for success. Consider that while 81 percent report having a current plan, only 59 percent of respondents believe their plan is adequately funded and only 41 percent say their organization has quantified the cost of downtime.

THE CHALLENGE



- Only **59 percent** of respondents believe their plans are adequately funded.
- Less than half (**41 percent**) of survey respondents say their organization has quantified the cost of downtime.
- Just **64 percent** said their organization uses proactive practices such as monitoring and early alert systems.

The results point to areas of improvement for both the facility manager and the business to elevate, support and fund these efforts if they wish to adequately prepare for emergencies and continue to operate and to thrive.

About IFMA

Founded in 1980, IFMA is the world's largest and most widely recognized international association for facility management professionals, supporting more than 24,000 members in 94 countries.

The association's members, represented in 130 chapters and 17 councils worldwide, manage more than 37 billion square feet of property and annually purchase more than US\$100 billion in products and services.



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About RLE Technologies

For over 30 years, RLE has delivered reliable, cost effective facility monitoring and leak detection technologies with the sole purpose of preventing disasters, providing peace of mind, and preserving our customer's reputation. Thousands of customers world-wide rely on RLE products to detect environmental threats, notify stakeholders, and mitigate risks to their critical sensitive facilities. RLE products are manufactured in the US. www.RLETech.com

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