Determining the Right Facilities Maintenance Model for Your Organization
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DWM Comprehensive Facility Solutions is a leading facility solutions company providing break-fix, emergency, and remodel/rollout services for national portfolio clients. In business since 1997, DWM has extensive knowledge when it comes to meeting the needs of clients across varying portfolios structures and industries.

Executive Summary:
Although facilities maintenance occurs behind the scenes, it is one of the differentiating characteristics for portfolio companies. A safe environment improves the customer perception and experience, translating to an improved bottom line. There are several different models utilized by facilities maintenance professionals to meet their needs.

This whitepaper will discuss these models and challenges and trade-offs associated with each of them.
Many companies rely on vendors to achieve their strategic goals and provide exceptional products and services to their customers. In addition to providing a service, the right vendor partner can be an extremely valuable resource to a company in terms of cost-savings and overall company success.

Although facilities maintenance occurs behind the scene, it is one of the differentiating characteristics for portfolio businesses. A safe environment boosts improves the customer perception and experience, translating to an improved bottom line. Superior facilities maintenance creates a safe and enjoyable environment.

What defines superior facilities maintenance can vary across industries and portfolios. There are several different vendor-selection strategies utilized by facilities maintenance professionals to meet their needs. Whether a business decides to go with an in-house team, a self-performing vendor, or a facilities maintenance provider; they are faced with a variety of challenges and trade-offs.

A facilities professional weighs the pros and cons and selects the option best-suited for the core competencies of the business. Historically, hospitals and educational institutions have typically utilized in-house maintenance services, since they require the cleanliness to meet a certain standard and to be performed around the clock. Whereas, corporations and retail stores prefer outsourcing since they need flexibility of staffing and lower costs.

**Common Facilities Maintenance Models**

1. **In-House Teams**

   Businesses or institutions that need constant facilities maintenance are a good fit for in-house maintenance teams. This is due to the simple reason that maintenance is important to their core competency. Facilities maintenance professionals who choose in-house teams usually have more control over all the aspects of the maintenance, which includes the processes and the costs.

   Large facilities, such as college campuses and hospitals typically utilize in-house teams as there are constant maintenance needs across varying trades. In this situation, an in-house team can provide maintenance around the clock, at a moment’s notice. The facilities maintenance professional is in control of the quality of the service and the costs. Smaller, regional businesses benefit from in-house maintenance teams as it is more cost effective to have an in-house maintenance team overseeing the maintenance needs over a small region.

   However, this model is extremely labor-intensive and requires constant monitoring of the maintenance personnel. Also, the business needs to allocate fund for the proper functioning of this department, making in-house teams cost-intensive as well. The facilities manager must constantly train the technicians to keep them up to date with the latest technologies and best practices. In this set up, insurance is the responsibility of the portfolio company. The company must create attractive benefits to retain their maintenance staff employees.

   Training and retaining a facilities maintenance staff requires a significant level of commitment and financial investment from a business. If facility maintenance is not related to a company’s core business functions, large investments into this area could be viewed as a poor financial decision, and an inefficient use of resources. For this reason, most business outsource facility maintenance to companies that offer complete facility maintenance solutions.
Self-Performing Vendors

Outsourcing maintenance to a self-performing vendor reduces internal workload to an extent. This is a hybrid between having an in-house team and completely outsourcing to a facility maintenance provider. By outsourcing to a self-performing vendor, the business will avoid the costs and labor associated with maintaining an in-house team. It grants the business the flexibility to change the maintenance staff by simply changing their vendors. The business does not need to pay for the benefits of the maintenance staff and they don't need to invest in equipment, tools, training, or insurance.

However, the quality of the technicians and the cost of the service will depend on the vendor. The manager loses the ability to control all the aspects of facility maintenance. The trade-off with self-performing vendors are high, it is a hit or miss situation. Facilities maintenance managers who are being pressured to cut costs try to skimp on paying for a more quality facilities maintenance services. In this model, facilities managers can negotiate a lower price with a self-performing vendor, but they will have some compromise.

Self-performing vendors may not always be able to guarantee the best technician for every service. The facilities manager has to source multiple individual self-performing vendors for different trades and regions.

Finally, a self-performing vendor may not be available at all times, causing the business to either wait and add to their downtime or look for another vendor. These trade-offs make it extremely difficult for a manager to efficiently maintain the facility.

Companies usually invest in computerized maintenance management systems (CMMS) to keep track of these processes and different service providers. A basic CMMS may cost a company up to $6,000, and even with that the manager still needs to compensate for the inefficiency. Adding to the expenses and down time caused by the inefficiency.

Facilities Maintenance Provider

Outsourcing to a respectable facility maintenance provider ensures each work order will be addressed by pre-screened, experienced technicians. A facilities manager need not worry about staffing, salaries, benefits, or employee evaluations for an additional department. When utilizing a national facilities maintenance provider, the facilities maintenance partner will assume all insurance responsibilities. It reduces the workload on the manager considerably.

Outsourcing to a national facilities maintenance provider can result in substantial cost-savings in the form of economies of scale. A facility maintenance provider utilizes technicians that are up to date with the latest technology and practices in their field. Technicians working for a facilities maintenance provider are typically more specialized and experienced than in-house maintenance technicians, leading to quicker response and more efficient service. Thus, outsourcing to a facility maintenance service provider can help a business take advantage of their economies of scale and gain access to the best technicians and equipment at a lower price.

Multiple geographical locations weigh heavily when deciding which facilities maintenance model to adopt. A chain of retail stores that operate across the nation in different locations would find it difficult to maintain an in-house staff for each of its stores as it would be extremely expensive. Not to mention, they would find it difficult
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to recruit technicians of the same caliber across all their stores. This would pose a great challenge in terms of quality of service. If the same retail chain attempted to utilize self-performing vendors, they would struggle to simultaneously address issues across regions and trades. On the other hand, a well-established facilities maintenance provider can simultaneously manage high volumes of service requests across the country 24/7, 365.

Another benefit to utilizing a single-source facilities maintenance provider is streamlined work order organization. A successful facilities maintenance partner will organize and prioritize all aspects of facilities maintenance, updating corporate contacts as needed. A true partner will act on behalf of their client, like employees of that organization—all without the overhead. To ensure efficiency in addressing all clients’ needs, most successful facilities maintenance companies invest in technologies that make the management of work load easier. Many facilities maintenance companies offer client-facing platforms that will eliminate the need for clients to pay for a costly CMMS.

Conclusion

Facilities maintenance requires a lot of managerial power to ensure facilities are safe and visually appealing, all while ensuring cost-containment. There are three primary models that are utilized across the industry to meet client needs across industries and trades.

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<tr>
<th>In-House Team</th>
<th>Self-Performing Vendor</th>
<th>Facilities Maintenance Provider</th>
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<tbody>
<tr>
<td>• Managing staff and training is challenging</td>
<td>• Outsourcing offers companies the flexibility to hire new vendors when needed</td>
<td>• With the right provider, the facilities maintenance process will be streamlined, resulting in efficiencies that can be allocated to the company’s core competencies</td>
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<tr>
<td>• Salaries and benefits make an in-house maintenance staff more expensive</td>
<td>• The company only has to pay for the maintenance staff when they are needed</td>
<td>• Economies of scale result in lower cost-to-completions</td>
</tr>
<tr>
<td>• The company is responsible for all insurance</td>
<td>• The company does not have to invest in insurance, equipment, training, or benefits for the maintenance staff</td>
<td>• A well-established facilities maintenance provider can simultaneously manage high volumes of service requests across the country 24/7, 365</td>
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<tr>
<td>• The company is paying for employees regardless if issues arise</td>
<td>• Difficult to manage multiple vendors</td>
<td>• Model works best for a multi-state, multi-state portfolio with multiple trade needs</td>
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<td>• This model works best for small regions or large campuses</td>
<td>• The self-performing vendor may not have enough technicians to address simultaneous needs</td>
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DWM Comprehensive Facility Solutions is a leading facilities maintenance company providing break-fix, emergency, projects, and remodel/rollout services for national portfolio clients across the retail, restaurant, healthcare, and entertainment industries. With the help of their client-centric focus and vast technician network DWM provides unparalleled maintenance services, 24/7, 365.

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