

Pareto FM looks to the year ahead

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As we embark upon a brand-new year, it's a good time to hear from industry leaders about what the coming year will bring and how the industry can adapt. Here, James Clarke, CEO of [Pareto FM](#), talks to FM Director's Claire Middleton about what 2025 will look like for the FM industry and Pareto in particular.

FM is, by nature, a dynamic market; it evolves and changes all the time. But what changes will 2025 bring? "We are now seeing a continuing transformation of FM," explains James. "There is a continuing return to office space working and therefore customers in the market are now looking to invest more in their built environment. They want to make their offices an attractive destination for work and a strong reason for their staff to want to be in the office rather than working from home.

"They don't necessarily want to make it mandatory five days a week, but we are seeing many cases where they're making it mandatory to be in the office at least three days a week. From an FM point of view this means that customers expect their environments to be conducive for people to do that."

James went on: "We've also been seeing over the course of the last three years people reviewing how they're using office space. It's not just the square footage that they've got, but really looking at how are they using it effectively and efficiently. Hybrid working is here to stay and so there are periods in the week that are quieter in offices. The industry is now learning how to adapt to that and be insightful. It's about looking at how it can provide data to their clients in terms of how their space is being used. I see a continuing trend of technology helping to address the way customers expect to see data from FM providers."

Touching on legislative developments, James said: "There's lots of legislative change coming our way. Take net zero for example, businesses have got to have a coherent approach and strategy for that. But they also need to start backing it up. It's alright stating your intentions, but at some point, you must back

them up with data and demonstrate that you know how you're going to get there. I think that that increasingly is going to drive further transformation in how customers look and use their space."

There are several challenges heading towards the FM industry over the coming year, including the ongoing journey towards net zero and cost increases for employers, including the national insurance rise. James said: "Customers are looking for help to be more efficient both financially with regards to the increasing cost pressures they're facing, and environmentally in terms of their net zero journey. They want to use their resources more effectively and efficiently and they're looking to us to be innovative and be able to deliver or manage turnkey solutions - from the relatively simple to the quite complex - on their behalf.

"We get asked to do lots of things, from raising awareness around energy usage or waste management, through to comprehensively looking at what our customers' energy demands are, where they're coming from, what assets are utilising that energy and whether there are there better ways of delivering the output for less."

And what will Pareto be focusing on in the next year? James says: "FM is a broad sector and therefore there's never one provider that can do absolutely everything. We're trying to remain focused on what we're good at, which is technical services delivery, but we also want to supplement that with capabilities where we see the real demands coming from now.

"We are we are known for being disruptive in the ESG area and so I'm really focused on making sure that we have complementary capabilities to address all elements of ESG - environmental, social and governance. We need a real focus on acquiring assets that that can supplement and address that. Acquisition of key talent is going to be important, particularly when you look at how everybody is going to be scrambling to meet net zero targets, I think the right talent is going to become an increasingly scarcer resource.

"I've emphasised the importance of governance and the need to back decisions with solid evidence—this is where data becomes crucial. My focus is on ensuring we have a coherent data strategy for both our business and customers; one that connects data points seamlessly, enabling insightful interpretations through advanced analytics and business intelligence.

"This becomes more complicated when you're also trying to add to a business capability. Whatever you acquire tends to come with different types of systems and data and therefore having the right people that can join those dots is going to be increasingly important.

"It will be a busy year ahead!" James concludes.