The Challenge

• The U.S. maintains 275 embassies, consulates, and missions throughout the world, ranging from multi-acre compounds to small offices,
• Existing policies and standards for asset management are vague and flexible to allow for differences worldwide, but they are often open to interpretation by post management
• Standards for implementing successful facility management strategies are often interpreted from a political, short term view, not considering total cost of ownership perspective,
• Facility Managers report to the embassy/consulate Management Officer, and not to OBO, which may lead to conflicting direction/actions/priorities, with focus placed often on residential leases over the embassy/consulate.
The Strategic Goals

• Develop an evaluation system for DOS Facility Management operations to:
  – Be proactive,
  – Be able to be customized to different embassies/consulates,
  – Uniformly assess the FM organization,
  – Identify and measure organizational performance,
  – Establish realistic metric and benchmarks,
  – Provide the FMs practical strategies for improvement
New Initiative Needed

• Challenges to the FMs required that the OBO Office of Facility Management create a systematic procedure to:
  – Evaluate embassy FM organizational functions
  – Focus on process performance, benchmarked to industry practices
  – Provide tools for measuring ongoing improvements
  – Develop plans for real property asset lifecycle milestones

• Previously, facility evaluation and assistance program was focused only on maintenance management audits/reports, not on Facility Management.

• New model: A comprehensive Facility Management organizational and leadership evaluation tool, titled:
  – The Facility Management Assessment & Assistance Program
Desired Outcomes

- Align the operational performance of embassy FM organization, with the State Department’s mission, vision, and strategy,
- Reduce total cost of ownership,
- Adopt real property lifecycle model as the overriding organizational framework
- Maximize the productivity of the FM organization,
- Improve property asset value and equipment service life,
- Create high-performance embassy FM organizations.
FM Industry Baselines for FMA&A

Incorporate latest research and findings from:

- Association for Higher Education Facilities Officers APPA
- International Facility Management Association IFMA
- Federal Facilities Council, National Research Council FFC
- American Management Association AMA
- Harvard Business School
- Baldridge National Quality Program
Baseline for FMA&A

- The FMA&A uses the Capability Maturity Model (CMM) approach to organizational improvement, developed at Carnegie Mellon University for DoD.
Performance Categories

- **Leadership**: Strategic facility planning, effective communications, and organizational structure,
- **Planning**: Annual and multi-year plans,
- **Customer Focus**: Input from customers, feedback for work control
- **Workforce Development**: Locally-employed staff position descriptions, succession planning, training and professional development
- **O&M Process**: Maintenance: Asset and equipment inventories, documentation of work management and work orders, CMMS, and PM, and post Operations: Service level agreements, procurement procedures within the FM organization,
Steps to Implement FMA&A

- Site-visit Preparation
- Embassy In-brief: Purpose and objectives
- Interviews: Embassy FM, Management Officer, senior maintenance engineers/supervisors, work order clerk
- Embassy out-brief, present preliminary recommendations
- Report preparation, with detailed findings and recommendations in each category
- Implement recommendations
- Re-evaluate in two years
Status

• First pilot FMA&A studies conducted at embassies in:
  – Lima, Peru
  – Panama City, Panama
  – Quito, Ecuador
  – Santiago, Chile

• Internal review of results showed too many questions asked by trained interviewers, reports “too academic”, more short term recommendations needed for FM to quickly see results

• FMA&A studies subsequently concluded in:
  – Brazzaville, Republic of the Congo
  – Kinshasa, Democratic Republic of Congo
  – Yaoundé, Cameroon
  – Mumbai, India
  – Tbilisi, Georgia
  – Bucharest, Romania
  – Sarajevo, Bosnia-Herzegovina
  – Phnom Penh, Cambodia
  – Kigali, Rwanda
Participating U.S. Embassies

U.S. Embassy Bucharest

U.S. Embassy Mumbai

U.S. Embassy Kigali

U.S. Embassy Brazzaville
Findings from FMA&A visits

• Repair and replacement (R&R) costs over 10 years showed wide variance
• 10 year R&R costs, when equipment service life is reduced due to inadequate maintenance, ranged from twice to 10 times, compared to normal PM cost
• FM's need assistance in developing their annual and strategic maintenance plans
• Residential leases maintenance/repairs often takes priority and absorbs resources over the care of functional properties
• Reporting features of the CMMS need to be refined to allow for optimal use of the data
15 Year M&R Cost Estimates

• CBRE evaluated detailed annual R&R costs to compute future (15 years out) R&R budget needs
• R&R costs from site surveys at nine large, medium, and small NECs examined, constructed from 2005 to 2011
• Sample then expanded to 29 NECs, constructed from 2003 to 2010
• Results: Future annual R&R costs for all 29 NECs ranged from $12M in 2015, to $18.8M in 2028
• No correlation to “2 to 4% of replacement value”
Conclusions

- FMA&A has shown:
  - Developing regional FM offices to advise and mentor first tour FMs and post Management is needed
  - Training of local staff on 21st century building systems is a continuing need
  - Monitoring the data entered in the CMMS is essential to develop truly useful KPIs
  - Regional PM service contracts for the installed major equipment/systems will result in cost savings
  - Future R&R cost estimates can provide the baseline for total cost of ownership
Future FMA&A Embassies

U.S. Embassy Beirut
U.S. Embassy Mexico City
U.S. Embassy Jakarta
U.S. Embassy London
FMA&A Management & Contributors

- U. S. Department of State
  - Bureau of Overseas Buildings Operation
    - Construction, Facility and Security Management
      - Office of Facility Management, Maintenance Management Program, Alex Willman, P.E., Branch Chief

- AECOM
- CBRE/Whitestone
- Facility Engineering Associates, P.C.
- Jacobs Global Buildings