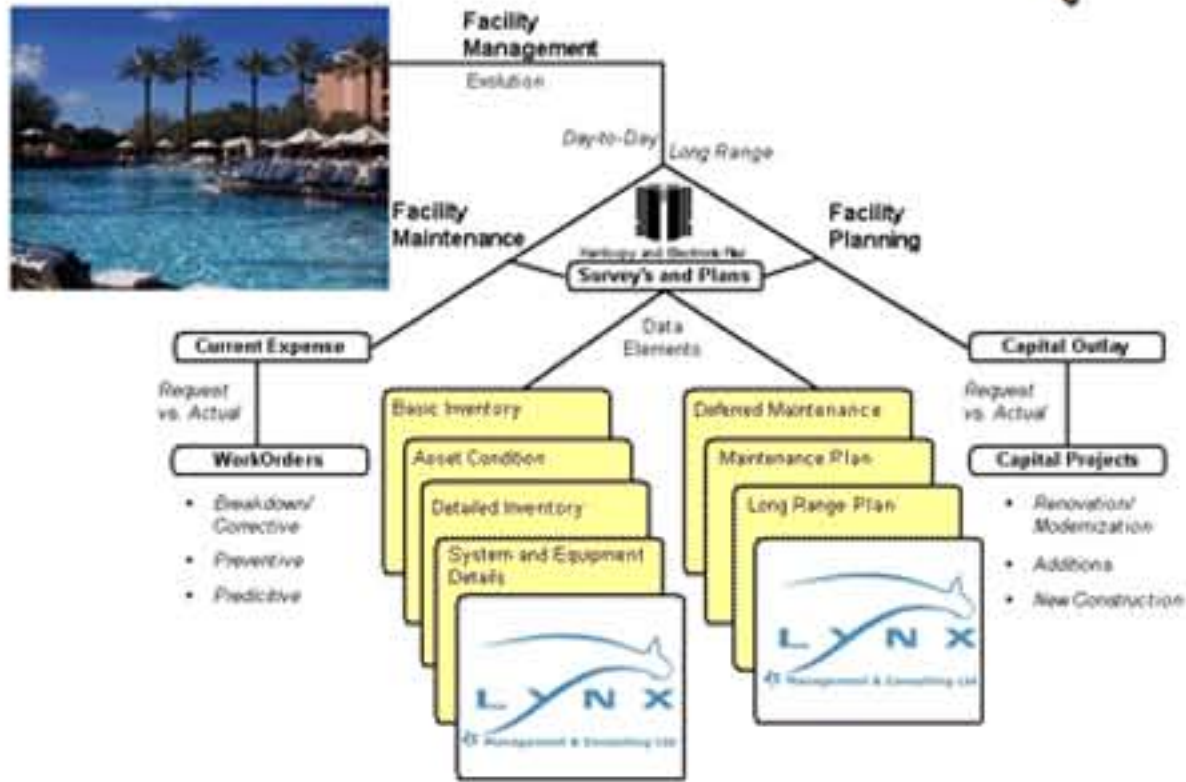


The Secret Life of Facility Management

...a work-in-progress



The Benefits of appointing a Facility Management Company

as opposed to Self-Managing Communal Sites

It is up to the community association, unless already specified in the sales contract, to decide which form of management best meets its needs. The cheapest option of course is by volunteer or self-management through a small committee of full-time residents.

Initially this may seem like a simple task, a matter of gathering the contact details of all the homeowners and ascertaining the costs involved, collecting fees and then contracting a pool maintenance company and a gardener for example. But in reality the investment required in terms of both time and effort is significant and the volunteers may soon realize the benefits of having a Facility Management company.

So what is expected of a good Facility Management Company? There are two clearly segmented facets of FM work that must work together in conjunction for optimal results. First there is the team on the ground doing the maintenance and then there is the back-office support for all the administrative and clerical services.

A major administrative hurdle to overcome is that of ensuring effective communication, especially if many of the home-owners live abroad. Decision-making procedures requiring majority voting and poor community participation can mean that problems remain unresolved for months unless a very good system is in place.

Management companies can be expected at the least to create and keep up-to-date a database of homeowner records and contact details plus arrange committee meetings and distribute regular reports and special mailings. Good management companies can further facilitate communication by providing important technological benefits such as a community website with a discussion forum whereby all homeowners can debate issues on-line. Another service they can offer is an after-hour answering and emergency response.

Keeping accurate accounts is likely to be enough of a burden for self-managed communities but with a facility management company one can expect efficient billing and collection of fees, recording and processing

of work orders, timely payment of utility bills and other expenses, plus the preparation of financial reports including budgets for preventative maintenance. In this way homeowners will not suddenly be shocked with a huge sum to pay for repair work that had been deferred over the years. The accounts can be posted on the community website to show transparency for the benefit of the homeowners.

In order to ensure effective building and grounds maintenance of a communal site, a fairly substantial team is required to be regularly on the ground. Even if the actual maintenance of the pool and other recreational facilities etc is outsourced, the various sub-contractors must be constantly supervised for quality control with proper log mechanisms. The scope of work may range from fairly menial jobs such as sweeping and rubbish collection and maintaining the garden furniture, to monitoring the building itself to ensure that the HVAC, electrical, plumbing and security issues are all in good order in particular when it comes to the rainy season and there is a risk of flooding. It is also vital that all maintenance machinery such as lawn mowers and trucks and other equipment including garden sprinklers and water pumps are regularly serviced to reduce the likelihood of disruptions, which can be disastrous during dry spells. Inspection reports, submitted by the site manager, help to ascertain the preventive maintenance requirements as well as any health and safety issues that need to be addressed.

Other ways in which facility management companies can benefit the homeowners' association, besides the obvious advantages of having significant "economies of scale", is through their good relations with the various offices and contacts with whom they need to work such as repair contractors, developers

of the projects, and local politicians and council agencies. Problem resolution is therefore usually swifter. Facility management companies can further add value to the communal site by getting involved at the design or snagging stages of a project to reduce eventual FM costs. They are often sought after by the developers for their knowledge and experience of operating and managing sites since they have tried and tested various materials and equipments and hence know which have the best performance and can advise on the most appropriate placement of facilities. Often simple requirements are overlooked in the design stage, for example water tanks for irrigating the garden and supplying water for the communal showers, and if not remedied early on, could prove costly to install at a later stage.

Successful management companies are made up of service oriented people who take their job seriously because they know their good reputation hangs in the balance. To remain at the forefront of this field of business, facility management companies are constantly reviewing and assessing their management systems and standard operating procedures in order to evaluate the effectiveness and quality of the various services and perhaps develop innovative improvements. Homeowners should look for managers who have earned professional certifications or a specialized level of expertise to help their association run smoothly. The community is a very important part of your property and a well-run community can increase the value of your property, likewise a badly-run community can cut the value of your property. It is in your best interests to have a good, efficient community.

