FM Metrics for Dashboards and Scorecards

Robert Lambe, CFM
President, Facility Issues
FM Metrics for Dashboards and Scorecards

Metrics and data are increasingly available to, and used by, Facilities Managers as part of dashboards and scorecards.

This session will identify different types of metrics, review which are most useful for different purposes, and explore the differences between dashboards and scorecards.
WHY THE INTEREST IN METRICS AND DASHBOARDS?

Background...
Why Metrics?
To Help with Information Overload

Every day, facilities managers get information from a multitude of systems:

- Corporate finance systems
- Corporate HR systems
- Facility work order/CMMS systems
- CAFM/CADD/BIM systems
- Project plans
- Equipment sensors
- Occupancy sensors
- Security systems
- Cameras
- Meter readings
- Spreadsheets
- Building Audits
- Equipment Alarms
- Building Automation systems
- Energy Management systems
- Email
- Text messages
- Online data services
- Industry publications
- Benchmarking reports
- Commissioning reports
- Social media
- Photographs
- Technical/design reports
- Regulations & standards
- Industry cost guides
- And more...

Metrics can help us cut thru the noise, identify actions needed, and detect things of interest.
“What information consumes is rather obvious: it consumes the attention of its recipients. Hence a wealth of information creates a poverty of attention, and a need to allocate that attention efficiently among the overabundance of information sources that might consume it.”

Why You Should Stop Reading News
farnamstreetblog.com
Why Metrics?
To Help Us Stay on Track

Goal

- Objective
- Metric
- Performance
- Attention
Why Metrics?
To Help Us Measure Progress

• Towards defined goals...
TYPES OF METRICS

From Whitepaper "Facility Management Metrics that Matter"
Metrics - Measurements

• Measurements are just data:
  – Cost
  – Size
  – Quantity
  – Temperature
  – Status
  – Yes/No
  – Time/Date stamp

Emergency work orders wrench time last month

Total wrench time worked last month

WR Submitted by Day of the Week

Number of WR Submitted

1 Sunday
2 Monday
3 Tuesday
4 Wednesday
5 Thursday
6 Friday
7 Saturday
What is Measurement

For all practical purposed, the scientific crowd treats measurement as a set of observations that reduce uncertainty where the result is expressed as a quantity.*

• Measurement = quantifying an existing state to reduce uncertainty about it
  • About 300 yards (visual guess)
  • About 280 yards (pacing the distance)
  • 272.1 yards (surveyor measurement)

• Accuracy vs. Precision


Image source: https://sites.google.com/a/apaches.k12.in.us/mr-evans-science-website/accuracy-vs-precision
Metrics - Indicators

• Indicators are typically Measurements “with math”
  – Total (sum) daily work orders
  – Average and median work orders per month
  – Ratio such as cost per work order

• Key Indicators are relationships between Indicators:
  – % work orders completed by month

• Key Performance Indicators usually have a “target” range
Lagging Metrics = Results

• Some metrics report past results
• Best used to report actual performance and historical trends
  – Number of emergency repairs as % of total equipment work orders
  – Hot/cold calls per building occupant
  – Energy use by building by month
Leading Metrics ~ Predictive

• Some indicators suggest likely future performance; best used to guide actions
  – We cannot measure the future
    • A future measurement is a forecast
  – Equipment needing service based on condition such as vibration or temperature out of range
  – Projected energy use by building based on weather forecast

• Some “real time” indicators used as proxy for leading indicators
  – Increase in pressure differential identifying need to change HVAC filters
Can Organize Types in 2x2 Matrix

Results Indicator
Tells you what you have done

Performance Indicator
Tells you what is likely to come

Key Results Indicator
Provides perspective on past performance

Key Performance Indicator
Suggest how to increase performance
Establish KPI’s using KPQ’s

• Often we start with the data we have and then figure out how to use it.

• It is better to start with the questions that need to be answered to accomplish our strategic objectives
  – Our KPIs will be the answers
  – Start with your organization’s objectives
Example KPQ’s

• Do our facilities provide a safe and productive environment for customers and employees?
• How well do we react to spikes in service requests?
• Is our facility cost as low as it can be without jeopardizing the building condition?
• Do we have qualified staff ready and willing to fill vacancies when needed?
• Do our buildings perform (energy) as well as they should?
• What sustainability investments would provide the largest benefit per cost?
Design KPI’s To Answer The KPQ’s

A good KPI....

• Helps to answer one or more KPQ.
• Is based on relevant, available data.
• Provides actionable information for the intended user.
• Is available on the required frequency.

KPI Design Considerations:
1. Link to Strategy
2. Definition
3. Calculation
4. Purpose
5. Data Sources
6. Future Targets
Useful Metrics Are Situational
By Function ...
... and Situational By Role

• CFO
  – Facility Cost as Earnings per Share

• Facilities Director
  – Operating Cost per Square Foot

• Building Manager
  – Cost per Scheduled Work Order

• Building Engineer
  – How long should WO take?
This Leads US to a Matrix of Metrics

Functional Role

More related to organizational objectives

Organizational Level

More Key Indicators

Less functionally specific

More specific Results and Performance Indicators

More immediate (time sensitive)

Functionally specific
This Matrix of Metrics Becomes the Dashboard and/or Scorecard!
# Dashboards vs. Scorecards

## Dashboards
- Real Time
- Used for operational decisions:
  - Energy
  - Equipment operation
  - Safety
- Need to be situation specific
- Should be as simple as possible

## Scorecards
- Latency is ok
- Used for managerial decisions:
  - Budgeting
  - Process changes
  - Performance tracking
- More general to industry
- As comprehensive as possible (balanced scorecard)
Dashboards vs. Scorecards
Dashboards vs. Scorecards

Example FM Metrics

**Dashboards**
- Vacant workstations
- Equipment temperature
- Fuel level
- Freezing pavement
- Open Priority WO

**Scorecards**
- Vacancy Rate
- Equipment efficiency
- Fuel usage
- Slips, Trips, Falls
- % Priority WO completed within SLA
Creating the Metric Framework

• Director FM
  – Scorecard of corporate KPIs & results metrics

• FM Section Leads
  – Scorecard of strategic KPIs & performance metrics

• FM Staff
  – Dashboard of real time metrics & functional KPIs
EXAMPLE FM METRICS

So What Might This Look Like for an FM Department?
Example Sources of Metrics

• Data Experts
  – Bernard Marr (bernardmarr.com)

• Strategy Experts/Consultants/Systems
  – Cascade (executestrategy.net) & all CMMS...

• Industry Associations
  – Society for Maintenance & Reliability Professionals

• Your organization’s performance group
What to Measure?

- Compliance
- Equipment Reliability
- Workforce Retention
- Asset Condition
- Operational Efficiency
- Staff Training
- New Technology
- Tenant Services
- Sustainability
- Occupant Comfort
- Operating Costs
- Safety
- Project Management
- Property/Lease Mgmt
- Maintenance Management
- Supplier Performance
- Occupant Satisfaction
- Space Management
- Energy Use Intensity

What to Report?

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Example Metrics

Download an Excel file with some example FM metrics from:

https://facilityissues.com/main/example-fm-metrics/

Facility Issues provides these examples as a service to its customers and the facility management community, to be used for informational purposes only. Use at your own risk. We welcome constructive criticism, and suggestions on how to improve this information can be submitted via the contact page.
A Balance of Metrics is Needed

Financial
• The cost of FM operations, maintenance, and related services

Strategic
• How FM function grows, adapts and supports the organizational mission

Cost • Value

Efficiency
• How efficient the various FM functions operate.

Effectiveness
• How well the FM function perform designated functions.
## Clearly Define Each Metric

<table>
<thead>
<tr>
<th>Goal/Objective</th>
<th>Critical Success Factor (CSF)</th>
<th>Key Performance Indicator (KPI)</th>
<th>Description</th>
<th>Desired Range</th>
<th>Responsibility</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reduce Overall Facility Cost</td>
<td>Fully utilize existing space</td>
<td>Space utilization rate</td>
<td>Ratio of net floor area assigned to user groups</td>
<td>85-95%</td>
<td>Space Manager</td>
<td>NSF assigned / NSF Total, By Floor, Aggregated</td>
</tr>
<tr>
<td>Use equipment warranties</td>
<td>Warrantee utilization</td>
<td>Amount of qualified warrantee repairs used</td>
<td>100%</td>
<td>Maintenance Manager</td>
<td># Repairs done under warrantee / # Repairs eligible</td>
<td></td>
</tr>
<tr>
<td>Reduce Utilities - Turn off lights not in use</td>
<td>Percent of scheduled lighting hours</td>
<td>How many hours lights were on vs. how many expected</td>
<td>100-110% Tracking only</td>
<td>Maintenance Manager</td>
<td>Run hours from lighting control system / forecast business hours</td>
<td></td>
</tr>
</tbody>
</table>
But Wait, There’s More...

SOME POTENTIALLY HELPFUL RELATED TIPS ...
Display / Format Suggestions

• Use graphics to help the user quickly assess the information

• Limit information presented:
  – Eliminate extraneous graphics
  – Use drill-down when possible

• Help user focus on the items needing attention:
  – “Normalize” to identify outliers
  – Use Pareto 80/20 principle
Creating Better Metrics

Start by avoiding bad solutions - avoiding stupidity is easier than seeking brilliance.
Avoiding Bad Metrics

1. Is it Understandable?
2. Does it Reward the Wrong Behavior?
3. Is it Available When Useful?
4. Does It Matter/Can User Influence It?
5. Does it Show Significant Changes?
6. Does it Use Good Data?
7. Does it Need to Be Measured?
www.linkedin.com/in/lambe

Robert Lambe, CFM
FM Benchmarking Consultant | Agile Strategic Facility Planning Pioneer | Insight from Facility Data for 30 Years

Rlambe@FacilityIssues.com