FMBusinessDaily

As Hard Services Markets Grow, Supplier Scrutiny is Intensifying

2 hours ago

The hard services market for facilities management is experiencing rapid growth, with forecasts projecting a compound annual growth rate of 9.9% between 2026 and 2033. This is being driven by rising demands for building safety, tighter regulation and more complex, energy-efficient infrastructure across HVAC, mechanical, electrical and plumbing maintenance.

But as asset bases expand and estates become more complex, customers across defence, government and other mission-critical environments are becoming less tolerant of delivery risk.

According to Nick Maggs, Managing Director of Hard Services at OCS, market growth is increasing exposure and that is fundamentally reshaping how suppliers are selected. “As more assets come under management and regulatory expectations rise, the cost of failure increases. Customers are concentrating risk and that’s changing how credibility is judged.”

Growth is increasing scrutiny

For customers, growth has amplified the cost of getting supplier decisions wrong. As a result, access is being restricted earlier in procurement, with less appetite to take on delivery risk or compensate for weak operating models. In practice, that means fewer suppliers making it through qualification stages, even in a buoyant market.

Engineering capability, security clearance and competitive pricing are still essential, but they no longer secure trust on their own. Customers increasingly expect proof that suppliers can control risk consistently, across large and complex portfolios.

“In high-security and mission-critical environments, it’s not enough to say you can deliver the work,” Maggs explains. “Customers want confidence that you understand the risk you’re taking on, and that you can control it predictably, day in and day out.”

Operational credibility is now the deciding factor

Once suppliers are shortlisted, credibility is increasingly tested against the realities of live delivery rather than headline capability. Defence estates, for example, are made up of dispersed portfolios that include secure operational bases, training environments, accommodation, utilities infrastructure and strategic sites, often spread across wide geographies.

Operating across these estates requires providers to manage multiple workstreams simultaneously while maintaining security protocols, safe systems of work and consistent compliance, often under changing operational conditions. Security clearance may be a prerequisite, but it does little to demonstrate whether an organisation can actually function in these environments day to day. Customers are looking for evidence that suppliers already understand how engineering work is controlled in practice. This can include how access is managed, how tasks are authorised and how delivery holds together when conditions change.

Without that operational maturity, suppliers may appear capable on paper, but struggle to sustain delivery once exposed to the realities of secure and mission-critical estates.

Specialist environments expose weak operating models

Data centres illustrate this pressure particularly clearly. In these environments, engineers are working directly on infrastructure that supports uptime and resilience. Tasks such as maintaining electrical systems, cooling plant or backup power cannot be treated as routine maintenance.

Whether it’s an incorrect set point, an unauthorised intervention of a lack of contextual understanding, mistakes can have immediate and visible consequences. As a result, customers expect providers to show proven experience in data centre environments, as opposed to just general engineering competence.

“In data centres, the cost of failure is massive,” Maggs notes. “A hard services provider does not operate remotely. Engineers physically maintain critical systems and work on infrastructure that supports uptime and resilience. If something goes wrong, the consequences are immediate and potentially severe. That reality changes what customers look for in a supplier.”

Compliance performance now determines future opportunity

In regulated and politically sensitive environments, compliance is no longer assessed in isolation. Performance against statutory and client-mandated requirements actively shapes what work a provider is trusted with next.

On defence estates, even minor lapses can escalate rapidly, moving from a technical issue to a contractual, leadership, or reputational concern. In some cases, compliance performance can even determine whether a provider is invited to bid for future phases of work at all.

As a result, customers are placing greater emphasis on consistent compliance, clear governance and

credible assurance than they did previously.

Manual delivery models are being tested

Many large estates still rely heavily on manual inspection to demonstrate compliance. Engineers attend site, conduct visual checks, produce certificates and upload evidence.

While this remains common practice, it is under growing strain as estates scale. Where building management systems and live asset data are available, customers increasingly expect issues such as inefficient performance, incorrect set points or early indicators of asset failure to be identified before they become operational problems.

This is leading to closer scrutiny of delivery models that rely solely on periodic inspection and retrospective evidence, rather than ongoing visibility and control.

The advice to suppliers: prove discipline, not ambition

Taken together, these pressures explain why access to high-security and mission-critical estates is tightening, even as the overall market grows.

In practice, customers are narrowing their supplier base to organisations that can evidence proven delivery at scale in secure and regulated environments, such as critical national infrastructure, transport and logistics hubs, healthcare estates, and large public sector portfolios. Operational discipline has become the entry price.

“In these environments, trust is built through evidence,” Maggs says. “Customers are looking for proof that the basics are being done properly, every time. Without that, everything else becomes academic.”