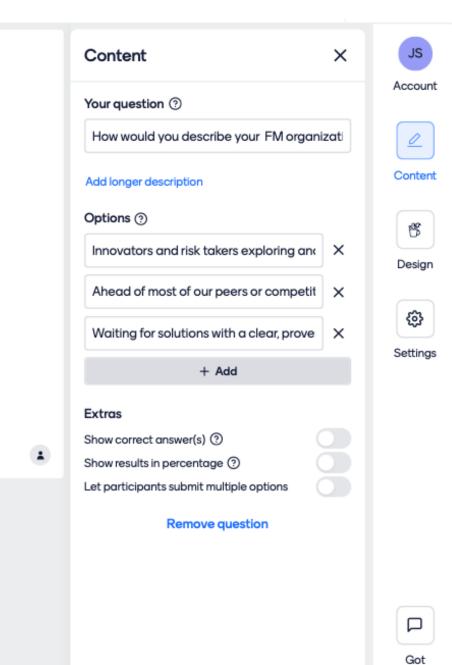
Digital transformation

View from International Facility Management Association

Jeffrey Saunders, jss@nordicforesight.com CEO, Nordic Foresight Director, IFMA Research Go to menti.com and use the code 1482 2033

How would you describe your FM organizations' approach to digital transformation?

 0	0	0	
Innovators and risk takers exploring and adopting new capabilities	Ahead of most of our peers or competitors	Waiting for solutions with a clear, proven track record	



feedback?

What outcomes are you trying to acheive through your digital transformation efforts?

	Content X	JS
	Question title ③	Account
	What outcomes are you trying to acheive th	
	Subheading	Content
	Appears in the presentation prior to showing the answers and in participants devices.	
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Today's presentation





Pressures and technology choices facing facility managers



Leading digital transformation in the FM industry

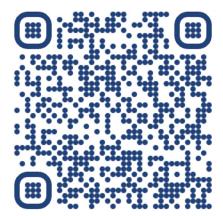


Recommendations for Facility Managers

Based on following studies with IFMA



Leading Digital Transformation in the Facilities Management Industry



The Experts' Assessment,

Vol. 2: Future working environments and support functions toward 2030



The Facility Manager's Guide to Procuring Technology



Today's presentation





Pressures and technology choices facing facility managers



Leading digital transformation

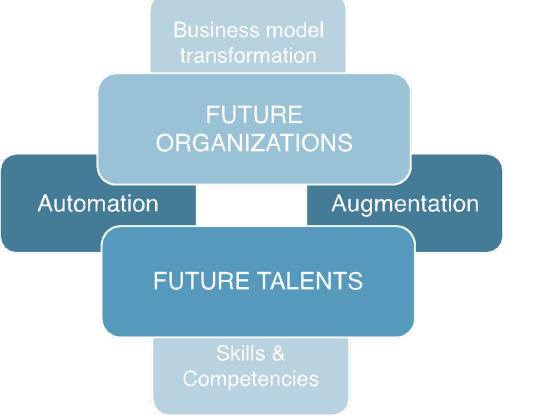


Recommendations for Facility Managers

Digital transformation



Changes organizations and impacts talents



Empowering organizations including FM to



Re-invent the industry

Substitute products & services



Craft new digital businesses



Reconfigure delivery models

Rethink value propositions

FM'ers at the nexus of change



Institutional pressures

Liquid expectations to transform digitally



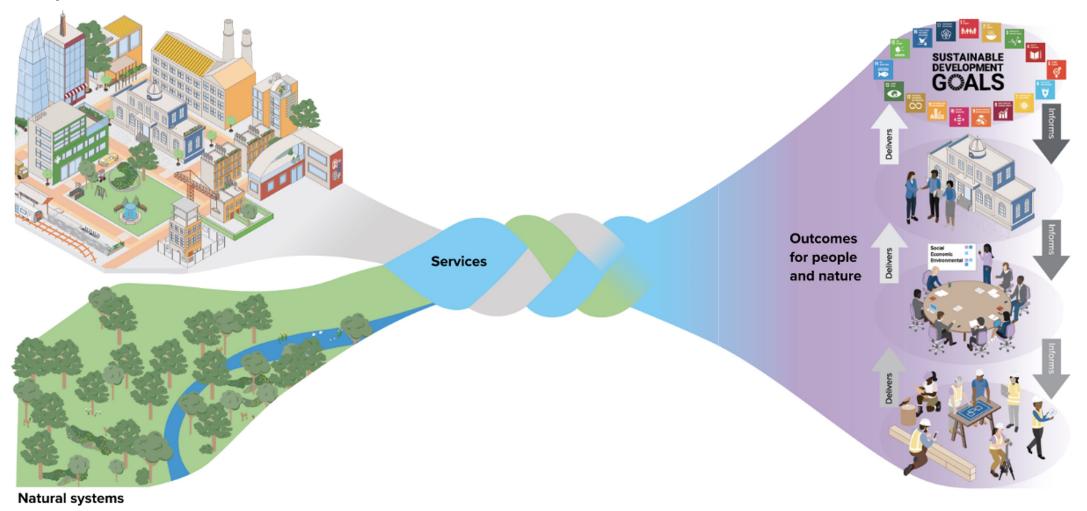
To comply with new requirements

Organizational self-interest

How the built environment is transforming

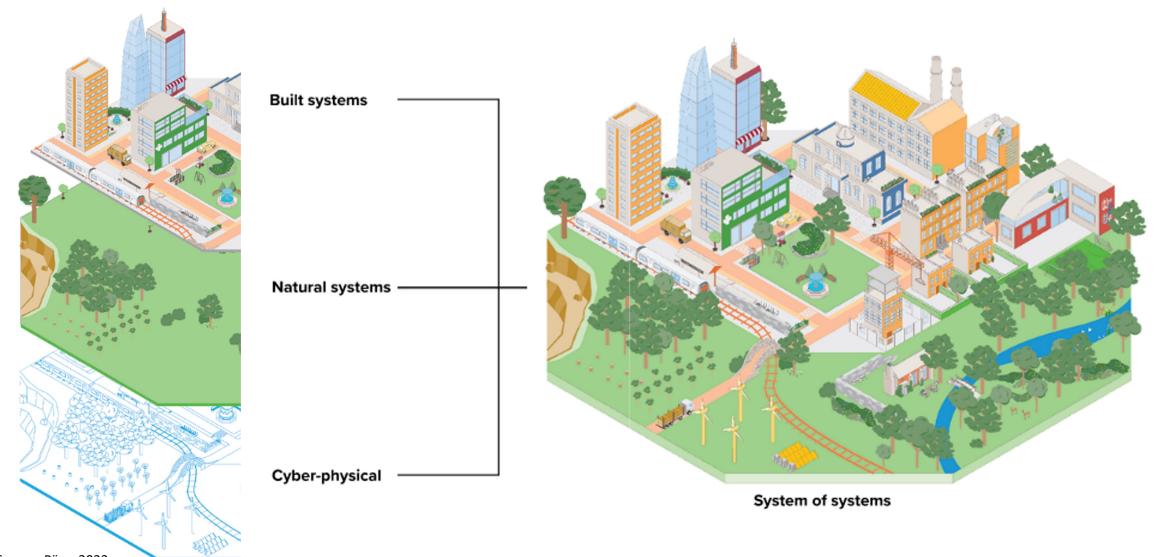


Built systems



Integrating into a system of systems





Source: Pärn, 2023

Digital tools and at-home work point setup and support key amenities toward 2030

83%

At-home work point setup & support

92%

Digital tools

54%

Integrated enterprise and metaverse solutions



81%

How likely will the following technologies be supported in most Fortune 2000 companies' offices by 2030?

expect mixed reality interfaces (including augmented and virtual reality) for employee training and onboarding in most Fortune 2000 companies



How likely will the following technologies be supported in most Fortune 2000 companies' offices by 2030?



multiexperience platforms that create consistent user experiences across web, mobile, wearable, conversational, and immersive touch points using touch, voice, and gesture to ensure.



How likely will the following technologies be supported in most Fortune 2000 companies' offices by 2030?

75%

End-to-end Al-enabled integrated workplace/building management systems IWMS/BMS that use pervasive data collection from devices and IoT to provide near-real-time actionable insights on occupant behavior and facility operations



How likely will the following technologies be supported in most Fortune 2000 companies' offices by 2030?

59%

Frictionless offices where people and goods can navigate buildings to destinations without the assistance of a human staff member

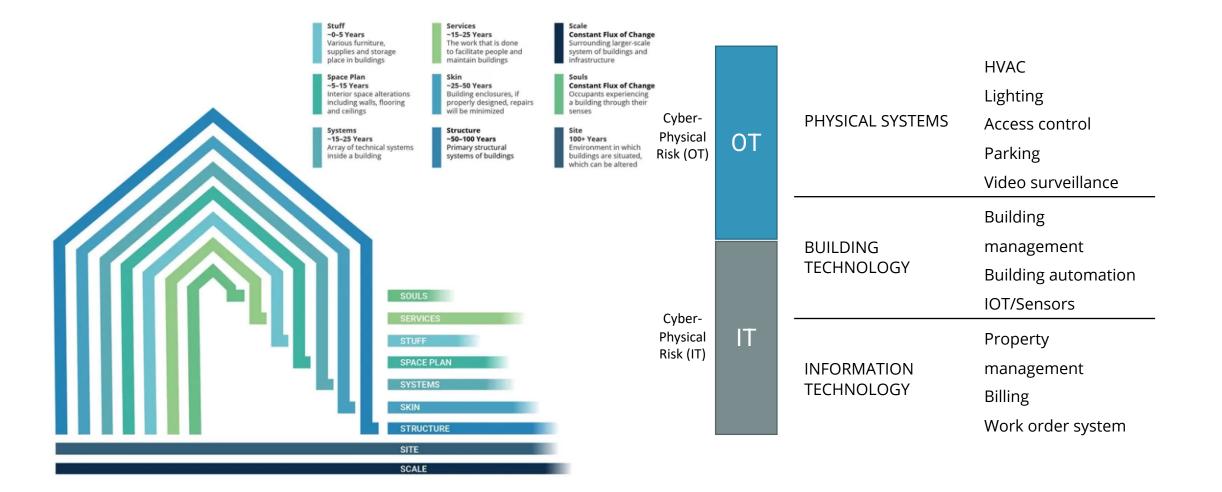
52%

How likely will the following technologies be supported in most Fortune 2000 companies' offices by 2030?

Digital humans in receptions, help desks, etc., can produce a whole range of human body language, interpret clients' input and provide answers they need

Mind the gap! Beware of technology layers and IT and OT divide





Some of the OT based systems in your buildings



Fire Systems

- Fire Detection Systems (alarms)
- Fire Protection Systems (sprinklers)

HVAC Systems

- Ventilation, Chillers, Air Handling, Purification
- Air Quality, Health

People Transport Systems

- Elevators
- Escalators
- Moving walkways

Lighting Systems

- Standard lighting and shades
- Emergency lighting

Utility Systems

- Gas
- Water, Boilers, Filtration
- Electric (including Backup Generators, UPS, Solar, Wind)

Physical Access Systems

- Physical Security Control
- Video Surveillance
- People Count

A/V and Digital Signage

- Standard
- Emergency

Voice Communication Systems

- <u>Standard</u>
- Emergency

Voice Communications (wired & wireless)

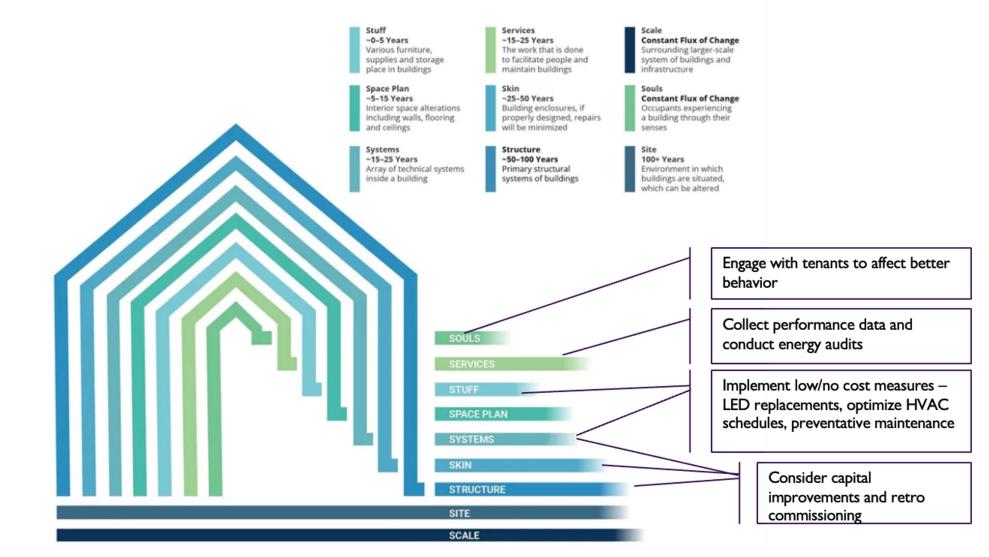
- Parking Systems
- Access
- EV Charging

Building Automation Systems

- IT Systems
- Owner Network
- Property Management

Nordic Foresight

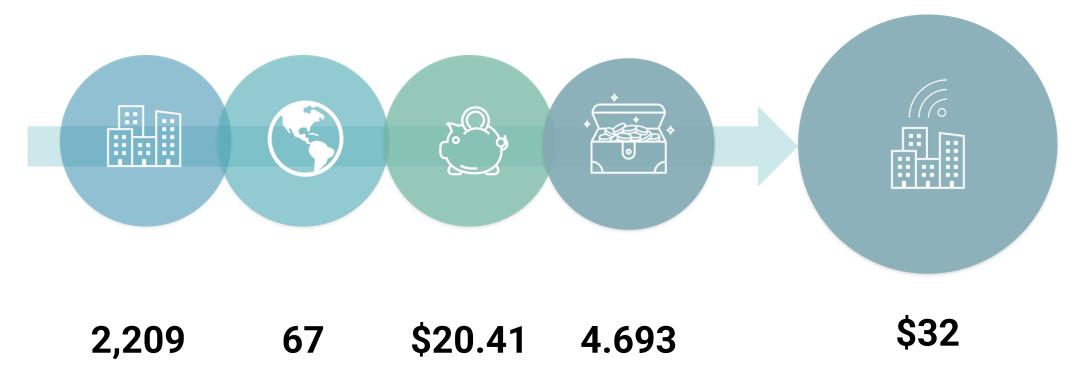
Example: Drive to net-zero targeting interventions and and technologies at distinct building layers



Source: Jeffrey Saunders, et. (2022) Seeking higher ground. IFMA. https://ifma.foleon.com/white-paper/seeking-higher-ground/

Digital transformation big business built environment





Companies

Countries

Billion raised

Investors

Trillion industry

Digital transformation in FM context



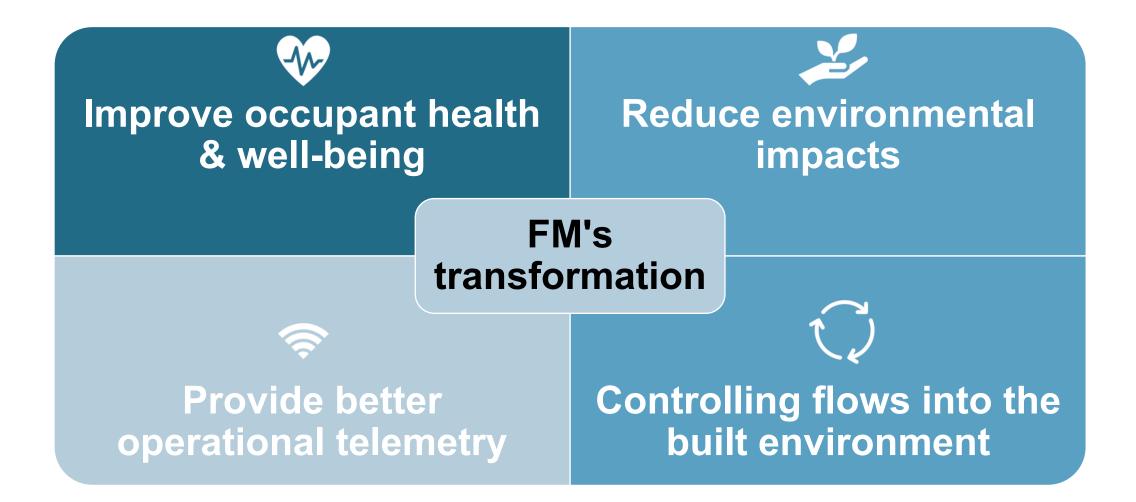


Digital transformation

Improve competitive position

FM is rapidly digitizing to:





Across a range of different infrastructures with discrete challenges





Today's presentation





Pressures and technology choices facing facility managers



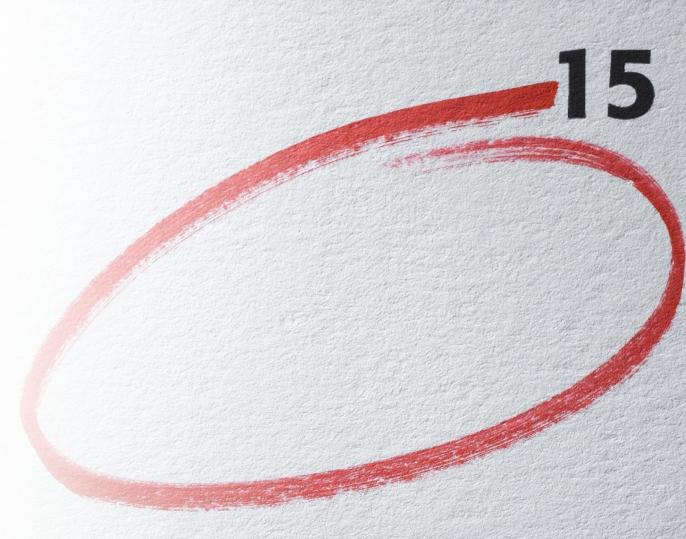
Leading digital transformation

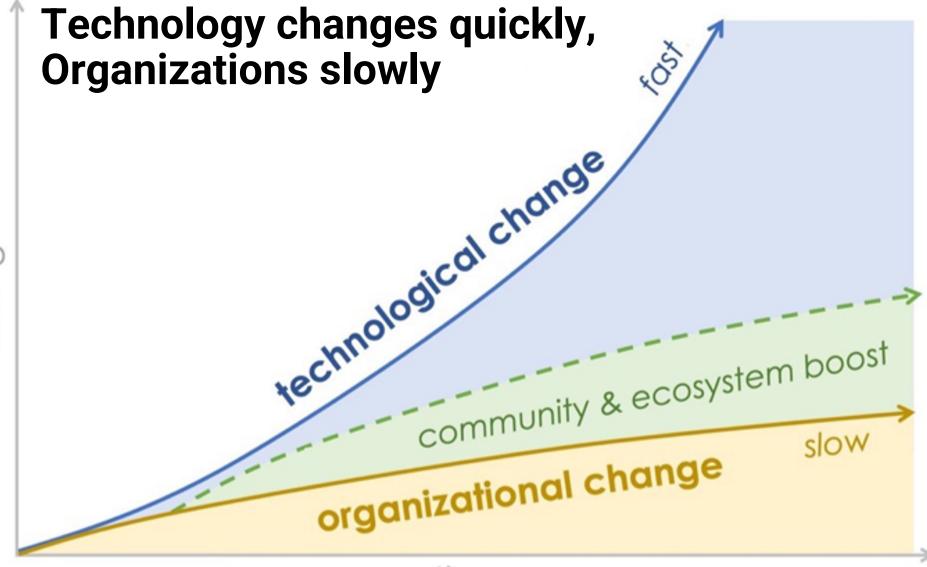


Recommendations for Facility Managers

Transformation efforts often go awry

- Behind schedule
- Technology not utilized
- Project cancelled
- Not the right feature set
- Project went over budget





time

Source: Martec, Scott Brinker, VP Platform Ecosystems, HubSpot, 2022 and George Westerman (2022) "Mastering new elements of digital transformation for the facility management industry," IFMA Leading the Digital Transformation Executive Summit.

change

Leadership

Transformation Executive Summit.



Digital capability Customer experience Operations Fashionistas **Digital Masters** Employee experience **Digital capabilities** Business model Digital platform 6% more revenue through *9% more revenue* through their assets but 11% their assets and 26% more profit Leadership capabilities Vision Beginners Conservatives Engagement Governance 4% less revenue per *10% less revenue* through Technology leadership their assets and *9% greater* employee or fixed asset Source: George Westerman (2022) "Mastering new and 24% lower Digital-ready culture profits elements of digital transformation for the facility management industry," IFMA Leading the Digital

Leadership capabilities

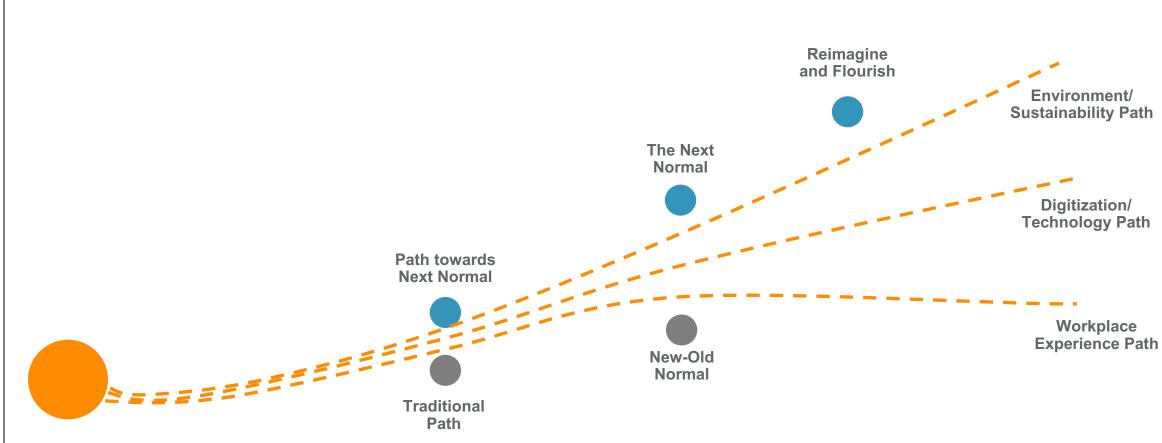


Digital Masters possess the leadership drive and "vision to shape a new future, governance and engagement to steer the course, and IT/business relationships to implement technology-based change" again and again.

Source: George Westerman (2022) "Mastering new elements of digital transformation for the facility management industry," IFMA Leading the Digital Transformation Executive Summit.

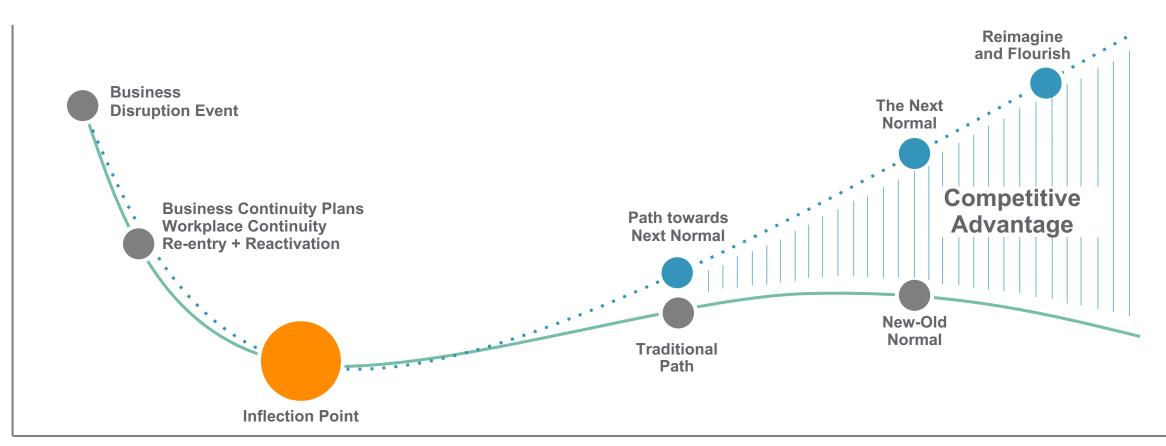
What's your vision?





What's your vision



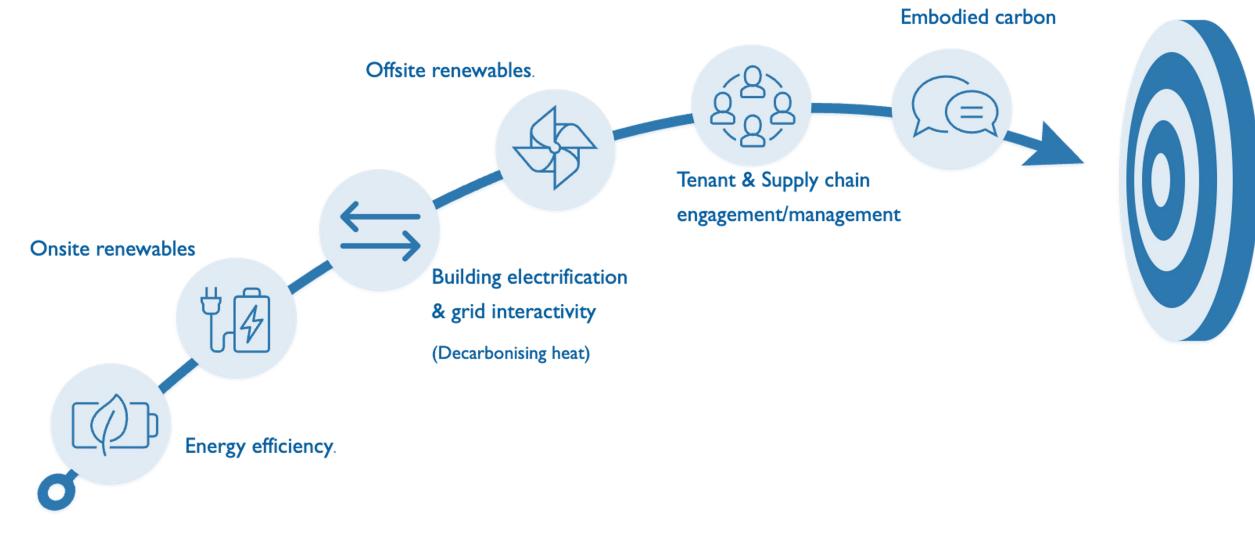


Source; JLL October 2020

Business Growth Organization Performance Profitability

Example: A long-term technology road map

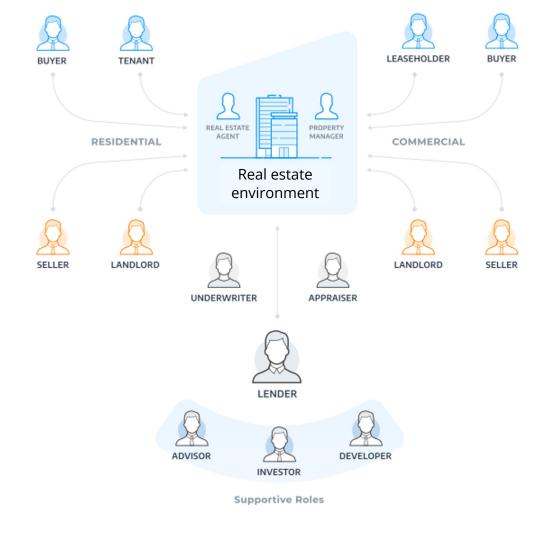




Source: ULI, 2022

Identify & engage your stakeholders





Source; Source, ascendixtech.com

Five vectors for digital transformation



Business model						
Digital enhancements						
Info-based service extensions						
Multisided platform businesses						
Customer experience	Operations	Employee experience				
Experience design	Core process automation	Augmentation				
Customer intelligence	Connected and dynamic	Future-readying				
	operations					
Emotional engagement	Data-driven decision-making	Flexforcing				
Digital platform						
Core						
Externally facing						
Data						

Business model



Customer experience

Experience design Customer intelligence Emotional engagement

Operations

Core process automation Connected and dynamic operations Data-driven decision-making

Employee experience

Augmentation Future readying Flexforcing

Today's presentation





Pressures and technology choices facing facility managers

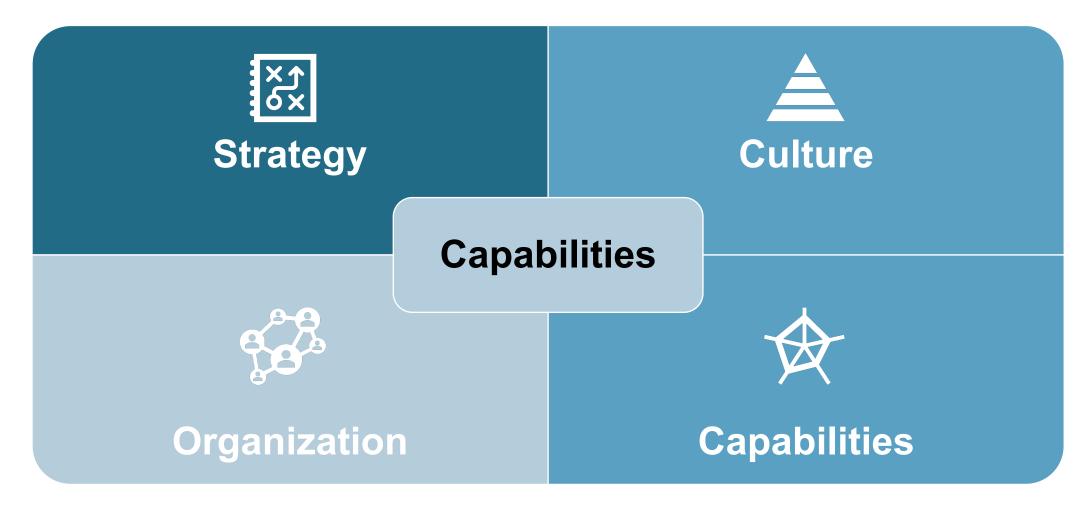


Leading digital transformation



Recommendations for Facility Managers

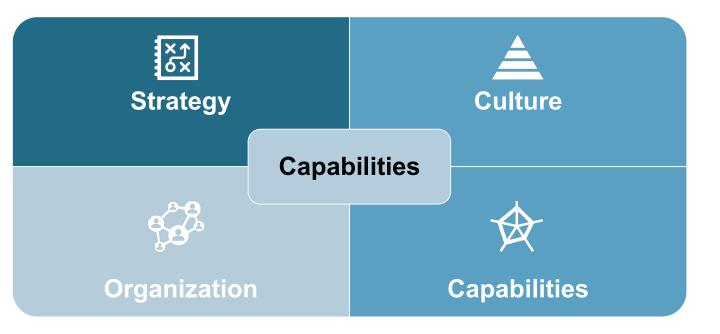




Strategy

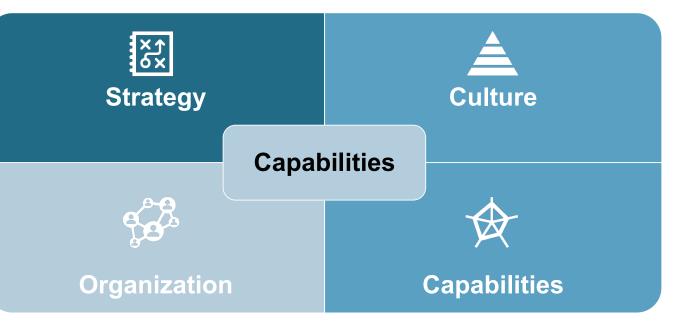
- How aligned are your digital transformation objectives with broader corporate strategies?
- Have you identified the key stakeholders and involved them in the process?
- What is your 10 year plan? Have you considered how ideal business outcome aligns with your technology roadmap?





Culture

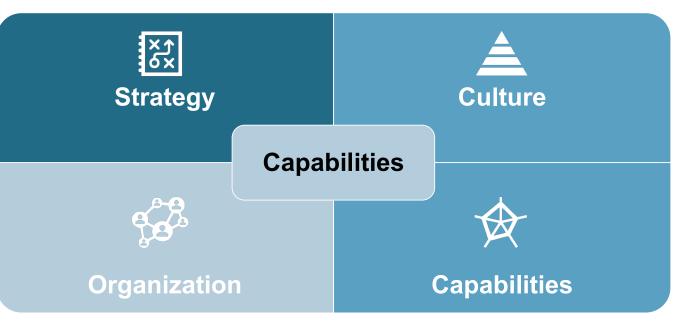
- How comfortable are employees with taking risks and exploring new digital opportunities?
- How open is our organizational culture to change and innovation?
- How collaborative is your corporate culture?





Organization

- How many of your senior managers can articulate their digital Key Performance Indicators (KPIs)?
- Are there any organizational barriers that may hinder effective digital transformation?
- Do we have the necessary resources, both financial and human, to support digital transformation efforts?





Capabilities

- Have you assessed the capabilities and skills of your workforce in relation to digital transformation?
- Have we identified the gaps in our digital capabilities and areas that need improvement?
- What level of investment are you willing to make to increase that skill set?





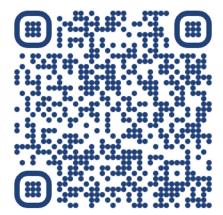
Recommendations

- Don't fear digital transformation
- Be prepared to partially fail
- Be proactive, not reactive
- Foster agility among your team
- The pandemic has shifted the conversation from evolution to revolution
- Focus on leadership and vision-setting
- You don't have to be perfect, but you must take the first step
- There are four critical areas where you use DT to create value
- Explore the weaknesses that the pandemic and supply chain crisis exposed in your organization, community or society
- Focus on inclusivity
- Don't forget the importance of knowledge transfer

Based on following IFMA studies

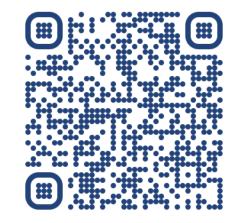


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Digital transformation

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