

Successful technical FM procurement

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Insight from [GSH](#) commercial director Mark Pawson

Procuring a technical FM provider can be a lengthy and costly process. Poorly constructed tender documents often result in significant price disparities and gaps between what the client believes they have purchased and what the service provider has included.

So, aside from the T&Cs of the contract, what are the key elements to get right?

DEFINE THE CUSTOMER

Apart from bidders needing to identify the legal entity they will potentially be contracting with, providing some background information will help put the requirements into context. For example, is the client an owner occupier or are they the lease holder? The answer may heavily influence the strategic approach to asset lifecycle maintenance.

COMMUNICATE THE OBJECTIVE

It's important for the service provider to understand what the drivers and main priorities are for the client. Is it really all about cost or are there other important objectives such as carbon reduction targets? Discuss with stakeholders to identify current pain points, past experiences and key objectives.

ASSET INFORMATION

Providing a definitive and accurate asset schedule is fundamental to ensure comparative bids. Invest the time in getting this information correct from the start. This should include asset make, model, quantities, including for example, the number of fire alarm points to be tested.

Provide contact details of the existing specialists. The incumbents have the specific knowledge of the site(s), and most service providers will bench-mark their prices anyway.

MAINTENANCE SPECIFICATION

SFG20 remains the staple task specification for technical services maintenance and now provides four service levels to select from, namely: statutory only, business critical, best practice and discretionary.

When selecting a maintenance regime, it's important to first take a holistic view to understand what the users of the facilities really need from their buildings.

Identify any assets critical to operational needs and ensure these are clearly defined within the specification.

Proactive maintenance strategies such as condition-based maintenance (CBM) may also be a consideration but note that not all assets are equally suited to CBM and there will be an upfront investment required for sensors.

SERVICE LEVELS

The starting point here is to define what is an important metric to the customer. If the data doesn't add value, there is little point in measuring it.

Equally, it is important to achieve the right balance between service level and cost. Naturally, we all require good levels of service, but unnecessarily high targets will simply add cost and also consider if they are realistically achievable?

Take into consideration the manufacturer and age of your assets. For example, is it really practicable for the service provider to compete a full same day repair when parts may be on extended delivery, or even obsolete. Are you prepared to invest in critical spares?

PRICING STRUCTURE

Be cognisant of the fact that bidding is an expensive process for both parties. Pricing strategies will differ, so a pricing document should be provided, but don't request that pricing is split down to the nth degree unless that information is really going to be of value.

Comprehensive elements can be contentious so consider their purpose, scope and use carefully. Ultimately any successful contract needs to be equitable for both parties.

TENDER CLARIFICATIONS

However well written a tender document is, it's important to provide a suitable channel for Q&A's to be shared amongst all bidders. However, multiple questions will be a good indicator of a poorly written specification.

CULTURAL FIT

This element is often overlooked, but consideration should be given not only to the technical competence, capability and previous experience of the services providers invited to tender, but also their cultural fit.

Consider whether a large plc would be a good match, or would a privately owned company or SME be more

suitable? What resources can they provide and how agile are they to deliver customised and scalable solutions? How quickly can you access the decision makers?

A service provider with a strong cultural fit means they align with customer values, beliefs and long-term objectives, providing a mutually beneficial partnership built on effective communication, collaboration and trust.

TIMELINES

A well thought out procurement process allows for suitable time within each stage-gate phase. This will benefit both parties leading to a decompressed mobilisation period that ensures the agreed 'Go-Live' date is not compromised.