

The Role of Performance Assessment In The Management Of Facilities And
Support Services In The Public Sector

Tina Janice Bailey

A Thesis Submitted in Partial Fulfilment of the Requirements
For the Degree of Doctor of Philosophy

University College London December 2013

I confirm that the work presented in this thesis is my own. Where information has been derived from other sources, I confirm this has been indicated in the thesis.

Tina Janice Bailey
University College London

ABSTRACT

Since the 1980s, successive governments have imposed a range of performance assessment regimes for incorporation within the service management processes of public bodies with the intention of emulating the success achieved from their use in delivering 'effectiveness, efficiency and legitimacy' within the private sector (De Bruijn 2007).

Concurrently, increasingly knowledgeable and resourceful stakeholders have sought confirmation that as well as meeting its statutory obligations their local authority is consistently delivering its local community with a range of high quality, flexible services by working, where appropriate, in partnership with other public or private sector organisations.

Given the above, soft facilities management (FM) services (ie those that provide support to the front line services, such as cleaning, reception, mail room), provide a significant overhead to the local authority, the research sets out to **determine the role of facilities management within the local authority context and FMs' awareness and use of performance assessment within this context, as part of the soft FM management process.**

Following a review of the literature, a theoretical model was proposed that outlined the factors affecting the effective use of performance assessment within the management of soft FM services within a local authority context. The factors were determined to be the organisational and wider environment, use of knowledge/information and education and awareness of performance assessment within the FMs.

The research methodology comprised a questionnaire, a set of semi-structured interviews and case studies. Accordingly, the research evaluated

- if there was a generic profile for soft FM services within the local authority context
- the factors that affect the effective use (or result in non-use) of seven performance assessment techniques (operational and strategic) within the management of fourteen soft FM services, and
- their value, if any, in assisting the FM to ensure the provision of accountable, value for money services that satisfy the customers/stakeholders they serve.

In order to ensure a consistent approach for assessing soft FM services within this context, the research proposed a four-step methodology for defining and assessing FM services and their performance.

Despite the requirement for local authorities to evidence accountability, provide 'value for money' and customer responsive services, the research established an unexpectedly low level of knowledge of any performance assessment technique other than benchmarking and a corresponding low use of the evaluated techniques. This was despite recognition by FMs within a local authority context of the perceived value of performance assessment as part of the service management process. There also appeared to be limited endorsement from Senior Management and Council Members for its use within the management of soft FM services. Furthermore, a knowledge base or soft FM related information on the use of performance assessment both in a wider context, and more specifically within the local authority context proved limited, as did training of FMs in the selection and use of an appropriate performance assessment technique as part of the soft FM service management process.

Benchmarking forms the basis of a range of mandatory performance assessment regimes within the public sector. Therefore, in case studies undertaken with local authority FMs, FMs higher and further education and within the National Health Service an assessment was made of its use within the performance assessment of soft FM services within these sectors, and including an evaluation of whether benefits may be gained, or 'value added' from cross sector comparisons. Again, the findings were that use within and across sectors proved disappointingly low.

The research concluded that current use of performance assessment of soft FM services within this context is limited and ineffective. Improvements to this situation require the adoption of a generic soft FM service remit within local authorities, which would better support meaningful service comparisons, appropriate training for FMS in the use of performance assessment as part of the soft FM management process, a sound knowledge base from which soft FMs can draw best practice, and increased management support. If these cannot be achieved any requirement for its continued use must be questioned.

ACKNOWLEDGEMENTS

Researching for my PhD has been an extremely rewarding journey, and one, which I could not have completed without the help and support of many people.

My sincere thanks go to

- Peter McLennan for his on-going support, encouragement, and belief in me throughout my studies, to Andrew Edkins for his constructive advice and recommendations, and to Professor Bev Nutt for his invaluable advice and guidance at the beginning.
- My current and past employers and colleagues for their support and understanding, whilst I have undertaken my research.
- The Facilities Managers, who gave up their time to complete my questionnaires, meet and share their time, information, and views, with me.
- To Rob Bailey and Debbie Johns at the Association for Public Service Excellence; Kevin Brice and Bill Plumb at the National Performance Advisory Group; Suzanne Irwin and colleagues at the Association of University Directors of Estates, Professor If Price, Fides Matzdorf and Helen Agahi at Sheffield Hallam University, Deborah Rowland at BIS and Catherine Anderson, BACHE and CUBO, for their support.
- The team at Horsham Library who were so helpful in sourcing numerous papers and inter-library loans.
- Debbie and Michael, and other members of my family and friends for being there, and to everyone else who has helped me along the way.

Tina Bailey

December 2013

1	Chapter One - Introduction and Research Hypothesis	16
1.1	Introduction	16
1.1.1	Research Context	16
1.2	Theoretical Position and Research Hypothesis	27
2	Chapter Two - Review of the Literature	30
2.1	The Resource Based Framework	31
2.1.1	Introduction	31
2.1.2	The Resource Based Framework in Context	31
2.1.3	The Resource Based Framework and Service Delivery	33
2.1.4	Summary	34
2.2	The Public Sector Context	37
2.2.1	Introduction	37
2.2.2	The Public Sector – Its Nature and Structure	37
2.2.3	Statutory Framework	39
2.2.4	Political structure	39
2.2.5	Departmental Structures Within Local Authorities	41
2.2.6	Employment within Local Government	41
2.2.7	Service Provision	44
2.2.8	Financial Resources	45
2.2.9	Expenditure for ‘Back Office’ Services	47
2.2.10	The Concept of Value for Money	48
2.2.11	Performance Assessment Regimes within Local Authorities	49
2.2.12	Performance Assessment in Local Authorities in Practice	54
2.2.13	Summary	58
2.3	Facilities Management	61

2.3.1	Introduction	61
2.3.2	Definitions and Context	61
2.3.3	Employment Characteristics within FM	65
2.3.4	Facilities Management in the Public Sector.....	66
2.3.5	Facilities Management within Local Government.....	68
2.3.6	Summary	70
2.4	Services and Services Operations Management.....	72
2.4.1	Introduction	72
2.4.2	Background and Context	72
2.4.3	The Service Sector in Context	73
2.4.4	Service Characteristics.....	74
2.4.5	Services within the Public Sector	81
2.4.6	Support Services.....	82
2.4.7	The Service Split – Front of House and Back Office	83
2.4.8	Service Delivery for Internal Customers	86
2.4.9	Summary	87
2.5	Customers and Their Experiences	90
2.5.1	Introduction	90
2.5.2	Service Encounters.....	90
2.5.3	Perceptions and Service Gaps	93
2.5.4	Supply and Demand in Services	96
2.5.5	Specifying a Service to Meet Customer Expectations.....	99
2.5.6	Service Failure and Its Implications	102
2.5.7	Summary	103

2.6	Performance Measurement and the Comparison of Techniques.	105
2.6.1	Introduction	105
2.6.2	Background and Context	105
2.6.3	Criteria For Measurement	110
2.6.4	The Techniques.....	115
2.6.5	Traditional Approach to Performance Measurement.....	116
2.6.6	The Systems Approach.....	118
2.6.7	Performance Assessment Techniques.....	119
2.6.8	Benchmarking Models	129
2.6.9	Capability of the Process	133
2.6.10	Strategy Focussed Measures	137
2.6.11	Financial Perspective	139
2.6.12	Customer Perspective.....	143
2.6.13	Internal Business Process Perspective	144
2.6.14	Learning and Growth.....	145
2.6.15	The Performance Prism.....	146
2.6.16	The Performance Dashboard	149
2.6.17	Six Sigma	151
2.6.18	Performance Assessment and Service Failure	154
2.6.19	Opposing Views on the Use of Performance Assessment within the Public Sector.....	156
2.6.20	Summary.....	157
2.7	Developing a Theoretical Model.....	161
2.7.1	Introduction	161

	2.7.2	Environment	162	
	2.7.3	Knowledge	168	
	2.7.4	Education and Awareness	172	
	2.8	A Proposed Model	183	
	2.9	Key Research Questions	187	
3		Chapter 3 – Research Methodology	188	
	3.1	Introduction	188	
	3.2	Theoretical Context	188	
	3.3	Research Hypothesis and Key Research Questions	191	
	3.4	Soft FM Services Selected for Assessment	194	
	3.5	Performance Assessment Techniques Selected for Assessment	195	
	3.6	Methodological Approach	195	
	3.7	Questionnaire Evaluation	196	
	3.7.1	Questionnaires – A Theoretical Context	196	
	3.7.2	Piloting the Questionnaire.....	199	
	3.8	Selection of Sample Population for Questionnaire.....	199	
	3.9	Questionnaires Used In the Research	200	
	3.10	Questionnaire 1: Facilities Management and Performance Assessment	200	
	3.10.1	Facilities Management Services Within a Local Authority	Context 202	
	3.10.2	The Role of Performance Assessment within the Management	of soft FM Services.....	203
	3.10.3	The Criteria Used by FMs to Select a Performance Assessment	Technique	204
	3.10.4	The Use and Awareness of Performance Assessment	Techniques.....	205
	3.10.5	Stakeholders	205	
	3.10.6	The Demographic Profile of the Questionnaire Respondents	207	
	3.11	Case Studies	208	
	3.11.1	Case Studies – A Theoretical Context	208	

3.11.2	Case Study Evaluation.....	213
3.11.3	Case Study Population.....	214
3.11.4	Semi-Structured Interview (Questionnaire 2: Performance Assessment, Value for Money, Accountability and Customer Service) 216	
3.11.5	Evaluation and Validation of the factors affecting Performance Assessment.....	217
3.11.6	Practical Evaluation of Performance Assessment – A Four Step Approach	220
3.11.7	Step 1 - Selection of Service to be Evaluated	221
3.11.8	Step 2 - Key Service Characteristics Matrix	221
3.11.9	Step 3 – Selecting an Appropriate Performance Assessment Technique	224
3.11.10	Step 4 - Assessing the Service Using The Identified Technique	229
3.11.11	Cross Sector Case Study Population	230
3.11.12	Cross Sector Evaluation of Performance Assessment ..	234
3.12	Summary.....	236
4	Chapter 4 - Results	241
4.1	Introduction	241
4.2	Questionnaire Response and Analysis	243
4.3	Analysis of Questionnaire 1: Facilities Management Facilities Management and Performance Assessment.....	246
4.3.1	Facilities Management Services Within a Local Authority Context	246
4.3.2	The Role of Performance Assessment within the Management of Soft FM Services	258
4.3.3	The Criteria Used by FMs to Select a Performance Assessment Technique	262

4.3.4	The Use and Awareness of Performance Assessment Techniques.....	265
4.3.5	Stakeholders	274
4.3.6	Demographics of Facilities Managers within a Local Authority Context	278
4.4	Case Study Response	280
4.5	Semi Structured Interview	281
4.5.1	Key Reasons for Undertaking Service Performance Assessment 281	
4.5.2	Value for Money – What it Means, How It is Ensured and Demonstrated in Soft FM Services.....	286
4.5.3	Performance Assessment In Practice.....	290
4.5.4	Senior Management and Council Member Support	293
4.6	Case Study Evaluation	294
4.6.1	Evaluation and Validation of the factors affecting Performance Assessment.....	295
4.7	Practical Evaluation of Performance Assessment – A Four Step Approach	308
4.7.1	Four Step Process	310
4.7.2	Step 1 – Select the Service for Assessment	311
4.7.3	Step 2 - Key Service Characteristics Matrix.....	313
4.7.4	Step 3 - Selecting An Appropriate Performance Assessment Technique	315
4.7.5	Step 4 - Assessing the Service Using The Identified Technique 320	
4.8	Cross Sector Evaluation	321
4.8.1	An Evaluation of Existing Regimes	323
4.8.2	The Potential For Cross Sector Service Comparisons	328
4.9	Overall Summary of Results	329

4.9.1	Rationale for the Selection of Methodological Approach ..	329
4.9.2	Questionnaire 1 – Facilities Management Services Within A Local Authority Context	330
4.9.3	Facilities Management Services Within a Local Authority Context	331
4.9.4	Role of Performance Assessment	333
4.9.5	The Criteria Used by FMs to Select A Performance Assessment Technique	335
4.9.6	Use and Awareness of Performance Assessment Techniques	336
4.9.7	Stakeholders	338
4.9.8	Demographics.....	339
4.9.9	Case Study Response	340
4.9.10	Semi Structured Interview	340
4.9.11	Key Reasons for Undertaking Service Performance Assessment	341
4.9.12	Value for Money	343
4.9.13	Case Study Evaluation.....	346
4.9.14	Evaluation and Validation of the factors affecting Performance Assessment.....	346
4.9.15	Practical Assessment of Performance - A Four-Step Approach	348
4.9.16	Cross Sector Evaluation	350
5	Chapter 5 - Discussion.....	354
5.1	Introduction and Context	354
5.2	Organisational Transformation.....	356
5.3	Environment	360
5.3.1	Summary	369

5.4	Knowledge/Information Management	371
5.4.1	Summary	378
5.5	Awareness/Education	379
5.5.1	Summary	386
5.6	Organisational Transformation – Is Failure Inevitable?.....	387
5.7	Overall Summary	391
6	Chapter 6 - Conclusion	398
6.1	Introduction	398
6.2	Research Hypothesis	398
6.3	Research Conclusions	399
6.4	Contribution of the Research to the Field of Knowledge.....	401
6.5	Suggestions for Further Research.....	404
	Suggestions for Further Research	404
7	References	407
8	Appendices	418
8.1	Appendix A - Cluster of Support Services	419
8.2	Appendix B - Questionnaire	420
8.3	Appendix C - Key Service Matrix	431
8.1	Appendix D- Sample Benchmarking Template	436
8.2	Appendix E - Services in Light of Cleaning.....	437
8.3	Appendix F - Entry Route to FM and Qualifications Held	440
8.4	Appendix G-Influence of Professional Background on Service Rating	443

List of Tables

Table 1.1-1 Position of FM Services across the Tangibility Continuum.	24
Table 2.2-1 Employment Breakdown for Local Government in England and Wales Quarter 2, 2010 (Source: (Local Government Group 2010)	42
Table 2.2-2 Estimated Other Local Government Job Roles in England and Wales, 2010	44
Table 2.2-3 Table Summarising the Performance Assessment Regime Continuum within Local Authorities (1980s-2000s)	50
Table 2.3-1 Table Detailing Split of FM Services into Main Category Areas (Barrett and Baldry 2003) p 19	65
Table : 2.3-2: Summary of Differences Between the Private and Public Sectors	67
Table 2.5-1-: Continuum of Expectations (Johnston and Clark 2008) p113....	100
Table 4.3-1 FM Services for Which Survey Respondents Have Management Responsibility	248
Table 4.3-2 Table Summarising Frequently Combined Service Combinations Managed by Survey Respondents. (N=90).....	250
Table 4.3-3 Table Indicating Number of Functions Managed within FM Remit including Cleaning Services (n=90)	251
Table 4.3-4 Detailing the Service Combinations Most Frequently Managed by Respondents.....	252
Table 4.3-5: Services Managed by Gender of Respondent	254
Table 4.3-6 Table Indicating Occupational Route in FM of Respondents.....	254
Table 4.3-7 Service Ratings By Gender.....	256
Table 4.3-8: Table Detailing the Role that Respondent Perceive Performance Assessment Plays in the Management of FM Services.....	260
Table 4.3-9 Evaluation Criteria by Performance Assessment Technique.....	264
Table 4.3-10 Familiarity and Use of Performance Assessment Techniques	267
Table 4.3-11 Perceived Usefulness of Benchmarking for Assessing Given Service	268
Table 4.3-12 Table Detailing Familiarity, Use and Suitability Ratings by Methodology by Gender.	271
Table 4.3-13 – Response To Question: If You Do Not Use A Performance Assessment Methodology As Part Of Your Service Management Please Indicate Your Reasons Below?	273
Table 4.3-14 Most Useful Methodology When Explaining Service Performance to A Stakeholder	277

Table 4.3-15 Table Detailing the Demographics of FM Within Local Government Compared with Market Overall	278
Table 4.3-16 Table Indicating Occupational Route in FM of Respondents	279
Table 4.5-1 Table Reviewing The Key Drivers For Assessing Service Performance	282
Table 4.5-2 Table Showing Respondents Views On Reasons Given in Literature For Why Performance Assessment May Not be Used (n= 18)	284
Table 4.5-3 Table Detailing Whether, With Whom and How Respondents Compare the Service Performance.....	292
Table 4.7-1 Table detailing services managed by the NNPG.....	312
Table 4.9-1 Summary of Familiarity and Usage of Performance Assessment Techniques.....	337

List of Figures

Figure 2.5-1 - Attribution of Causes of Service Failures (Johnston and Clark 2008 p 431)	103
Figure 2.6-1 Three Primary Measures for Managing Performance Improvement (Clarke, Davis, et al. 2001)	135
Figure 2.6-2 : The Balanced Scorecard 1996 Kaplan RS and Norton D. R p 9..	142
Figure 2.6-3 Chesley and Wenger’s modified version of the Balanced Scorecard	142
Figure 2.8-1 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context.....	186
Figure 3.10-1 Service Provider vs Appropriate Performance Assessment Technique	207
Figure 3.11-1 Multiple Case Study Method (Adapted from Yin 1994 cited by Grey 2004) p 127	211
Figure 3.11-2 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context.....	219
Figure 3.11-3 Performance Assessment Characteristics (FABRIC and Additional Criteria)	225
Figure 3.11-4 Performance Assessment Technique Selection Template (PATSeT)	227
Figure 4.6-1 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context.....	298
Figure 4.7-1 Key Service Characteristics Matrix Highlighting Profile of Cleaning Service	314
Figure 4.7-2 PATSeT for Cleaning Service Review by NNPG	319

1 Chapter One - Introduction and Research Hypothesis

1.1 Introduction

This chapter introduces the nature and context of the research. It provides an overview of the use of performance assessment within the management of public sector services and the reasons for its usage, such as its role in helping to demonstrate resource accountability, and goes onto detail the theoretical position of the research and the research hypothesis.

1.1.1 Research Context

This research evaluates the advantages and disadvantages of using performance measurement and management techniques within the management and control of soft facilities management (FM) services. It assesses how organisations can utilise their resources and organisational capabilities to deliver a desired standard of service performance. This may involve developing and improving the service, maintaining service provision at its current level, simplifying or reducing the provision. The decision as to which course of action is most suitable will depend on stakeholder and/or organisational requirements. The manner in which organisations use their resources to achieve and/or sustain a required level of performance positions this research within a resource based framework (Wernerfelt 1984, Hamel and Prahalad 1996, Teece, Pisano et al. 1997). This perspective considers organisational competence and capabilities in terms of the use of resources, focuses on the distinctive characteristics of an organisation and how organisations can use their resources to differentiate performance and provide competitive advantage over time (Pitt and Clarke 1999), (Foss 1997).

Traditionally the resources considered within this approach have been

'... financial, physical, human, organisational, technological and intangible'
Mahoney (1995, p 91) citing Grant (1991) and Hofer and Schendel (1978), p91.

In considering resource deployment, the resources and capabilities that are critical to the organisation's success must be established (Foss 1997). Over time, such an understanding will enable an organisation to exploit these competencies to achieve maximum benefits. (Mahoney 1995)

Considering FM services provided within service firms, (which include local authorities), in order to remain competitive, these organisations must seek to meet, if not exceed customer expectations, by balancing the cost and quality of the service provided (Chase and Hayes 1991).

The concept of the service providing value has equal relevance to both internal and external customers. Within an organisation, service operations functions can be divided into those which are front office, having a direct customer interface via face to face, by phone or electronic interaction, and those carried out behind the scenes, ie which are 'back office' for example administrative services, food preparation for catering provision, or portering services (Chase and Hayes 1991).

Both operational spheres of activity are necessary with respect to distinguishing one organisation from another, as

'the extent to which value is added in the front office rather than the back office often distinguishes one service business from another and determines the structure and staff of the operations organization itself'. (Chase and Hayes 1991) p15

Performance measurement systems have been developed to enable an organisation to monitor whether it achieves its goals and objectives and maintains organisational control. With respect to service performance and accountability, service managers are responsible for ensuring that the level of service they offer meets the agreed standards/levels, and that this is achieved in a resource efficient way. This is encapsulated by the Human Resources and Skills Department of the Government of Canada, in defining accountability as an

'obligation to demonstrate and take responsibility for performance in light of agreed expectations. There is a difference between responsibility and accountability: responsibility is the obligation to act; accountability is the obligation to answer for an action'. (HRSD Canada 2006

http://www.servicecanada.gc.ca/eng/cs/fas/as/sds/appd_sds03.shtml)

The importance of and need for accountability within the public sector has long been recognised, indeed in 1999 Hatry et al. proposed that

'Governments at all levels - federal, state, city and county - are continually pressed to contain or reduce their expenditures so that the taxes and charges that must be levied to cover those expenditures can be kept as low as possible. Added to this is the perception that government by its nature is more bureaucratic and generally less effective at getting things done. For budgetary and political reasons, therefore, government officials are well-advised to build into their management procedures ways to identify and thoroughly analyse potential improvements in the efficiency, quality, timely delivery and cost effectiveness of the services they deliver' (Hatry et al. 1999, p 1).

Although Hatry's findings relate to the United States, the findings are equally relevant to local government within the United Kingdom. This requirement is formalised within the Audit Commission's Value for Money framework, the overall aims of which are to provide 'best value' services which enhance the 'quality of life' for the members of its community (Audit Commission 2006). The framework assesses and scores the authority across a number of themes, or key lines of enquiry, intended to ascertain whether it is balancing economy, efficiency, and effectiveness in providing services at relatively low costs, but which have high productivity and provide successful outcomes (Audit Commission 2006).

The public sector in the UK consumes a significant part of the gross domestic product (GDP), rising from 38 per cent in 2000 to 45 per cent by 2005. This sector is also a leading employer in the UK with

'over 5.8 million employees or 20.2 per cent of total employment in the UK worked in the public sector in 2006. Of these 2.9 million worked in local government (National Statistics 2006)' (Hartley, Donaldson et al. 2008) p 5.

Furthermore, by their nature local government services are obliged to deliver and/or offer services to all members of their local community. Unlike within the private sector where the organisation aims to make a profit and secure an increasing market share, the public sector aims to offer and is judged on the (perception of) its capability to provide 'public value' to the community it serves. Thus, the pervasive nature of this sector would suggest a compelling need to justify the resources used and the performance of its service provision to the communities it serves.

To this end, in order to demonstrate accountability, the performance of the services it provides must be capable of explanation and scrutiny. To do so will necessitate the application of a robust and objective technique with which to monitor and evaluate service performance and resource deployment in order to demonstrate progress against the agreed outcomes, etc. Performance measurement may expedite this process by providing a method of undertaking an objective assessment of the resources employed in its provision, and offer a means of explaining the outcomes to stakeholders.

Whilst gathering and assessing performance information can be time consuming, with sufficient forethought as to what information is required and how the information can be analysed and used, the process can provide a basis for communicating relevant and substantive service performance information to the public and other stakeholders. For example, to illustrate the impact and effect that varying the resources allocated has on service output (either an increase or decrease), and/or to show that an agreed level of service provision/quality is being achieved and/or maintained. Given the complexity of the environment in which public services are provided, the impact of the wider political context, the range of stakeholders, and an on-going requirement for stakeholder consultation and performance measurement, failure to provide such information could give rise to an impression of increased and pointless introspection and bureaucracy, and indicate a lack of management control and accountability. (Hatry 1999, (Behn 2002), (Hartley, Donaldson et al. 2008)).

A key focus of the resource based approach is to maximise performance and resource utilisation of the core business functions, ie those functions which provide the *raison d'être* for the particular organisation's existence. With respect to support services, their primary purpose is to support the core business activities, enabling them to achieve and sustain an agreed level of service performance.

At one level, the perception of soft FM services as business support services, which are essentially operational in nature and consume resources but do not provide any direct benefit or value in return to the organisation when compared with the key business functions, is perhaps understandable, given their ancillary role, and particularly when they are considered on an individual basis. For example, customers/ stakeholders are very unlikely to place a high importance on, say, a post room service, nor appreciate an organisation doing so when

compared to its business critical functions such as planning, education, community care, housing, etc.

However, when viewed as package of services within an organisation, support services underpin and facilitate the provision of the key services, for example by providing an initial point of customer interface, facilitating the movement of information throughout the organisation, etc. Although the packaging of services may differ between organisations, at least some of the soft FM services are found in the majority of medium/large organisations. The resource utilisation and allocation to such services accounts for a significant business overhead, with an estimated expenditure across the United Kingdom private and public sectors of approximately £96 billion per annum (BIFM 2006).

In view of the resource input into soft FM services, financial and human, it can be seen that the ability to demonstrate accountability in their provision, and ensure that these services are provided in a manner which maximises the use of the resources and to develop service capabilities and competencies, makes good business sense. This highlights the relevance of the resource-based framework in respect of facilities and support services.

Amaratunga and Baldry (2002) support this point as follows.

'The contribution made by Facilities Management (FM) will be judged by an organisation's stakeholders over a wide range of performance criteria including the hard metrics of finance and economics. FM is seen to be able to contribute to the performance of organisations in many ways including strategy, culture, control of resources, service delivery, supply chain management and, perhaps most importantly, management of change. Today's organisations constantly review the composition of their core business and the way it operates' (Amaratunga and Baldry 2002) p 218.

Facilities services have a direct impact on the 'bottom line' (Amaratunga and Baldry 2002) and within a context of limited resources, such services can be viewed as activities which consume significant resources without providing equivalent benefits or 'add value' back to the organisation. It is therefore crucial that these services can be seen to be accountable and demonstrate that their provision is not detracting resources from core functions. Furthermore, as soft FM services are provided across a wide range of organisations and sectors, this perception provides a challenge for research to determine whether such

assumptions are justified or whether with appropriate management that substantial operational and financial benefits (in terms of resource savings/maximisation) can be achieved within this area of service provision.

FM services encompass a wide and diverse range of organisational activity (BIFM 2006). Traditionally, FM services are viewed in terms of 'hard services' which include the estates, structural, engineering and maintenance aspects of FM, and 'soft' services ie the business/facility support services, which includes the 'hotel type' services, such as catering, portage, switchboard and reception, mailroom services, administration, reprographics, cleaning, IT services. Although a substantial amount of research has been undertaken within the area of hard services, much less attention has been given to the 'softer' support service side. One reason for this difference may be that the 'hard services' have a higher level of tangible elements or characteristics which lend themselves objective measurements and readily meaningful comparisons. For example, traditional financially based measures, such as occupancy costs per square metre and lease costs and income, facility usage measures, such as hours a facility is used, who uses it and when, etc (Brackertz and Kenley 2002); or spatial usage and evaluation of environmental conditions for example heating, lighting, etc. (Hinks and McDougall 2000), are relatively straight forward to collect and evaluate objectively. Research in these areas has demonstrated how organisations can link the performance of their facilities to their strategic aims, achieve maximum financial and operational returns on their property assets, and ensure that obligations are being met in respect of energy usage and the sustainability agenda, etc.

Equivalent measurement criteria and research on the support service side, within facilities and wider support services is lacking, possibly because of the greater level of subjectivity in this area and the associated difficulties in determining the most appropriate measurements. Such a lack of research highlights a significant knowledge gap, and therefore these services form the focus for this research.

Given the benefits of research-based evidence relating to hard FM services, it would appear a valid assumption that the organisational contribution of 'soft' facilities services would be enhanced by an increased knowledgebase of best practice within this area. Potential areas for inclusion being a technique for determining the key characteristics of individual services, indicating where benefits may be achieved from clustering services, and which, if any, performance assessment techniques are the most appropriate for a particular

service or group of services. This knowledge could form the basis for enhancing performance measurement and management of the soft FM services so that they can in turn better support overall organisational performance.

Amaratunga and Baldry (2002) acknowledge the proposed role of performance measurement within an organisation in proposing that, in addition to facilitating management control, it provides

'the basis for an organisation to assess how well it is progress towards its predetermined objectives, helps to identify areas of strengths and weakness, and decides on future initiatives, with the goal of improving organisational performance' (Amaratunga and Baldry 2002) p218

The initial stage of the performance measurement and management process is to define the actual services in order to identify their key characteristics. Therefore, the first stage of this research was to provide a methodology for profiling services, based on their key characteristics. The information obtained from the profiling was used to identify which performance measurement and management techniques (either in their defined form or as a combination or extension of techniques) play a key role in assessing service provision and enabling a clear demonstration of service accountability. As they are based on a determination of key characteristics, it is anticipated that these proposed techniques will have a wider applicability and relevance within the management of facilities and support services.

FM services cover a very wide range of functions (Nutt 1999), (Chotipanich 2004). From a wider range of generic categories, the functions selected for further investigation fall within the building operations and services, office services, operations and planning administration /management and employee support and services categories(Chotipanich 2004). The complete service categorisation is attached at [Appendix A](#), which demonstrates the diversity of the services encompassed by this function. Specifically, a sample of fourteen services was selected which fall into the category of soft FM services, and which are sufficiently diverse in nature to reflect the broad spectrum of FM. It is intended that their selection will provide sufficient depth and focus for the research, whilst ensuring that the research remains manageable.

One defining characteristic of services is their intangibility, ie the lack of a facilitating product. It is this uniquely intangible character of services which, according to Tether and Metcalfe (Tether 2003) and Haksever et al. (Haksever,

Render et al. 2000) which is their most defining feature, and the characteristic that most clearly distinguishes them from manufacturing. At its lowest level, intangibility is considered as the lack of a physical component, and this can cause problems both for the service manager and the customer who cannot see it, touch it, or judge its performance prior to purchase or use (Fitzsimmons and Fitzsimmons 2010). Therefore, in selecting the FM services to be included within the research, the 'level of intangibility' of each potential service was reviewed in order to ensure the selected services ranged across the 'tangibility spectrum' of services, ie those that have a tangible (or facilitating product) as part of the output to intangible (no facilitating product) output (Zeithaml and Bitner 2000). Examples of tangible services are reprographics and catering, and of intangible telephony/ reception and surveying services (advisory role). Thus enabling it to be determined whether this had any relevance in terms of the generic remit of FM services managed within a local authority setting, and on the selection and use of performance assessment techniques with which to assess specific services. Given the impact of intangibility on the management of the selected FM services, for each of the services selected for assessment within the research, Table 1.1-1 details the level of tangibility, and the service product are given, and whether a physical product or a service product.

Table 1.1-1 Position of FM Services across the Tangibility Continuum.

	Tangible	Intangible	Facilitating Product	
			Physical Product	Service Product
Administration	←→		Administrative tasks, filing	
Caretaking (incorporating security)	←→		Parcel Delivery, Room Set up, Security	Advising visitors to building eg directions
Catering	←→		Food and beverages prepared,	Advice on products and service
Cleaning	←→		Area cleaned, bins emptied	
IT Support (Helpdesk)		←→		Queries reported and resolved
Hospitality Service	←→		Food and beverages	Advice on products and services
Landscaping & landscape maintenance	←→		Grass cut, grounds weeded	
Post Room	←→		Post sorted and delivered	Advice given methods and rates of postage
Porterage	←→		Parcels delivered	
Printing/Reprographics	←→		Items produced,	Advice on artwork and printing
Reception		←→		Information, advice and guidance
Room Booking		←→		Details of requirements taken and processed, booking made
Surveying (technical advice)		←→		Advisory role on repairs, and works
Telephonist (Switchboard)		←→		Answering/transferring calls,

Specifically the above services have been selected because they fulfil all or some of a range of service characteristics, and because they are services that are commonly found within local authorities. These include customer base and interaction, personalisation of the service, skill set required for performing the role, criticality of service to organisation, intangible nature of output, frequency of service requirement, and means of service delivery. An initial matrix has been compiled (see Section 3.11.8 and Section 4.7.3), which illustrates the extent to which each service matches the respective service characteristic on a ratio scale of 0:100, characteristic absent: present. This key service matrix forms the basis of a service-profiling tool, which informs the choice of performance assessment technique assessed during the case study research (see Section 4.7.3-4.7.5). The key service characteristics under review, which were determined from the literature, are detailed below,

- Customer/stakeholder base - internal only, external only or mixed.
- Direct interface with customers: no direct customer interface (Schmenner 1995, Fitzsimmons and Fitzsimmons 2010).
- Front office service: back office function (Hope and Muhleman 1997)
- Service production is customer driven: driven by organisational requirements.
- Service is provided at time to suit customer: provided at set times.
- Service is tailored to customer requirements: all customers receive the same service (Lovelock 1983, Gremler, Bitner et al. 1995, Fitzsimmons and Fitzsimmons 2010).
- High level of customer participation in service delivery: Low/no customer participation in service delivery (Hope and Muhleman 1997, Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010).
- Predictability of service process: service is unpredictable in nature (Hope and Muhleman 1997, Fitzsimmons and Fitzsimmons 2010).
- Professional service: practical skills based.
- Technical knowledge required: no technical knowledge needed (Hope and Muhleman 1997).
- Routine: non routine in nature (Hope and Muhleman 1997).
- Proactive: reactive.

- Service process includes a 'facilitating product' as part of the output: no 'facilitating product' is produced (Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010)
- Continuous need for service: occasional need (Lovelock 1983, Fitzsimmons and Fitzsimmons 2010)
- Criticality of service failure to the business: service failure is non critical.
- Outsourced: in house service provision.
- Reliance on contractors: in house.

A potential complication in the assessment of performance management of facilities support services is that there does not appear to be a consistent approach to the way that these services are 'packaged' across different organisations, or even within sectors. This position is exacerbated by severely limited research based evidence highlighting the key characteristics/service parameters of a 'high quality' soft FM service. Additionally there is no generically recognised methodology for determining these, or for demonstrating which performance management technique is most suitable for any particular service, or group of services, in order to provide maximum advantage to the organisation and the customer.

Such lack of a recognised framework, and knowledge base may reduce the perception of the benefits that may be achieved from such activities and therefore reduce such assessments being undertaken. In a context where accountability is a fundamental requirement, the inability to provide consistent service performance data, which can be used to undertake meaningful comparisons with other organisations, may also help to maintain the lower profile of soft FM services within this sector. In acknowledging this gap, this research seeks to contribute to the FM body of knowledge in

- determining the function and role of soft FM services within the public sector, and specifically within the a local authority context,
- proposing a theoretical model that outlines the factors affecting the effective use of performance assessment within the management of soft FM services in this context
- providing a robust framework for defining and profiling soft FM services (key service characteristics matrix).

- assessing the potential to utilise this framework to determine whether and how services can be clustered to provide maximum organisational /operational benefit.
- providing a performance assessment technique selection template, (PATSeT) which when used in conjunction with the key service characteristics matrix, enables the Facilities Manager to select an appropriate performance measurement techniques with which to assess soft FM services.
- developing a service specific template that managers of soft FM services can use to assess their FM service performance.

1.2 Theoretical Position and Research Hypothesis

The research is positioned within a functionalist paradigm, which seeks to

“provide essentially rational explanations to social affairs. It is a perspective, which is highly pragmatic in orientation, concerned to understand society in a way, which generates knowledge, which can be put to use. It is often problem-oriented in approach, concerned to provide practical solutions to practical problems” (Burrell and Morgan 1979) p26.

This approach is

“...better suited to the study of those organizational phenomena that are consistent with such grounded assumptions (e.g., attempts to describe the efficacy of one production process over another are better represented by theories grounded in objectivist/functional assumptions...” (Gioia and Pitre 1990) p587.

Specifically, the research project compares the suitability of each of seven performance assessment techniques, when used to assess the performance of fourteen soft FM services, within a public sector context, and their role in assisting services managers to better control and manage their service processes to provide and demonstrate accountability.

The functionalist paradigm is characterised by a positivist approach, and objective observation within a real world setting, (Johnson and Duberley 2000). Accordingly, the research evaluates the use of performance assessment within the management of soft FM services, within a workplace context. Furthermore,

case study elements of the research recognise and reflect the subjectivity of the workplace setting.

The research also set out to determine any associated causal explanations or regularities within the research findings (Johnson and Duberley 2000), by being conducted in a way that maximised internal validity.

However, whilst the research predominantly follows a functionalist paradigm, the case studies involved both questionnaires and semi-structured interviews in order to establish any themes within the way that the participants understand and use performance assessment as part of their service management process. It is acknowledged that this element of the research also incorporates an element of interpretivism in respect of the qualitative analysis of the responses to the semi-structured interview and case studies. Whilst this indicates a slight blurring of paradigms, Gioia and Pitre have indicated that this is common in the formulation of research theory within an organisational context, such as that under review within this research. (Gioia and Pitre 1990).

From an ontological perspective, the research has a 'real world' focus with the case studies based within a live workplace environment. The case study approach was predominantly qualitative, having an interpretivist nature, with a focus on the participants' perspectives, meanings and subjective views that they assigned regarding their understanding and use of performance assessment as part of their service management process (Creswell 2007).

In this respect, the initial research hypothesis is that:

Given that local authorities are required to assess the performance of their services, including those of facilities and estates, the use of a performance measurement system based as a minimum on benchmarking will be both widespread and well developed, leading to improved performance of the soft Facilities Management services that satisfy both supplier and client requirements.

This is because performance measurement systems provide an objective basis for identifying and profiling the key service characteristics, and a means of assessing the resources required to develop and provide the critical capabilities and unique competencies. Both of these factors are necessary to achieve and/or sustain the desired service performance levels, in the short to medium term.

The associated key research questions are,

1. What is the structure and function of facilities management within a local authority context?
2. What role does performance assessment have within the management of soft FM services in a local authority context?
3. What criteria do managers of soft facilities services use when selecting a performance assessment technique, as part of the service management process?
4. Which if any of the performance assessment techniques outlined provide the most benefit within the management of soft FM services?
5. In assessing the performance soft FM services, are better results obtained from
 - a) single assessment technique comparisons, or
 - b) using a combination of techniques across the service portfolio?
6. When assessing the performance of soft FM services, can service providers achieve more useful results from undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or from making comparisons only with 'own sector' peers?
7. If cross sector comparisons yield more benefit,
 - a) who are the most appropriate comparison partners?
 - b) For which single services, or groups of services with similar characteristics, does this apply?

2 Chapter Two - Review of the Literature

This chapter reviews the literature surrounding the research subject. For ease of reference it is split in to a number of sections, specifically,

- The resource-based framework, within which the research is placed, based on performance assessment's role in using its resources to achieve and/or sustain a desired level of performance.
- The public sector context and specifically the local authority context are then explored.
- The facilities management context in which the services under review in the research are placed – including the role of facilities management within a local authority context.
- The nature of services and services operations management
- Customers and their experience within the service delivery and management process.
- The review is concluded by an exploration of performance measurement and the comparison of the performance assessment techniques being explored within this research and their role in the assessment of soft facilities management services.

2.1 The Resource Based Framework

2.1.1 Introduction

This section evaluates the resourced based framework, which describes the manner in which organisations use its resources to achieve and/or sustain a desired level of performance, specifically focussing on its relevance to the management of soft facilities management (FM) services.

Service Managers, such as managers of soft FM services, allocate and utilise resources (staffing, financial, etc) in order to achieve, and maintain, a required service level; developing and delivering organisational competence and capabilities in terms of the use of resources (Wernerfelt 1984, Hamel and Prahalad 1996, Foss 1997, Teece, Pisano et al. 1997). This allows them to retain a competitive advantage when compared to other service providers, and to deliver service levels that are, at a minimum, acceptable to their customers/ stakeholders, and where practicable provide continuous improvements, and enable the service manager to demonstrate accountability, best value, and customer satisfaction. Thus positioning this research within the resource based framework.

2.1.2 The Resource Based Framework in Context

Traditionally the resources considered within this approach have been

'... financial, physical, human, organisational, technological and intangible' (Mahoney 1995) citing Grant (1991) and Hofer and Schendel (1978) p 91.

To deploy their resources effectively, organisations must identify how they can use their key resources to enhance their critical capabilities. (Wernerfelt 1984, Foss 1997, Teece, Pisano et al. 1997), (Mahoney 1995).

This is summarised by Pitt and Clarke as follows,

'Organizational competence implies a co-ordinated, collective skill or capacity. Resource based thinking about the firm equates capability with the firm's exploitation of its tangible and intangible value-generating assets and resources. Intangible assets include the personal knowledge of individuals and collective knowledge lodged in the firm's architecture of internal and external relationships. This knowledge is manifest in the

firm's dynamic, innovative routines and outputs, including its reputation (Pitt and Clarke 1999) p302.

How an organisation manages this knowledge can help it maintain competitive advantage. Specifically, knowledge management is defined as an

'organised process of creating, capturing, storing, disseminating, and using knowledge within and between organisations to maintain competitive advantage' (Jayasingam, Ansari et al. 2012) p 2

and it is the processing capability of knowledge management ie its capture/acquisition, interpretation, dissemination (ie its distribution and sharing among employees) and utilisation (the practical use of acquired knowledge) either within or between organisations (Gold, Malhotra et al. 2001),(Jayasingam, Ansari et al. 2012)p2, which most closely characterise performance assessment techniques, and their usage in order to improve service performance. Specifically, the service manager will collect performance data, ie the raw facts, organise these facts in to information, and gain knowledge from the meaningful use of such information (Bhatt 2001).

This approach reflects the resource-based framework, which considers how an organisation deploys its resources as part of the service process to achieve a desired level of performance, and the development of service competencies and process capabilities, which underpin the variation in performance levels. Such competencies and capabilities may allow an organisation to achieve competitive advantage for the core business, or in the case of services such as soft FM, enables a service manager to ensure that the service provided does not prove a source of disadvantage to the core business.

Furthermore, underpinning the core competencies are a range of operational capabilities, defined by Winter (Winter 2000) as

' a high-level routine (or collection of routines) that, together with its implementing input flows, confers upon an organization's management a set of decision options for producing significant outputs of a particular type'. (Winter 2000) p983

Therefore, by varying the input resources, an evaluation can be made of the impact on performance and, if appropriate, once a desired level is reached, measurements taken to ensure that the desired output level is sustained over time.

Helfat and Peteraf (2003) suggest caution, specifically that in order to qualify as a capability an activity must

'work in a reliable manner. Taking a first cut at an activity, does not constitute a capability' (Helfat and Peteraf 2003) p999

and offer

'a minimum level of functionality that permits repeated, reliable performance of an activity' (Helfat and Peteraf 2003) p999.

Therefore, the resources that form part of the capability can be tangible or intangible. Capabilities can be achieved at either individual or team level. Dynamic in nature, they are context and time specific, and therefore subject to regular review, as part of the performance measurement and management process (Teece, Pisano et al. 1997, Winter and Zollo 1999, Eisenhardt and Martin 2000, Helfat and Peteraf 2003, Zott 2003), 2002).

2.1.3 The Resource Based Framework and Service Delivery

A fundamental element of determining performance capability is the use of an objective and robust assessment methodology. Seven techniques will be evaluated within the research to determine their appropriateness for a given service or group of services that share common characteristics, for example a common customer base or on an individual service basis. The specific techniques being

Operational:

- Benchmarking.
- Control charts/statistical process control.
- Data Envelopment Analysis.
- Performance Dashboards
- Six Sigma

Strategic:

- Balanced Scorecard.
- Performance Prism.

Organisational capabilities may change over time. Helfat and Peteraf (2003) propose a capability life cycle, initially going through the stages of founding,

development, and maturity. Development occurs over time and may end because

'capabilities may have inherent limits to what any team could achieve with available technologies, inputs, workers, and state of managerial practice. Teams also may satisfice and cease capability development at some level of skilfulness, which the team perceives as good enough. The team leaders (managers) may make the final decision to cease capability development'. (Helfat and Peteraf 2003) p1002

Having reached the stage of maturity, Helfat and Peteraf (2003) suggest that the subsequent stages in the capability life may include,

'retirement (death), retrenchment, renewal, replication, redeployment, and recombination'. (Helfat and Peteraf 2003) p1005

The capability life cycle appears to support and broaden the viewpoint of continuous development, within a more realistic framework. It accepts that activities considered a capability at one stage may become obsolete or require significant change to retain that status at some future date, and recognises the service provider can and does have a substantial impact on the capability of the service process.

It is often proposed that organisations should use performance assessment techniques to achieve continuous improvement and that processes can and should be developed, monitored, reviewed and amended in order to optimise use of operational resources and to provide a level of service that either satisfies, or at least does not dissatisfy, its customers. Realistically it would appear more relevant to measure and review service provision and amend this when changes in context suggests that change is required, for example, to exploit new ways of working through new technology, or changing customer requirements. Therefore if the service has been developed and at maturity level is optimising resource usage and meeting customer expectations, it may not be worthwhile seeking to change it.

2.1.4 Summary

The manner in which organisations use its resources to achieve and/or sustain a desired level of performance positions this research within a resource based framework.

Specifically, the resource-based framework considers how an organisation deploys its resources as part of the service process to achieve a desired level of performance, and the development of service competencies and process capabilities, which underpin the variation in performance levels. Such competencies and capabilities may allow an organisation to achieve competitive advantage for the core business, or in the case of support services to ensure that although not seeking such advantage themselves, they do not prove a source of disadvantage to the core business.

Local authorities have a requirement to demonstrate accountability, stakeholder value and customer satisfaction. Furthermore, the context of on-going resource constraints and demanding/ knowledgeable customers and stakeholders, mean that service managers must ensure resources are utilised in a manner which is innovative, supports learning and is orientated towards their sector, or 'market' (Henri 2006).

It is imperative that support services, such as soft FM services, be provided in a manner that minimises the resource input/overhead, if they are to ensure that the front line services they are supporting remain competitive, and that resources, which could be allocated to the front line service provision, are not wastefully absorbed in providing their associated support services.

Accordingly, Lockett, et al highlight that it is key therefore that managers not only

'understand the functionality of their resources, they must also comprehend the capacity for usage their resources permit' (Lockett, Thompson et al. 2009). p13

How the organisation or service manager deploys their resources is an essential component of the overall capability, ie the ability to

'undertake a productive activity, which is created through the simultaneous deployment of resources and factors of production' (Teece, Pisano et al. 1997) p14, cited in (Lockett, Thompson et al. 2009).

An understanding of how to use the resources/capabilities will better enable a service provider to meet stakeholder demand. Only by assessing the resources utilised will the manager be able to determine if the service provision is tenable. As suggested by Lockett, Thompson et al (2009) an assessment of a particular level of service performance, and its associated resources, enables a manager to

make sense of and manage the 'known unknowns' and hence be aware of strengths and weaknesses. This will enable to service manager to be accountable for the resource allocation, which is likely to be even more important during times of resource constraints. Only in this way will service managers be able to demonstrate that their soft FM services are not only meeting customer/stakeholder requirements, but that they are doing so in a manner, which optimises resource usage, or at least is not being wasteful of allocated resources.

2.2 The Public Sector Context

2.2.1 Introduction

The previous section reviewed the resource-based framework within which this research is based. This section reviews the public sector context and the use of performance measurement techniques within the management of its soft FM services. Particular reference is given to local government and includes

- The structure and nature of local government services within England and Wales (Local Government Association 2001, 2003);
- Performance management in the public sector (Byrne 2000, Flynn 2002, Gaster and Squires 2003, De Bruijn 2007);
- The role of FM support services within the public sector (Lindholm 2004)

Within the context of local government, the majority of the FM services under consideration within this research fall under the context of support services, ie services which whilst they provide a budgetary overhead to the organisation, provide a key level of support to the front line services which the local authorities customers/stakeholders may utilise.

2.2.2 The Public Sector – Its Nature and Structure

Local authorities are described by Wilson and Game as

'semi-independent, politically decentralised, multifunctional body, created by and exercising responsibilities conferred by Parliament' (Wilson and Game 2006) p93.

Within England and Wales, local government comprises single and two tier councils, the actual arrangement varying by the geographical location. Including both arrangements, England has 27 county councils, 33 London Borough, 36 metropolitan councils, 201 district councils and 56 unitary authorities. Within Wales, there are 22 unitary authorities (Improvement and Development Agency 2009). The primary distinction between single and two tier councils are the range of services they are responsible for providing over a given geographical area.

Councils in England are mainly two tier, ie county and district. Extending over a wider geographical area, county councils provide the majority of public services including schools, social services, and transport. District Councils cover smaller geographical areas and provide more local services including housing, sports facilities, local planning, and rubbish and recycling collections. With regard to naming, District Councils with borough or city status may be called borough councils or city councils instead of a district council but have an identical role. (www.direct.gov.uk 2009)

As their names suggest, unitary authorities, which are found in some of the larger towns, cities and small counties have one level of government and are responsible for all the local services. Depending on where they are located in the country, unitary authorities are also known as metropolitan district councils, borough councils, city councils, borough councils, city councils, county councils or district councils. In April 2009, with the objective of simplifying structures, the government introduced unitary authorities in seven regions in England, reducing 44 local authorities to nine (directgov.gov.uk 2009).

Whilst the terms local authority and local council are used interchangeably, the Council is the body of locally elected councillors (or elected members) who are ultimately responsible for the policy and actions of the authority. In Central Government, employees are known as Civil Servants. Employees (administrative, professional, clerical, and manual staff) in local authorities are called Officers (Wilson and Game 2006).

Within the United Kingdom, devolved parliamentary arrangements have been adopted in Scotland, Northern Ireland, and Wales because of which there are some differences in the policies and services provided, with each of these devolved bodies having their own First Minister and executive bodies. Unlike in Scotland and Northern Ireland, the National Assembly for Wales develops and issues secondary legislation with the primary legislative framework agreed at Westminster (local.gov.uk 2006). For this reason, this research will concentrate on local government within England and Wales.

Wilson and Game (2006) highlight the dynamic nature of local government when compared to the private sector, with changes either coming from within local government or imposed by central government or legislative changes.

'What area of the private sector, they would ask, has had to come to terms with more change and upheaval on every front: privatisation and

the contracting out of services; compulsory competitive tendering (CCT); Best Value and Comprehensive Performance Assessment (CPA); the introduction and almost instant abandonment of 'poll tax', followed by council tax and tax capping; neighbourhood offices, one-stop shops, enabling councils, beacon councils, private finance initiatives, area-based initiatives, strategic partnerships, inspectorates, e-government, performance indicators and league tables... all against a backdrop of continuous finance constraints and the actual or threatened rearrangement of the whole local government structure' (Wilson and Game 2006) p6.

Wilson and Game (2006) go on to highlight that the number of changes are one of the reasons why local government has such a high public profile and interest.

2.2.3 Statutory Framework

Within the United Kingdom, activities undertaken by local authorities are prescribed by a legislative or statutory framework. If a local authority takes unsanctioned action or exceeds its powers, it would be acting illegally or 'ultra vires' which may result in legal action being taken against officers or the whole council (Byrne 2000).

Furthermore, under Section 111 of the Local Government Act 1972 local authorities have the power to undertake the necessary actions in order discharge their legal responsibilities. This may include

'employing or training staff, acquiring property or equipment ,etc' although the expectation is that in doing so they will act 'reasonably' and again, failure to do so is also potentially 'ultra vires' (Byrne 2000).

The requirement for the acquisition of property, and by association the appropriate management of the property management service highlights the importance of property/FM services within this context. It would also appear to be prudent to have an independent means of assessment of the performance of these services in order to provide that the service manager was taking the appropriate actions.

2.2.4 Political structure

Prior to 2000, the democratic structure of councils in England comprised committees composed of, and chaired by, councillors and advised by officers. Whilst some committees were statutory, other committees and sub committees

were based on the way in which the council decided to divide their workload. Most councils had a policy and resources committee chaired by the Leader of the Council and containing the most experienced councillors. Under this structure, the final decision on policy was taken by the full Council.

This structure in 2000 with the implementation of the Local Government Act 2000, changed the democratic structure of councils, and the role of elected members, or councillors, from a committee structure in which all councillors had been involved in policy making decisions, to that of an elected mayor or a small cabinet of leading councillors, with the remaining councillors performing an overview and scrutiny role (Byrne 2000, Wilson and Game 2006).

Under this Act, local authorities were obliged to consult with their local residents to decide which structure would be implemented from four structures. Namely;

- Mayor and cabinet executive – having a directly elected mayor , who appoints and executive /cabinet of between 2 and 9 councillors
- Leader and cabinet executive – an executive leader elected by the whole council (usually the leader of the largest political party) plus between two and nine councillors either appointed by the leader or elected by the whole council. Each cabinet member being responsible for a particular council service and be accountable for that service to the residents and the other councillors.
- Mayor and council manager – directly elected mayor providing broad policy direction with an officer of the authority appointed by the council as the day to day manager.
- Alternative arrangements – an alternative form of arrangements approved by the secretary of state
- Smaller shire districts had the option of retaining the committee system, with the approval of the secretary of state.

(Source: Wilson and Game 2006).

This change in structure has also resulted in a potential dual role for officers who must serve both the executive and non-executive members, both policy making and critical scrutiny of the policy decisions. However, cabinet portfolio holders tend to have a greater involvement within the functional areas within their portfolio, which can lead to a more supportive role between members and officers.

2.2.5 Departmental Structures Within Local Authorities

Local authorities have discretion over the departmental structures adopted and officers appointed although legislation does require certain chief officers such as Chief Education Officer, Chief Fire Officer, or a Director of Social Services. With respect to the staffing structure within local authorities, there are generally a number of directorates, headed by an Executive/Strategic or Corporate directors. A range of principal officers or service heads leads the various functional areas within the directorate. The role of employees, known as officers is to ensure that the policies adopted by councillors are implemented and 'reasonable and lawful suggestions carried out' (Wilson and Game 2006).

The head of the paid service is the Chief Executive, and whilst this is not one of the statutory roles, the Chief Executive sometimes acts as the 'monitoring officer', which is statutory and is intended to ensure that the council is operating within the law. The Chief Executive also tends to chair chief officers' management team.

2.2.6 Employment within Local Government

Demographics

Local authorities are major employers, with approximately half of their total expenditure relating to staff costs. In Quarter 2 of 2010, local authorities within England and Wales employed over 2.24 million people, of which approximately 166,000 were employed in Wales (Local Government Group, 2010) as detailed in Table 2.2-1 below.

Table 2.2-1 Employment Breakdown for Local Government in England and Wales Quarter 2, 2010 (Source: (Local Government Group 2010)

Local Government Employment Summary	Quarter 2, 2010
Headcount:	2,244,400
Full-Time Equivalent (FTE):	1,573,000
Female:	1,686,300 (75.1%)
Male:	558,000 (24.9%)
Full-time:	1,044,300 (46.5%)
Part-time:	1,200,000 (53.5%)
Permanent:	1,914,100 (85.3%)
Temporary/Casual:	330,200 (14.7%)

Workplace Trends and Job Roles

The trend in workforce patterns within local government has changed over recent years specifically, the number of full time staff has decreased – this being more prevalent in males; part time staff numbers have increased for both genders; temporary and casual work has decreased (Local Government Analysis and Research, 2010).

With respect to the roles in which people are employed within local government, data is predominantly available for those in teaching, teaching support, social care, recreation and support, libraries and archives, planning and development, environmental health, culture and heritage, and trading standards. (Local Government Analysis and Research 2010). These occupations account for 1.5 million local government employees.

With respect to 'other roles', which includes facilities and support services, which account for the remaining third of local government employees, data

detailing work roles for this group is not collected (Local Government Analysis and Research 2010). However, in order to give an estimation of the types of roles the Local Government Group (Local Government Analysis and Research 2010) used the Labour Force Survey to identify and estimate the number of employees working in local government who were not covered by any of the previously identified groupings. Their analysis was based on the Standard Occupational Classification unit codes (SOC2000) and related to the labour force survey for England and Wales. Occupations were already covered by a collection identified above were then excluded, as were groups that were not relevant to local authorities, for example police officers. Furthermore, occupations with less than 10,000 employees were excluded (as the ONS recommends analysis is not undertaken on any smaller sample due to the sampling process of the LFS). The following table details the estimated workforce numbers (the LGAR acknowledge that there are likely to be overlaps with the data provided above especially in terms of administrative and other corporate support staff, which will likely include FM staff).

Whilst not all the roles indicated are FM related, Table 2.2-2, in which roles associated with FM have been grouped together, illustrates that there are substantial numbers of employees undertaking these roles within the local government context. This would suggest that these roles present a significant overhead to the local authority, in respect of staffing costs. With increasing financial resource constraints, it is important for managers to ensure that such resources are allocated and utilised efficiently in order to ensure that resources that could be allocated to front line services are not being consumed within this area and that value for money is being achieved.

Table 2.2-2 Estimated Other Local Government Job Roles in England and Wales, 2010

Job Role	% of Total LG in LFS	Estimated Headcount
Administrative officers/assistants	4	90,000
Caretakers	1.2	27,000
Cleaners, domestics	2.3	52,000
Communication operators	0.3	7,000
Cooks and kitchen/catering assistants	7	61,000
Gardeners and grounds(wo)men	0.5	11,000
ICT staff	1.1	25,000
Personal assistants/secretaries/receptionists	1	22,000
Security staff	0.6	13,000
Customer care staff	0.6	13,000
Drivers	0.7	16,000
Finance officers/assistants	0.9	20,000
Housing and welfare officers	1.8	40,000
HR staff	0.6	13,000
Nursery nurses	0.9	20,000
Playgroup leaders/assistants	0.6	13,000
School mid-day assistants	2.3	52,000
Vocational trainers	0.7	16,000
Waste and refuse staff	0.4	9,000
Youth and community workers	1.6	36,000
(LG = local government, LFS = labour force survey)		

2.2.7 Service Provision

The overall 'service mix' provided by local authorities comprises statutory functions which they are legally obliged to provide, and discretionary functions, for which a local authority has a degree of choice over their provision (Byrne

2000, directgov.gov.uk 2009). For example, local authorities have a legal requirement to provide refuse collection services, services for the homeless, street lighting, whilst for other services such as leisure facilities, there is a degree of discretion over their provision, the service level, whether there are and the magnitude of any charge made for the service, and whether the service is provided 'in-house' or outsourced to a private contractor or charitable organisation; an example of the latter being the provision of meals for the elderly (Byrne 2000). Local authorities also deliver a number of regulatory functions, for example animal welfare, gambling and alcohol, hackney carriage/private hire and charitable collections, and the introduction of byelaws relating to the local area.

However, since 2004 and with the aim of delivering greater service choice and service quality to its customers, the government began changing the role of local authorities from that of direct service provider towards that of service enabler. Authorities were being moved away from doing 'everything themselves, with their own directly employed workforces' to take more of an enabling role, working with others in the community, such as the voluntary sector, private sector, or cooperatives to 'stimulate, facilitate, support, regulate, influence and thereby enable other agencies and organisation to act on their behalf' (Wilson and Game 2006). In their own right, or in partnership with others, local authorities have been estimated to provide up to 700 functions, (Local Government Association 2005, cited in Wilson and Game 2006), these functions being undertaken by employees within some 400 plus occupations (Wilson and Game 2006).

Furthermore, the increasing importance of the e-government has increased the transactional nature of some council's service provision and a led to a change in the way that customers can access the service they need, and find out about the performance of their local authority, compared to others.

2.2.8 Financial Resources

Given the size of this sector, it is unsurprising that the financial resource required to fund the service provision across the range of councils is significant; quoted as £83.8 billion during 2005-06 (Office for National Statistics/Office of the Prime Minister 2005). This equates to approximately a quarter of all-public spending in England (www.direct.gov.uk 2009).

Derived from a combination of grants and taxation, funding for local government services is collective, rather than from direct payment and consequently are available to all even if not everyone needs or wants to use all of the services provided. This also means that individuals cannot generally have more of a service by opting to pay more for it, but conversely, if an individual needs a service and is unable to pay for it, they would not be denied the service provision. (Flynn 2002).

Specifically funding is derived from the following sources.

The first source of funding is grant funding, of which there are two types specific and general. Specific grants, as their name suggests is ring-fenced funding intended for specified projects or services. The second type of grant funding is a general grant or Revenue Support Grant (RSG), which may be spent at the discretion of the council and which accounts for the largest portion of central government support.

The amount of RSG that the local authority receives is based on a number of factors including the local authority's total residential population, number of over 65s living alone, kilometres of road within the designated area, etc. By its nature if overestimated the local authority effectively receives a grant subsidy, whilst if underestimated the shortfall will have to be raised via the council either tax levied or services may have to be cut back (Wilson and Game 2006). In assessing the funding provision, the government initially considers the total assumed spending (TAS) of all authorities. It then allocates the level of funding that will be provided through national taxation – total amount that local authorities will spend - the Aggregate External Finance. The difference between the TAS and AEF - approximately 20 per cent - is the proportion that an authority will need to raise during the year.

At an individual authority level, the government then makes an assessment of the funding required for a local authority to provide a 'standard level of service'. This constitutes the authority's formula spending share (FSS) and is a critical factor in determining the grant received (Wilson and Game 2006).

The final calculation in the determining the level of the authority's RSG is made by deducting two elements from the formula spending share; the assumed national council tax (ie the amount that the government estimates the local authority should receive if setting its council tax at the specified standard level), and the income it will receive from the Business Rates or National Non Domestic

Rates. Business rates are a property tax on businesses and other non-domestic properties set by central government, the revenue for which is collected by local authorities, pooled by central government, and then redistributed to local authorities (Wilson and Game 2006, www.directgov.gov.uk 2009). The Council's RSG is the amount remaining after these deductions.

Once the amount received in specific grants, fees and charges and RSG are known, the funding required to meet the annual budget has to come from the local council taxpayers as unlike within other countries, local authorities in Britain only have access to this tax (Wilson and Game 2006).

With respect to their expenditure, during 2007-08 the net current expenditure on other services was £14.1 billion, with a further £43,194 in capital expenditure. In respect of the employee costs, these equated to £10.6 billion in the same period. The proportion of total service expenditure for 2007-08 on employee expenditure was 38.4%. Central and other services include local tax collection, registration of births, deaths and marriages, local land charges, democratic representation and corporate management.

Within the context of restricted funding, there are increased pressures on local authorities to reduce the impact of the levels of public expenditure (Flynn 2002). This balance of required funding, and the need to reduce spending, can result in the Council tax being set around a politically acceptable percentage rise and then defining the associated service levels around this. The public expect value for money from the public services and are more willing to fund services that promote public interest (H M Treasury 2003) and front line services, rather than the services which support the front line. This can result in a detrimental impact on funding provision for support services, such as FM services, which have a lower priority in the public and political eye than the front line services that they support.

2.2.9 Expenditure for 'Back Office' Services

The Audit Commission (Audit Commission 2010) indicates that 'back office services' are those which support the delivery of front line services, for example, finance, HR, IT, legal services, procurement services, FM, travel services, marketing and communications. It is interesting to note that in referring to such services, the Audit Commission suggest if back office services are shared or their efficiency increased savings may be generated that do not have an impact on the front line services. (Audit Commission 2010)

However, they do confirm that it is important to consider back office spending in relation to the size of the front office it is supporting. This section therefore compares back office spending to total spending on all services. It is also noted that the type of council will have a bearing on the total spend on back office services, ie whether they are single tier or county council, and that the difference can mainly be attributed to differing responsibilities that the different level of authorities have (Audit Commission 2010).

2.2.10 The Concept of Value for Money

The ability for local authorities to provide and demonstrate that their services provide 'value for money' to customers/stakeholders has been an underlying principle and requirement across successive performance regimes, intended to illustrate how a local authority's costs and spending compares with similar bodies. The concept reviews public services in respect of improvements and efficiencies, specifically,

Effectiveness- assesses the impact of spend by reviewing outcomes. For demand-led services, it reviews whether demand is being managed effectively.

Efficiency- assesses productivity. That is how much you get out for what you put in. It covers the efficiency of the service model. For example, where there is a choice, are services used that are most efficient with better outcomes.

Economy- assesses what goes into providing a service.

Under the value for money regime, local authorities are required to profile their services in terms of financial performance and contextual information about the area. This profile includes

- The costs of revenues collection and back office services.
- Aspects of financial resilience (including the local authority's sources of income, reserves, and assets, in order to demonstrate financial sustainability).

The focus is on front line services detailed below, with actual provision by the local authority dependent on its size and nature. For example, district councils will not show data for services for children and young people and counties will not show housing and benefit services.

- Adult social care
- Children and young people
- Culture and sport
- Environmental (waste management and street cleaning)
- Housing and benefits administration
- Sustainable economy (transport services, highways, planning and other regulatory services).

Whilst the value for money framework can be applied to support services, these do not fall within the prescribed service areas given. However, it is recognised that

'corporately, councils should use their resources in an optimum way to deliver better public services according to local priorities. In the current economic climate, councils will be seeking ways to deliver more for less money. This may require innovation in service delivery, collaborative working, investment in technology and rationalisation of back office functions'.(Audit Commission 2010)

Therefore if local authorities are not assessing their service performance, it would appear difficult for them to assess the resources, seek innovation, and be able to prove that they are indeed providing 'more for less'.

In order to demonstrate accountability, and that services are being provided in an effective and efficient manner that are providing service users with 'best value' and 'value for money', over the years successive governments have introduced a range of regimes has introduced a number of performance assessment regimes outlined below.

2.2.11 Performance Assessment Regimes within Local Authorities

The rationale for introducing performance assessment regimes within the public sector appears founded on the wider use and success of performance management techniques within the private sector, in order to allow service performance to be measured and improve the 'effectiveness, efficiency and legitimacy' of public sector bodies (De Bruijn 2007). Furthermore, increasing public expectations over the same period, have required public sector organisations to gather the performance information they need in order to

evidence efficient and effective service provision (Neely, Adams et al. 2002) and demonstrate what they are doing, why and how well they are doing it. In order to support the intent successive government implemented a number of regimes, which are summarised in Table 2.2-3.

Table 2.2-3 Table Summarising the Performance Assessment Regime Continuum within Local Authorities (1980s-2000s)

	2010	CAA abolished
2000s	2009	Comprehensive Area Assessment
	2007	National Performance Indicators
	2005	Key Lines of Enquiry and direction of travel
	2003	Comprehensive Performance Assessment (District Councils)
	2002	Comprehensive Performance Assessment County Councils
1990s	1999	Local Government Act
	1997	Best Value Regime
1980s		Compulsory Competitive Tendering

During the 1980s, the Conservative Government introduced Compulsory Competitive Tendering (CCT). Under this regime, services previously provided by the local authority's employees, equipment and resources were subject to a competitive tendering process, the intention being for services to be provided at the lowest cost, by either the local authority or an independent provider (Wilson and Game 2006).

Following a change to a Labour government in 1997, Best Value replaced CCT. This regime required local authorities to demonstrate 'continuous improvements' within the delivery and efficiency of their service provision. Specifically, local authorities had a legal duty to measure and demonstrate their performance levels and a 'general duty' for improving, namely,

3. - (1) A best value authority must make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness'. Local Government Act 1999, Chapter c 27,(Her Majesty's Government 1999)

Under the best value assessment regime, local authorities reviewed their service provision, under the framework of the 'four Cs' – **challenge** the current service provision, **compare** service performance with that of other service providers, **consult** extensively on the plans to develop continuous improvement, and **compete** with other service providers in implementing the plan.

Local authorities were also required to provide data on a range of national performance indicators, previously known as Best Value Performance Indicators, published by the Audit Commission on an annual basis. Performance against these indicators formed part of the assessment under the Comprehensive Area Assessment introduced in 2002 and were further refined to incorporate a stricter focus on 'Use of Resources' (financial, human and other assets) judgements and direction of travel in 2006 which evolved to the introduction of Comprehensive Area Assessment in 2009. (This latter regime was intended to examine how councils worked together with other public bodies to meet community needs) (Audit Commission, Care Quality Commission et al. 2009).

In 2003, and in order to provide service users with an overview of a local authority's performance from a range of perspectives, namely auditors' and other inspectorates, Comprehensive Performance Assessment (CPA) was adopted. CPA had a phased implementation being introduced for single tier and county councils in 2002 and district councils in 2003. The regime focused on inspections of environment, housing and cultural services and provided a 'judgement on a council's corporate ability to improve services for local people and its leadership of its local community'. A score ranging from weak or poor, through to fair, good and excellent was awarded and a higher score resulted in greater administrative freedoms for high performing local authorities. Once rated, over the next three years councils were only eligible for reassessment, and potential re-categorisation, if they requested this because they felt they achieved a significant improvement on their previous rating, or where the Audit Commission identified that there had been a significant deterioration.

CPA was subsequently refined to include star ratings and a direction of travel assessment. These ratings were not considered comparable with the initial rating awarded. The assessment framework was based on key lines of enquiry (scored 1 to 4) with the star rating assessing current performance and the direction of travel assessing the strength and direction of plans to ensure

service improvement (Audit Commission 2009). Achievement was assessed against how the ability to deliver local priorities and outcomes across five sub-themes, namely

- Sustainable communities and transport.
- Safer and stronger communities.
- Healthier communities.
- Older people.
- Children and young people.

These themes were rated on a score of 1 – 4 and a judgement made on whether performance was inadequate at score 1, through to a strong performance at score 4. A fifth theme – achievement judged the authority on how the council’s priorities related to nation and shared performance and how well the council has contributed to shared priorities whilst meeting its own local priorities. In addition, an overall executive summary was also provided on the authority’s performance in respect of community leadership, political and managerial leadership, user focus and diversity and value for money.

This framework also made a ‘use of resources’ judgement, assessing how well councils were managing their financial management and resources in terms of integration with overall strategy and corporate management, supporting council priorities and delivering value for money. Use of resources covered five themes:

- Financial reporting - how well the council prepares its accounts and promotes external accountability.
- Financial management - how well the council plans and manages its finances.
- Financial standing - how well the council safeguards its financial position.
- Internal control - how well the council ensures its money is spent properly and that significant business risks are managed.
- Value for money - how well the council achieves value for money for the community from the money it spends.

(Source: Audit Commission 2009)

The overall score was determined from the score in each are and the minimum acceptable standard set at level 2.

Interestingly, this framework, which related to demonstrating value for money in key services included an assessment of property asset management as an integral part of the use of resources judgement, but did not include performance or resource expenditure relating to soft FM. This regime appeared to confirm the lack of importance and focus from an organisational viewpoint of soft FM and support services, which is somewhat surprising given the numbers of staff and financial resources deployed within this area.

In 2009, the CPA was replaced by Comprehensive Area Assessments (CAA). This was intended to provide an independent assessment of how well communities were being served by their local public services including councils, health bodies, police forces and fire and rescue services, working in partnership to tackle the challenges facing their communities and the first results appeared in December 2009. Furthermore, to provide the community with a means of holding a range of public sector organisations to account over their performance and use of public money. CAA continued to include a use of resources judgement, and an annual inspection by appointed auditors as part of the required external audit (Audit Commission 2009). The Audit Commission states that

“The assessment defines use of resources in a broader way than previously, embracing the use of natural, physical and human resources. It also places new emphasis on commissioning services for local people and achieving value for money” (Audit Commission 2009).

Auditors will produce a judgement for each of the following three themes:

- Managing finances - focusing on sound and strategic financial management.
- Governing the business - focusing on strategic commissioning and good governance.
- Managing resources - focusing on the effective management of natural resources, assets and people.

The themes for CAA are

- sustainability;
- inequality;
- people whose circumstances make them vulnerable; and
- value for money.

Under CAA red and green flags replaced the scoring system. Green flags being intended to represent 'exceptional performance or outstanding improvement'. Good or very good practice was not enough and improvements had to be seen to be sustainable. Red flags indicate significant concerns about incomes and future prospects, poor performance, unacceptable service standards, lack of improvement or that agreed priorities do not meet an important community need.

Assessment themes were based up judgements on financial management, governance (including service procurement), and managing resources, including people, natural resources and physical assets. Part of the governance assessment incorporated an assessment of whether the organisation produced 'relevant and reliable data information to support decision making and manage performance' (Audit Commission 2009). CAA scores will again be based on a combined rating to give a scale of 1 to 4.

2.2.12 Performance Assessment in Local Authorities in Practice

The change in focus within respect to performance assessment, has increased the prominence of assessing and demonstrating service performance. The level of consultation within local authorities has increased significantly, in order to determine about the type, quantity and quality of services that customers require. This has been in conjunction with the change of service users being referred to and treated as customers even when they do not have a choice as to whether or not they use the service.

Performance of public services is aimed at ensuring effectiveness, efficiency, service quality and client satisfaction and is intended to be 'mission driven and results orientated'

accentuating the

“ customer perspective, measure performance against goals and targets, and incorporate measurement systems and other management processes in meaningful ways” (1997 cited in (Poister 2003) p9).

Constraints on resources, both financial and human, particularly within support services have already been identified. However, performance measurement systems can involve a considerable amount of time and effort and resource to undertake at all and particular if an assessment is made of the most appropriate methodology is selected for the service under consideration, and the outputs and outcomes are analysed and used to drive ‘continuous improvements’ and value for money.

To this end, public sector bodies need to develop measures that meet their needs whilst balancing usefulness and cost; a key requirement of any performance assessment system is that the data collected is meaningful and used in an effective and efficient manner. Wilson and Game (2006) suggest that merely collecting performance data is comparable to the relationship between a speedometer and safe driving of a vehicle.

Accordingly, used in an appropriate way, performance data can help managers make better decisions, improve performance, and both require and provide better accountability, by focussing attention on goals and objectives, providing feedback on performance, staff motivation, the effective allocation of resources, evaluation of alternative approaches to service provision and to increase overall operational control (Poister 2003).

Furthermore, where service provision is contracted out to an external service provider, which is common practice for a number of the services encompassed under the FM remit, performance measurement has a key role to play within assessing service and contractor performance.

The importance of demonstrating service accountability to the public of local government services, was highlighted above, and in this respect, performance measurement can play a key role in helping to provide and present information on service outcomes in an objective and relevant way (Poister 2003).

Whilst, in common with the private sector, many of those at senior management levels have a professional expertise within their particular functional area, it does not necessarily follow that they can demonstrate an

objective assessment of their service performance. Osborne and Gaebler (1992) make a key point in this respect in saying that

“if you don’t measure results, you can’t tell success from failure”
(Osborne and Gaebler 1992)

However, the role of performance assessment within the public sector has varied over the past three decades. Specifically, interest in the role of performance measures within the decision making process within the public sector, declined in the mid-1980s. This was because many public sector agencies

'succumbed to “DRIP” syndrome – data rich but information poor – and concluded that the time and effort invested in measurement systems were not justified by the results' (Poister 2003)p 6.

Having been promoted as a tool for increasing effectiveness of service performance, some felt that the reality did not meet the expectation. However, Poister suggests that this was

'a result of managers' failures to forge clear linkages between measurement systems and management and decision-making processes, but at a higher level it also reflected a lack of political will in institutionalizing commitments to monitor and utilize performance data'.
(Poister 2003).

Subsequently, legislative changes within the 1990s , and stakeholder pressure and the demand for increased accountability lead to a resurgence of interest.

Generally, performance management is based on the process of setting a range of performance targets and employing a means by which the achievement or otherwise of such targets can be assessed, ie by the use of performance indicators. The purpose of performance measurement within an organisation is to enable an organisation to determine, and demonstrate, whether or not it has reached the performance targets it sets itself - or those set by others such as government bodies - and at what cost such performance has been achieved. Likewise, although gathering performance indicator information can be resource intensive (Mayston 1985) clear benefits can be gained from the fact that performance measurement encourages transparency (de Bruijn 2007).

Performance measures focus attention on organisational priorities, and can help to bring about performance improvements (Poister 2003). Moreover, they can act as a motivator for improving staff actions – or a demotivator if they cannot see the point for what and why they are measuring.

The range of national performance indicators stipulated for collection within local authorities does not include those for some of the support services, such as FM. Performance assessment supports a level of transparency that can enable the FM to demonstrate the impact and/or contribution they make towards improving the effectiveness of the service delivery units they support (Poister 2003); de Bruijn 2007), and indeed wider corporate objectives and organisational performance.

This lack will likely result in any soft FM performance indicators being set and monitored at a local level. On the positive side, this provides the opportunity for FMs to set locally meaningful service measures and to share and develop good practice with and across a range of public sector service providers. However, where FMs have little knowledge and awareness of either the available techniques or the potential benefits to be gained from their appropriate use, the absence of an external incentive to assess soft FM services, may lead FMs to avoid/ignore the assessment process. This may suggest that given the lack of mandated indicators, a clear, comprehensive, and readily accessible framework for assessing soft FM services will be required to increase the likelihood of achieving the outcomes of the process, in respect of accountability, value for money and customer satisfaction.

In the 2008 budget, the Government stated that through the Operational Efficiency Programme they would make efforts

‘to ensure that future efforts to drive efficiency in the public services kept pace with developments in the private sector’ (Association for Public Sector Excellence 2009) p5.

In order to do this they appointed five private and public sector leaders to advise the Operational Efficiency Programme and evaluate five areas of operational expenditure within the public sector. Specifically there were

- back office operations and IT
- collaborative procurement

- asset management and sales
- property and
- local incentives and empowerment.

The report recognised that there were opportunities to ensure services are run efficiently and effectively and that when there are constraints on services that the services should be tailored to meet community requirements.

The report confirmed the need for the data collected by public sector to be necessary and robust, without placing unnecessary burdens on the collectors, and highlighted that any framework implemented should “allow individual organisations to compare their performance in a transparent way, allowing managers to manage and ultimately achieve better value for money”. The report also highlighted that a back office operations needed to improve their data collection and integration within operational processes, and to undertake benchmarking and performance reviews to improve the collection and integration of management information was highlighted.

Unsurprising, the study highlighted the following themes as necessary to develop best practice from both the public and private sector,

- Consistent comparable data – organisations need to be able benchmark against others to know whether the services they deliver constitute good value for money. This requires consistent, comparable data, which allows organisations to benchmark their performance and use both public and private sector best practice to raise their standards.
- Accountability and performance management – the OEP has highlighted that given the need for delivering greater efficiencies, organisations should be given a choice on the most appropriate methods for delivering efficiencies.
- A need for robust and proportionate accountability mechanisms, with consistent comparable data, those who are currently under performing can be identified and supported to improve.

2.2.13 Summary

Within England and Wales, local government comprises single and two tier councils, the actual arrangement varying by the geographical location. Including both arrangements, England has 27 county councils, 33 London Borough, 36 metropolitan councils, 201 district councils and 56 unitary authorities. Within

Wales, there are 22 unitary authorities (Improvement and Development Agency 2009). The primary distinction between single and two tier councils are the range of services they are responsible for providing over a given geographical area.

This section explores and discusses the structure of these local authorities the statutory framework in which they work; funding arrangements; and organisational structures and occupational demographics.

The dynamic and nature of the local government sector is explained when compared to the private sector, with changes either coming from within local government or imposed by central government or legislative changes; resulting in high levels of public interest and profile. Such changes are highlighted by the work of Wilson and Game (2006) who comment

'What area of the private sector, they would ask, has had to come to terms with more change and upheaval on every front: privatisation and the contracting out of services; compulsory competitive tendering (CCT); Best Value and Comprehensive Performance Assessment (CPA); the introduction and almost instant abandonment of 'poll tax', followed by council tax and tax capping; neighbourhood offices, one-stop shops, enabling councils, beacon councils, private finance initiatives, area-based initiatives, strategic partnerships, inspectorates, e-government, performance indicators and league tables... all against a backdrop of continuous finance constraints and the actual or threatened rearrangement of the whole local government structure.'p6 (Wilson and Game 2006).

The section reviews how the changes have been made in an attempt to maximise accountability and value for money in service provision, and highlights and reviews the successive regimes that have been put in place over the last three decades to support these activities, from Compulsory Competitive Tendering in the 1980s through to Comprehensive Area Assessment in the late 2000's.

This uniqueness of local government was highlighted in March 2004 by Nick Raynsford MP the then Home Office Minister for Local and Regional Government highlighted the unique nature of local government accountability, specifically,

".. local government's democratic accountability to local people. Local government is the only body accountable to the whole community. No other body is answerable to all local people for the decisions it makes. This is vital when decisions in one area have an impact on the wider community." Raynsford N 2004

The section concludes by evaluating the position and role of performance assessment in local authorities in practice.

2.3 Facilities Management

2.3.1 Introduction

Having reviewed the public sector context, this section reviews

- the scope and nature of facilities management (FM),
- employment characteristics within FM
- FM within the public sector overall, and
- FM within local government
- the implications, in this respect, for performance measurement and management.

Specifically, the section defines what constitutes a FM service, the role of FM within the public sector, and the employment characteristics within this sector.

2.3.2 Definitions and Context

FM can be viewed as the coordination of a range of multidisciplinary functions, which can either be integrated or differentiated to meet service and organisational needs. The role must be undertaken in a manner which meets the requirements of both internal and external service stakeholders and which supports the delivery of the organisations strategic, tactical, and operational objectives.

The broad scope of FM services has long been recognised, as has the variability of the services included within service provision across different organisations.

'It includes the physical issues of built space, services, technology, maintenance, modification and adaptation; the human and business concerns of facility purpose, function and use, security, safety, comfort and environmental health; it covers the financial issues of property investment, asset value, the costs and benefits of occupancy. Most significantly, it covers the management structures, operations and procedures that service to integrate decisions across the physical, human and financial areas of concern, all for the improved use, performance and productivity of facilities in all sectors' (Nutt 1999) p13.

Whilst organisational culture and principal business activity may determine the interpretation and the approach taken to their management and coordination, both the private and public sector organisations use their built and other assets and a variety of support services, to support their primary service provision. The

magnitude of the market (internal and external), estimated at several hundred billion Euros within Europe, has highlighted the requirement to provide a greater standardisation, clearer definition and context for the function. This led to the development of European Standard, BS EN 15221:1 – 2006 Facility Management – Part 1: Terms and definitions BS EN 15221:1 – 2006 recognises that the grouping of such services provides a range of organisational synergies, in terms of their capacity to deliver a higher degree of integration and coordination of support services, resulting in improved clarity and transparency between the demand and the supply side. This has the potential to enhance performance and decrease costs, simplifies managerial responsibilities for in-house and outsourced services, and reduces possible conflict between service providers.

With regard to the scope of FM, the British Standard divides this into two principal categories “Space and Infrastructure” and “People and Organisation.” The majority of the services under consideration within this research fall under the “People and Organisation” category, specifically under health, safety and security, - security services; hospitality – help desk, catering, reception services, meeting organisation; and logistics - internal mail and courier services, reprographic systems, copying and printing.

Diagrammatically BS EN 15221:1-2006 is represented as follows.

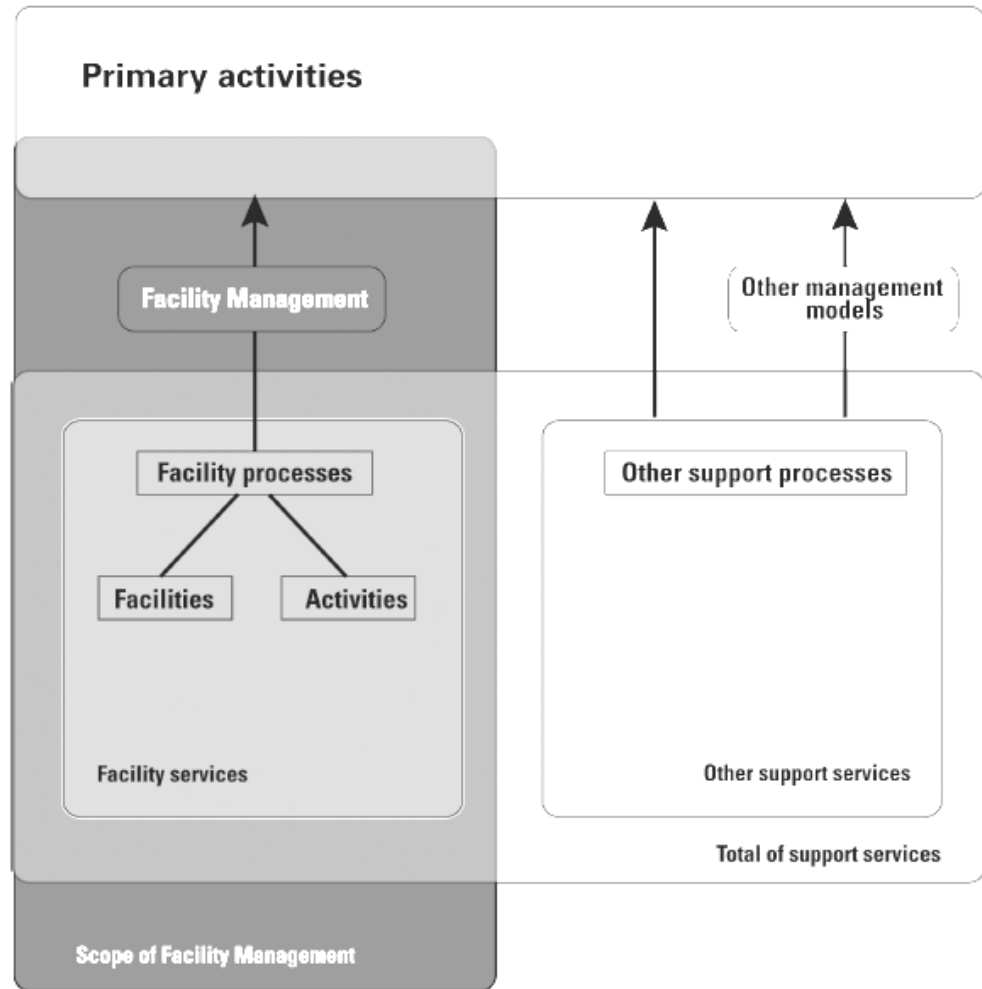


Figure 2.3-1: Facility Management – BS EN 15221:1-2006

Although there is some variation around which FM services found within different organisations, more typical functions includes reception/telephony, post room, portorage, catering, security and information and communications technology (ICT) services, building maintenance and accommodation planning, amongst others (BIFM 2006, Chotipanich 2004 2004, Wagenberg 2003).

The organisational profile of such support services has changed over time, from being seen as 'Cinderella services' to playing a significant role in supporting the core business. As a result, performance management of soft FM services should seek to ensure there are no discernible negatives within the service provision, which, could result in disadvantaging the core service provision. Furthermore, as soft FM services comprise a significant organisational overhead and given the

on-going demands to demonstrate accountability with regard to the deployment of financial and human resources, and to balance stakeholder and organisational needs, a robust and objective method of measuring and assessing their performance would expedite this process.

A potentially complicating factor when managing the performance of soft FM services is that the diversity of functions that fall under the facilities and support services umbrella tend to be packaged differently within different organisations. This reduces the prospects for a coherent definition of what comprises a soft FM service and what does not, even within the same sector, and can reduce the potential for valid comparison of services across organisations. However, such flexibility can also be beneficial in allowing the overall service package to be configured in a manner that suits organisational requirements rather in a rigid structure which fits a standard service definition. Information and communications technology services provide one example of such differentiation. Sometimes these services are included under the scope of FM and at others form a separate service provision. Such differentiation also enables services to be grouped and managed according to shared key characteristics and capabilities, which can allow resources to be shared and may facilitate the performance measurement and management process. The potential for differentiation aligns the management of these services within the resource-based framework.

This research examines whether services may be differentiated or integrated based on their key characteristics, and what is if any benefits this can provide in terms of the resources employed in developing and providing service capabilities and competencies, and a service base, which maximises support to the core business.

Specifically within the public sector context, performance management is a significant part of the government's reform agenda, and therefore it will likely play a key role in the management of facilities services in this sector. Specifically, the overall objectives of performance management within this , context have been highlighted by Bruijn (2007) and Moullin (2004) as a means of achieving

- " rationalisation, in terms of size, cost and functions;
- the introduction of more effective systems of financial accountability;
- greater transparency in the operation of these public institutions;

- the upgrading of the skills base of the sector and the modernisation of its functional principles, procedures and systems” (McAdam, Hazlett et al. 2005) p258.

Barrett (Barrett and Baldry 2003) divides FM services into 3 main areas; premises services, office services, and central services, within organisations such as within local authorities, see Table 2.3-1 below.

Table 2.3-1 Table Detailing Split of FM Services into Main Category Areas (Barrett and Baldry 2003) p 19

Premises	Office Services	Central Services
Building maintenance	Mailing	Catering
Decoration works	Stationery	Room booking
Building sub-contractors	Photocopying	Insurance
Telecommunications	Vehicles	Archival
Security	Printing	
Porterage		
Safety		
Cleaning		

These categories focus on the support of the asset, ie the premises services, the generic office services that all building users will like use and/or experience, and which historically can be classified as office services, and finally services that are provided to all users as a central function. When considering the functions under review within this research it can be seen that the harder FM services tend to fall under the premises category with the soft FM services being encompassed within the other two categories.

2.3.3 Employment Characteristics within FM

This sector has grown over the past decade. The UK market for FM contracts is estimated to be between £10 billion and £173 billion. Procurement has become increasingly regulated and subject to European Union rules, with greater emphasis placed on the need to meet best value criteria. There is a lack of a clear definition of the role of FM, which makes the creation of career pathways and qualification structures difficult and impacts on the recognition of FM as having full, professional status.

There is a need for both technical and hard skills and for the softer skills such as people management and customer service skills. Furthermore, the desire for

more commercial, business-orientated skills is being driven by a number of factors, including increasing competition and changing client requirements.

2.3.4 Facilities Management in the Public Sector

A review of the literature determined that in relation to the role and structure of FM in the public sector, the existing body of literature is limited. Academic papers and books that were available tended to focus on management of the physical asset rather than the soft services relating to its management. Findings were similar for performance assessment of FM services

Lindholm's (Lindholm 2005) paper highlights a number of key differences between private and public organisation which may influence their views and treatment of their building assets. Firstly that commercial business leaders are driven by profit motives, government leaders by the desire to be re-elected; business get their funding from customers and, as discussed in Section 2.2, for governments, their funding is in the main from taxpayers (Lindholm 2005). Businesses are driven by competition and may have a higher focus on return on investment than governments – although the latter is changing with public sector bodies being compelled to 'sweat their assets' in order to reduce and minimise costs. Lindholm also makes the point that public buildings need to add value to many different goals and policies, such as economy, culture, protecting the environment and employment and therefore have a weight on the political strategy and political risks. They have a range of stakeholders that corporate bodies do not share, including committees, special interest groups, general public, etc. Finally, public bodies have a conflicting interest in needing to protect and keep the authority's assets secure whilst recognising their role as public buildings and therefore open to the community (Lindholm 2005). It follows that these factors will influence the FM service provision, in terms of both the hard services and managing the asset, but also the soft FM services that are provided. These will not only affect the way services are managed by also how their performance is assessed, in order to meet differing stakeholder requirements. Table 2.3-2 provides a summary of these differences.

In respect of ensuring that public sector organisations continue to meet changing

Table : 2.3-2: Summary of Differences Between the Private and Public Sectors

	Private Sector	Public Sector
Drivers	Profit motive, financial profits, competition	Social motive, social goals and policies, monopolies
Finance	From customer	From taxpayer
Primary stakeholders	Shareholders Board Employees Customers Suppliers Local community	Central, European and global government Special committees Officers Customers Suppliers Taxpayers Local electorate General public
Corporate objectives	Profit satisficing Survival Market share Image	Democratic and customer focussed delivery of public services Political advocacy Sustainability (local economic development and environmental sustainability)
Purchasing objectives	Cost reduction Quality improvement Innovation transfer Environmental management	Value for money/best value Local economic development Environmental improvements Profile promotion Cost reduction Quality improvements Innovation transfer
Purchasing legislative framework	Code of ethics Internal purchasing manuals EU directives (privatised	EU procurement legislation Domestic procurement legislation Standing orders, financial regulations Scheme of delegation Code of ethics Internal purchasing manuals

organisational objectives, Amaratunga and Baldry (2001) highlight the importance of FMs having a role at a strategic level. This will mean that in addition to the FM function providing organisational support at a technical and support service level, the FM can help identify and manage the impact that ownership and usage of assets has on the overall financial performance of the organisation, ensuring that these support the business objectives.

Amaratunga and Baldry go on to make the point that

'The facilities of a public sector organisation are one of its most valuable assets. It creates a first impression of the organisation, so is a key element in establishing its functions. A facilities strategy draws its aims

from the organisation's corporate plan, and establishes the facilities needs to achieve these aims'. (Amaratunga and Baldry 2001)

In addition to the physical asset, the provision of soft FM services, both those where there is a direct interface with customers, and in supporting the front line services, will likewise affect the first impressions of the organisation's stakeholders, and therefore form an important part of the overall facilities strategy.

Furthermore, given the financial and staffing resources associated with managing the asset and its associated support functions, and the need for public sector organisations to provide public accountability, the ability to demonstrate that the efficient and effective management of the physical assets and the associated supporting FM services, is paramount within the public sector. In this way performance assessment and management can provide an objective means of ensuring that the services are being provided, and resources utilised, in the manner in which is compatible with both the organisation's strategy and stakeholder expectations/requirements.

2.3.5 Facilities Management within Local Government

Unsurprisingly, the gap in the literature in respect of soft FM within the public sector is also evident within that on its role within local government. Furthermore, and unlike for other functions within the local authority setting, such as electoral registration and planning, there was no evidence of a generic structure for soft FM, as a function which supports the local authority in creating and maintaining the required impression of the organisation and ensuring that FM activities support the overall strategic objective of the organisation, in a resource effective manner (Amaratunga and Baldry 2001).

Within the government context, the element of FM given the highest priority for assessment is strategic asset management. Substantial guidance is provided and there is a statutory requirement to prepare asset management plans that are subject to regular external assessment (DETR 2000, ODPM 2003). Asset management also forms part of the Audit Commission's use of resources judgement, which assesses how an authority's financial management is integrated with strategy and corporate management to support a Council's priorities and deliver the community with 'value for money'. (Audit Commission 2006).

Given competition for resources, it is understandable that more prominence is placed on the services which have greater public interest and involvement, for example, housing, planning, education, social services, environmental services, etc and that it is these services which are included within an external assessment process. However, this can result in FM support services being given less prominence within this sector than it is given by other public services, for example the health service. (Lindholm 2004).

The performance indicators used within the Comprehensive Area Assessment cover what is judged the most important issues nationally, for example reducing crime and unemployment, improving health, social care, people's quality of life and children's education.

In respect of corporate services, the Public Audit Forum defines estates management performance indicators as 'those costs involved in managing and maintaining the administrative and operational buildings used by the organisation' (UK Public Sector Audit Agencies 2008) and during 2008/09 defined these as

- Revenue costs (occupancy, building operations and estates management costs)
- Capital expenditure
- Statutory compliance and accessibility
- Project management
- Space utilisation
- Environmental sustainability
- Functional suitability
- Flexibility
- Satisfaction of internal customers (with the above)

Interestingly, the soft facilities services which incorporate the majority of the services under review within this research, and which are given below, fell outside of this definition of the estate management function.

- Catering and foodservices
- Courier and external distribution services
- Grounds and gardens
- IT infrastructure / support
- Laundry and linen services
- Pest control
- Porterage

- Post room and internal distribution services
- Provision and maintenance of internal plants and flowers
- Public Car parking
- Reception services
- Sterilisation services
- Storage / furniture
- Telecommunications
- Vehicles and any transport costs
- Waste disposal

(UK Public Sector Audit Agencies 2008)

Whilst the list of estate management performance indicators provided by the Public Sector Audit Agencies (PSAA) is intended to reflect the cost of 'managing and maintaining' the asset, and whilst not all of the services listed within the soft services list may be provided within all organisations, their provision presents a significant cost to the organisation which is not taken into account, nor highlighted for management under the PSAA's definition. This may suggest either a lack of understanding of the nature of FM as a function, or an inability to determine meaningful performance indicators in respect of the more intangible soft services. This reinforces the deficit of information on measuring the performance of soft FM services within the literature as a whole.

The lack of information is also reflected in the lack of a body of literature providing specific service related guidance to soft FMs on how to use and embed performance assessment as part of their service management process, in order to deliver the key outcomes of accountability, value for money and customer satisfaction (see Section 2.6).

2.3.6 Summary

As a service, FM is concerned with the management of the asset. A significant market sector, it encompasses a broad range of services, which can be viewed in terms of those related to the management of the physical asset – the hard FM services, such as surveying, maintenance, etc, and the operational support services framework, which underpins these services, in providing overall housing and support to the core business functions.

In practical terms, FM involves the integration and coordination of an organisation's tangible assets and support services in order to sustain and enhance its primary functions. BS EN 15221:1 – 2006 recognises that the

grouping of such services provides a range of organisational synergies, in terms of their capacity to deliver a higher degree of integration and coordination of support services, dividing the services into two principal categories "Space & Infrastructure" and "People & Organisation." The majority of the services under consideration within this research fall under the "People & Organisation" category, specifically under health, safety and security, - security services; hospitality - help desk, catering, reception services, meeting organisation; and logistics - internal mail and courier services, reprographic systems, copying and printing. The differences in the context between the private and public sector, in respect of asset management was discussed, and the impact of these differences in both the role and performance of FM services in the public sector context recognised.

A review of the literature determined that in relation to the role and structure of FM in the public sector, the existing body of literature is limited. Academic papers and books that were available tended to focus on management of the physical asset rather than the soft services relating to its management. Findings were similar for performance assessment of FM services.

2.4 Services and Services Operations Management

2.4.1 Introduction

The previous section reviewed FM, its definition and role within the public sector and specifically local government. This section reviews the literature surrounding the nature and characteristics of services. To manage their service performance effectively, the FM will need to understand the inherent characteristics of the services within his/her remit and the associated opportunities and challenges that these present in terms of the service management process. To this end, this section will review the following areas,

- the service sector in context;
- the features which characterise services and their implications for managing the performance of services;
- the nature of support services;
- reviews the role of services within a public sector context;
- the split between front and back office services;
- the influence of the physical context in which the service is delivered – or servicescape; and
- the concept of supply and demand in relation to services.

2.4.2 Background and Context

In terms of general understanding of services, Hill (Hill 1999) considers that

'the idea of one unit acting for the benefit of another is inherent in the concept of a service as understood in both ordinary speech and economics' (Hill 1999) p441.

However, the definition of a service is complicated because the word 'service' means different things to different people, and can encompass a range of activities including customer care or complaints, logistics or internal services, such as FM, through to a mechanical checking process for a car. (Johnston and Clark 2008)

From an economics perspective the predominant view of services is

'.. all those economic activities in which the primary output is neither a product nor a construction' (Quinn and Gagnon 1986) p 95

and unlike for a product, the 'benefit' that is provided to the customer by the service, occurs without conferring rights of ownership of the output of the service, (Hill 1999), (Hope and Muhleman 1997).

Hill (1999) proposes that

'In contrast to a good, a service is not an entity that can exist independently of its producer or consumer and therefore should not be treated as if it is some special kind of good, namely an 'immaterial' one' (Hill 1999) p441.

In acknowledging the above, the management of services, or service operations management, therefore incorporates understanding the customer and developing processes required to translate their needs into the processes needed for service delivery, and going forward reviewing service processes for relevance, setting and monitoring objectives to determine their achievement. (Johnston and Clark 2008).

2.4.3 The Service Sector in Context

Over the last 90 years, society has seen a significant change in the role and economic profile of services, demonstrated by a shift from a largely manufacturing based society to one that is predominantly service based. (Fitzsimmons and Fitzsimmons 2010). Today services are viewed as an integral part of society and a sector in their own right rather than a peripheral 'add-on'.

In 2006, and including government services, the sector accounted for around 73% of the gross domestic product, and until more recently with the economic recession, service output rose at a fast rate than that of both the industrial sector and the agricultural sector.

Services are considered as the tertiary sector of an economy, with manufacturing (extractive – mining, agriculture, and fishing) and manufacturing (goods producing) identified as primary and secondary sectors respectively. Traditionally, economists see services as 'intangible goods' and a source of wealth consumption, rather than creation. Gallouj proposed that view of services being a tertiary activity has tended to result from the simultaneous characteristics of services (ie they cannot be stored), and that for many years services were associated with lower productivity and a lower skilled workforce (Gallouj 2002). Today, managerial and professional service based

occupations give lie to this and indeed on average a higher level of qualifications are needed for jobs in the service sector than in manufacturing. (Gallouj 2002). This trend is supported by the number of further and higher education courses that are service industry based (Gallouj 2002), (Tether and Metcalfe 2003).

The primary role of services is seen in transport and communications infrastructure; personal services (eg hairdressing, dentistry, repair and maintenance, etc); community-wide statutory services provided by the government (eg education, health care, well-maintained roads, clean air and public safety), (Fitzsimmons and Fitzsimmons 2010).

2.4.4 Service Characteristics

Services are considered to share a number of generic characteristics, to a greater or lesser degree namely, simultaneity of performance and delivery, perishability, intangibility, and heterogeneity. Such characteristics, and there is some overlap between them, add to the unique nature of services and provide specific management challenges/opportunities for their delivery. Each of these characteristics and their implications for service delivery and is considered below.

Intangibility

It is this uniquely intangible character of services, which, according to Tether and Metcalfe (Tether 2003) and Haksever et al. (Haksever, Render et al. 2000) is their most defining feature, and the characteristic that most clearly distinguishes them from manufacturing.

At its lowest level, intangibility is considered as the lack of a physical component, and this can cause problems both for the service manager and the customer who cannot see it, touch it, or judge its performance prior to purchase or use (Fitzsimmons and Fitzsimmons 2010).

Where the product forms only part of the overall package, (eg mailroom, print room and catering services) or where there is there is no product at all (eg switchboard services), the process can be harder to define, and the process and product are often seen as the same (Tether and Metcalfe 2003). The assessment of its performance and quality may therefore be less amenable to precise and easily quantifiable measures, ie it is mainly or totally intangible.

For services, which include a tangible element, for example the mailroom and print room, it is likely that the intangible component will be the element that differentiates and potentially enhances the customers experience in some way. Tether and Metcalfe refer to these elements as core and peripheral aspects of a service and align them to the form and function of a product. They further suggest that what is seen as the core of the service and the nature of the peripheral characteristics may vary between consumers of the service. (Tether and Metcalfe 2003).

The absence of a product, or good, as part of the process, introduces a subjective component into the customer's experience, perception and overall satisfaction with the service performance, which may affect their judgement of how the service should be provided against what is actually provided, and accordingly of its overall value for money (Johnston and Clark 2008).

Likewise, Van Looy et al. suggest that for intangible services, the quality of the service will be judged experience and credence, because the customer may not have the skills to judge the performance in its own right (Van Looy, Gemmel et al. 2003) For example, in soft FM services, judgements on surveying and IT support, and some aspects of catering.

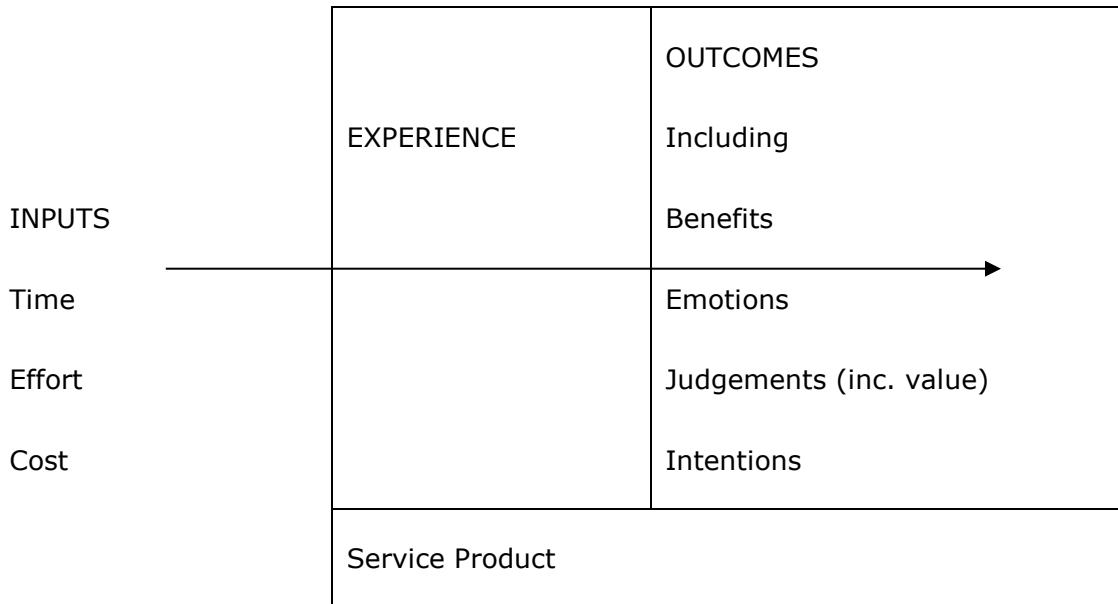
It is therefore important to manage the intangible aspects of a service in a way that is focussed on both the physical experience and the customer's perception, or as Lovelock suggests that targets the customer's body and mind (Lovelock 1983). Johnston and Clark (2008) support this idea in suggesting that when going to a meal for a restaurant, customers are looking for a 'great evening out'; ie the customer is buying a concept that is potentially much greater than what is being offered by the organisation.

This means that in managing, for example, a catering services consideration will not only need to be given to the nutritional value of the food but also the intangible elements of the service provision, namely the ambience and décor of the facility, presentation of food and the interpersonal skills of the staff, etc ie the servicescape (Bitner 1992). Whilst defining and setting performance criteria for an intangible element of the service is one of the most challenging aspects of soft service performance measurement, given the potential impact of intangible elements on the overall customer experience, it is likely to prove too important to ignore, and indeed can be used to provide 'competitive advantage'.

Diagrammatically, Johnston and Clark (2008) represent service as combination of the experience and outputs, ie a service package, whereby

Figure 2.4-1: The Service Package (Johnston and Clark 2008) p7

$$\text{Service} = \text{experience} + \text{outcome}$$



The soft FM services under evaluation within this research are examples of services, which cross the 'tangibility' spectrum, ie those services that have a tangible or facilitating product to those with no facilitating product. (Zeithaml and Bitner 2000). For example, the print room and post room are predominantly based on a tangible (or facilitating) product, other services such as catering and caretaking provide a mix of tangible and intangible elements, and finally through to services that just provide an intangible output, such as the switchboard and IT support, with no facilitating product. To achieve customer satisfaction, the manager needs to understand and balance this differing focus in managing the services and their performance. The variation is represented diagrammatically in Figure 2.4.2, which also highlights the facilitating product in each case.

Figure 2.4-2: Position of FM Services across the Tangibility Continuum.

	Tangible	Intangible	Facilitating Product	
			Physical Product	Service Product
Administration	←→		Administrative tasks, filing	
Caretaking (incorporating security)	←→		Parcel Delivery, Room Set up, Security	Advising visitors to building eg directions
Catering	←→		Food and beverages prepared,	Advice on products and service
Cleaning	←→		Area cleaned, bins emptied	
IT Support (Helpdesk)		←→		Queries reported and resolved
Hospitality Service	←→		Food and beverages	Advice on products and services
Landscaping & landscape maintenance	←→		Grass cut, grounds weeded	
Post Room	←→		Post sorted and delivered	Advice given methods and rates of postage
Porterage	←→		Parcels delivered	
Printing/Reprographics	←→		Items produced,	Advice on artwork and printing
Reception		←→		Information, advice and guidance
Room Booking		←→		Details of requirements taken and processed, booking made
Surveying (technical advice)		←→		Advisory role on repairs, and works
Telephonist (Switchboard)		←→		Answering/transferring calls,

Simultaneity

A service is generally viewed as a 'real time' activity with the customer being physically present (for example a reception services) at the time the service is produced. Although the degree of customer involvement may vary between services, the contact between the service personnel and the customer makes the human element of service delivery crucial.

Customer participation also means the customer must be 'trained' to ensure that they play the appropriate role within the service delivery process. Failure to set this requirement can lead to a customer being dissatisfied with the outcome of the service, for example if a customer is expecting to have a table cleared in largely self-clearing restaurant they may rate the overall experience lower than someone who knows 'their role' (Van Looy, Gemmel et al. 2003).

Customer presence can also present a challenge in respect of service errors. Unlike in manufacturing where the opportunity to rectify an error prior to the customer becoming aware of it is higher; in services where service production and delivery is simultaneous it is almost certain that if an error is made the customer is immediately aware of this and the service issue then becomes one of service recovery (Van Looy, Gemmel et al. 2003, Johnston and Clark 2008). For example, if a switchboard operator misdirects a telephone call, it will (potentially) be immediately obvious to the customer. In terms of service management, such errors present both a direct and indirect cost to the organisation. A direct cost in terms of rework – where this possible – and an indirect cost in terms of potential loss of reputation (Seddon 2008).

Acknowledging the level of customer involvement, there are elements of some services that may occur without the customer present. For example, print room, mail delivery, and cleaning services. Furthermore, technology has led to a further extension of this concept and enables the production of a service via an intermediary, such as a telephone or computer network rather than the customer and service provider being face to face, for example with switchboard and call centre type services, IT help desk services, etc. (Tether and Metcalfe 2003, Fitzsimmons and Fitzsimmons 2010).

Multiple customers can challenge service management, as the behaviour of other customers may influence the way that the service is received and/or delivered. For example, if one customer delays the delivery of the post, it will affect all other customers after that point. Whilst making allowance for the

presence of other customers in service design it is obviously difficult to 'design out' other customer influences when designing a service package, as their behaviour is an unknown.

The concept of simultaneity gives rise to what is commonly known as a 'moment of truth' in the service delivery, which is the moment in time when the service provider and customer are 'face to face' (even if via an intermediary such as a telephone) and the success or otherwise of the service encounter is realised. It is therefore important to ensure that such interactions are defined and managed to ensure that as far as possible a successful outcome is achieved (Schmenner 1995).

Conversely, simultaneity provides a wider scope for customisation, dependent upon

'the extent to which the characteristics of the service and its delivery system lend themselves to customisation; the second relates to how much judgement the customer contact personnel are able to exercise in defining the nature of the service received by the customer' (Lovelock 1983) p15.

However, customisation is not necessarily important to success. Levitt (Levitt 1972) has highlighted that speed, consistency and price savings may be more important to many customers than customised service. In some services, the service experience is shared with many other users such as performing arts, etc. In other instances, the customer expects to share the service facilities with other users such as hotels or airlines. However, customers still like some individual recognition and personal treatment eg allowing customers to book specific rooms, have room service, etc. such things being provided as a way of creating an impression of customisation, the added intangibles to the service that make a difference but are not the core of the service.

Perishability

Goods have an autonomous physical existence (Gallouj and Weinstein 1997) and the fact that the service is delivered by the service provider to the customer at a given time and cannot be stored until later, gives rise to the third service characteristic, namely perishability (Fitzsimmons and Fitzsimmons 2010).

Perishability like simultaneity can affect customer perception (Haksever, Render et al. 2000). For example, a call to the switchboard – the transaction takes place and it is finished, a room booking is taken the hospitality service used and the booking is finished. Therefore, if an organisation wants to ensure that its customers receive a positive impression of the service, and the organisation it must define and manage its services accordingly to ensure that the correct impression is received every time.

In recognising the perishable nature of services, it is acknowledged that consumer demand for services tends to be cyclic in nature over short periods of time and that there is considerable variation in demand between the peaks and troughs. Therefore in order to minimise the challenges and impact presented that perishability presents, service managers must determine ways of smoothing demand, adjusting the capacity by using temporary staff, etc, or allow customers to queue for service (Fitzsimmons and Fitzsimmons 2010).

Heterogeneity

The 'human factor' in services is the main cause of heterogeneity or variability in services.

Customers, service providers and the moment of interaction all present a possibility for variation. However well a service is defined the fact that people are involved in its delivery and consumption means that there will be variation and that the variations may well be attributable to things that the service manager cannot control. For example, the service provider or customer may be in a bad mood, there may be a queue for the service, etc (Van Looy, Gemmel et al. 2003). Furthermore, the differing perceptions of the customer and the difference in service personnel is likely to mean that even if the same person provides the service on a daily basis there will undoubtedly be some variation in their service performance and this makes standardisation of services extremely difficult (Haksever, Render et al. 2000).

With the scope of soft FM services, the switchboard services provide a clear example of this concept. Such variability may also be a result of an inexperienced or inadequately trained member of staff serving the customer and being less able to assess and manage the requirement. Thus, selection and training are crucial to ensure that service personnel can manage an interaction in a way that meets organisational requirements whilst not dissatisfying the customer.

To reduce the impact of heterogeneity the service manager must be aware of the points of interaction within a service, and manage the 'moment of interaction' or 'truth'. However, standardisation reduces the potential for customisation. This is commonly seen in fast food restaurants and call centres where high volumes of customers are found. It may also be the most practicable option where resources are restricted, as in the public sector and have to be maximised (Haksever, Render et al. 2000).

2.4.5 Services within the Public Sector

This research considers service provision within a public sector context, and there are a number of characteristics which differentiate them from private sector services and may influence service management within this context (Johnston and Clark 2008).

For example, although public sector services are provided for the benefit of their local community, those that use them do not necessarily think highly of the services nor that their provision is justified. Public sector services have many stakeholders and customers, and individually service recipients may not have chance to influence service provision. Local authorities have a duty to provide services in an equitable way so as not to disadvantage groups within society and as a result, Council members (Councillors) and service managers may have greater influence on service provision, which are driven by political rather than economic (profit) objectives.

Public sector services have become facilitators of change within society (Laing 2003) and this has resulted in the need for public sector service providers to examine how service providers can create and deliver effective service provision and market the services in a manner which recognises the complexity of its stakeholder relationships (Laing 2003). Furthermore, it is essential that service managers have a clear understanding of the processes required to provide services, which whilst benefitting individual service users also service the common good.

The fundamental characteristics of services complicate their management and can be exacerbated when customers have reduced or no choice over the service provider. This is primarily the case with public sector services and presents service managers with the added challenge of providing services that people may not want to use, even though they may need to, for example, hospitals for medical treatment, local authorities for planning, council tax, etc.

The purpose of such services is to provide the 'best outcome' for its customers, which sometimes may only be evident in the longer term. The lack of choice of service may require an extra effort to be made to demonstrate that the service provider does care about the views of the service user even though there is not necessarily the choice of service providers. To this end, it will be necessary to define and manage a service to ensure that its customers/service users perceive service provision to be at least acceptable.

2.4.6 Support Services

In addition to direct provision to customers, for some services other functions/ departments within the organisation are the primary customer, with the second service playing a facilitating or supporting role to the core function, front line service operations, employees, consumers/customers, etc. Soft FM services are a good example of such a secondary or support services, and whilst non-core business functions in their own right, they provide essential support to the core business functions.

Within an organisation, the supporting nature of these services may result in their receiving less focus than the core business function, even though they may form interface points between the customer and the organisation (for example switchboard, reception, security) and as a result have the potential to significantly influence a customer's overall perception of the whole organisation. It is therefore crucial that the performance of these services is managed to ensure that they are provided in a manner that is resource efficient, balances customer and organisational expectations, (at least) does not dissatisfy customers, and is consistent with the wider corporate strategy and organisational style.

A key factor in providing high quality internal, or support services, is that everyone in the organisation recognises the importance of these services and treats their internal customers, the service provision, and need to improve the quality of such services with the same importance that is placed on providing a service to external customers. Johnston and Clarke note this within their internal service rule specifically:

'the importance of internal service provision: the level of external customer service will never exceed the level of internal customer service' (Johnston and Clark 2008) p20.

Furthermore, with their unique understanding of the organisational strategies, constraints and opportunities of their customers, and indeed of their customers themselves, internal service providers, such as FMs, are in a unique position to

“tailor their offerings to the changing business needs in a way that external providers cannot” (Johnston and Clark 2008) p20

and to exploit this knowledge in order to provide at least as good ‘value for money’ as an external alternative, and assist the FM in

“Gaining acceptance from internal customers” (Johnston and Clark 2008) p20

given that

“Centrally funded services are frequently viewed with suspicion by local operating units and may not receive the co-operation required to carry out their tasks effectively.” (Johnston and Clark 2008) p20

2.4.7 The Service Split – Front of House and Back Office

Within the overall service package some activities are performed in front of the customer whilst other parts of the service may be performed behind the scenes or in the ‘back office’ environment.

In contrast the part of the organisation where staff are in direct contact with the customer tends to be known as the front office or front of house and is where the customer experiences the service (Gallouj 2002).

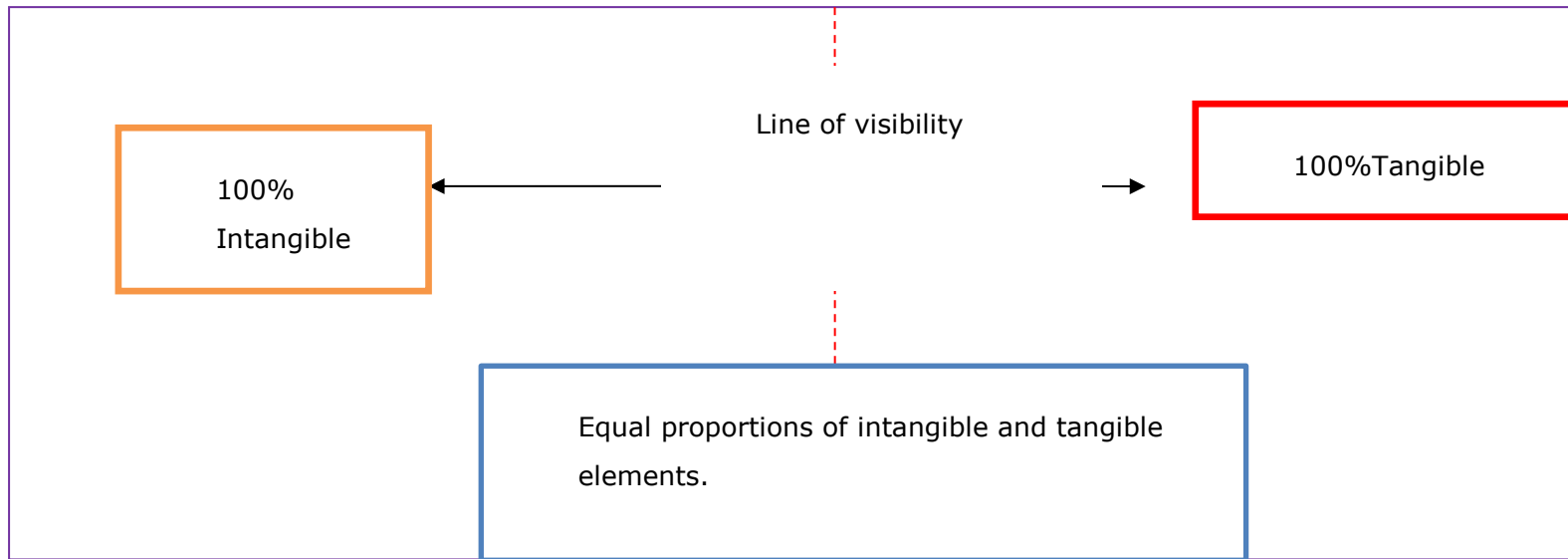
Across the soft FM service portfolio the percentage of the service provided back office versus the front office element ranges from completely back office to completely front of house. Furthermore, whilst for some services there will be a clear distinction between the front and back office elements of the service, for example the mail room and print room services, for other functions the separate elements will be less clearly defined, for example a catering service. The degree of direct customer interface, along with other characteristics of the service, will affect the service performance indicators and, potentially, the performance assessment technique selected as part of the service management process.

The back office services or elements of service provision are (largely) invisible to the customer and are largely unaffected by the customer being present (Johnston and Clark 2008). It is this element of the service which enables organisation to 'add value' to the service behind the scenes. For example, the mail room service provides a good example of a back office service where the front office customer experience is minimal and 'value' can be added to the service via the back office processes (Johnston and Clark 2008). The value added for the customer is that they receive their mail sorted, rather than sorting through a mail sack to find their own mail and their outgoing mail is passed to the mail room for processing and forwarding, rather than the customer having to be concerned with identifying the correct postage rate, etc.

In comparison with the back office services, the 'front of house' aspect of the services comprises the interface between the organisation and the customer or user, and is the part of the service of which the customers have a direct experience (either face to face or by telephone) and which may be highly visible (Johnston and Clark 2008). In these services, the extent of value added to the service will depend on many intangible factors associated with the service, eg knowledge and experience of the receptionist, friendly and helpful manner, etc.

The split between the front of house and back office services is sometimes known as the 'line of visibility'. If all services are considered on a continuum of completely front of house (totally intangible) to totally back office (tangible) with those nearer the midline having the greatest the mix of tangible and intangible elements. This is diagrammatically, represented in Figure 2.4-3 below. It is important for the FM recognises the position of each of the services managed along this tangibility continuum and the implications it presents for managing the service. Specifically, given that the back office activities take place out of view of the customer, the FM will be more readily able to define, monitor, and control in an effort to maximise service performance and customer satisfaction. Whilst this is possible for front of house services, as previously explained, the presence of the customer can complicate the performance assessment process.

Figure 2.4-3: The Intangibility Continuum and the Line of Visibility



2.4.8 Service Delivery for Internal Customers

A key aspect of the FM service provision is that in addition to supporting front line services, it services both internal and external customers. Within an organisation, this part of the service chain provides an interconnection across the activities that deliver the service to the customer. An important point made in Accounts Commission for Scotland paper (1999 p 15) is that

'the chain will only be as strong as its weakest link and the service received by the external customers will be inadequate if internal customer service is not delivered'.

Anyone within the organisation who is supplied with a service or a product by someone else in the organisation is considered to be an internal customer, and their satisfaction is important for the overall success of the organisation, (Nagel and Cilliers 1990), (Gremler, Bitner et al. 1995). It is suggested by Gremler, Bitner et al. (1995) that the criteria, which are valid for external customers, in terms of the customer satisfaction, will be equally valid in respect of their effect on customer satisfaction for internal customers. Zeithaml, et al. highlight the importance of internal customers and of considering their requirements in terms of service delivery. They suggest that employees should be viewed as internal customers, and these needs should be addressed in the context of the organisation's needs (Zeithaml, Parasuraman et al. 1990)

Given the support to the front line provided by FM services, the concept of delivering a 'service product' to an internal customer is critical with respect to the FM services being considered as part of this research, and indeed for the wider FM service portfolio. Furthermore, whilst much of the services literature focuses on providing external customers with quality services, Grönroos argues that

"a distinct service-oriented culture is needed that tells employees how to respond to new, unforeseen, and even awkward situations" (Gronroos 1990) p7.

and, although as Gremler, Bitner (Gremler, Bitner et al. 1995) point out, managers tend to focus on external customers in respect of service quality, a service oriented culture is also needed to serve internal customers. Specifically highlighting that a

"A strong service-oriented culture creates an environment where internal customer needs – which 'cannot always be standardized or predicted – are met, even if that means adapting or modifying the internal service offering. The service culture of many organizations might be quite different if the creed "the customer is always right" was also applied to internal customers" (Gremler, Bitner et al. 1995) p33.

In fact, Rosenbluth and Peters argue that the needs of the customer are second to employee needs, because customer needs will be satisfactorily met only when employee needs are being satisfactorily met (Rosenbluth and Peters 1992).

2.4.9 Summary

This section of the literature review evaluated the nature, role, and importance of services within an organisation. Specific focus has been given its implications for the delivery and management of soft FM services. The evaluation has focussed on the following areas.

- the nature and characteristics of services, such as how services are defined; the nature of FM services; services in a public sector context; the influence of the physical context in which the service is delivered - or servicescape - and the concept of supply and demand in relation to services
- services 'lie at the hub of economic activity in any society' fulfilling a primary role in respect of a transport and communications infrastructure; personal services (Fitzsimmons and Fitzsimmons 2010). This research focusses on soft FM services provided within a local authority (government) context.
- services are considered to share a number of generic characteristics, to a greater or lesser degree namely, simultaneity of performance and delivery, perishability, intangibility, and heterogeneity. Such characteristics, and there is some overlap between them, add to the unique nature of services and provide specific management challenges/opportunities for their delivery.
- it is the intangible nature of services, ie the lack of a physical component, which according to Tether and Metcalfe (Tether 2003), and Haksever et al (Haksever, Render et al. 2000) is their most defining feature. It is this nature which can cause problems both for the FM and the customer who cannot see it, touch it, or judge its

performance prior to purchase or use (Fitzsimmons and Fitzsimmons 2010).

- therefore, defining and setting performance criteria for an intangible element of the service is one of the most challenging aspects of soft service performance measurement, given the potential impact of intangible elements on the overall customer experience. It is therefore crucial that such elements are not ignored.
- to effectively manage a service there needs to be a clear understanding of the customer requirements and the processes that comprise the service, to enable the service manager to ensure that the organisation has the appropriate mix of 'processes, control systems and people skills in order to compete and or continue into the future' (Johnston and Clark 2008).
- soft FM services are a good example of such a secondary or support services within many public and private sector organisations where although a non-core business functions in their own right, they provide essential support to the core business functions
- given that the majority of the soft FM services are provided to internal customers, a key factor in providing high quality internal, or support services, is that everyone in the organisation recognises their importance is equal to that of services provided to external customers. Johnston and Clarke (2008) suggest that the level of service that is provided to the external customer will never be higher the level that is provided to its internal customers (Johnston and Clark 2008).
- the provision of services can be either front of house or back office in nature. Within front of house services, such as main reception, the customer experience is substantial, the customer is involved in the process and therefore subject to the unpredictability of both the customer and, to a lesser extent, the service provider. Whereas back office operations contain processes carried out remotely from the customer/user interface even though these may play a significant part of the overall service delivery to the customer. The back office services or elements of service provision are (largely) invisible to the customer. The soft FM services evaluated within this research encompass both front of house and back office services.
- an additional challenge within service management is the ability to manage supply and demand (Haksever, Render et al. 2000). Services

by their very nature cannot be stored and therefore the capacity of services has little or no flexibility, and its provision is affected by the physical availability of its associated resources.

- in managing FM services, it is important to ensure that the required performance targets, balancing service delivery, quality of service and resource productivity are achieved (Johnston and Clark 2008). Johnston and Clark(2008) outline the challenge of immediacy in terms of meeting the 'constant challenge of dealing with the needs of a stream of customers, making operational decisions to ensure the delivery of an appropriate quality of service at appropriate cost' (Johnston and Clark 2008) p16.

2.5 Customers and Their Experiences

2.5.1 Introduction

Having reviewed services, how they are defined and their characteristics, this section reviews the literature surrounding the users, or customers of these services and their experience and perception of service performance, and management of these expectations.

Specifically consideration is given to service encounters, ie the interaction between customers and the service provider, and the ways in which these encounters may be provided, ie primary or secondary, and active or passive encounters.

- How services are specified to meet customer expectations and the importance of managing expectations in order to achieve customer satisfaction
- Perceptions of service quality
- The reasons for gaps in customers' perception and expectation of service and their potential to influence customer satisfaction;
- The importance and implications of serving internal customers, with particular reference the FM service provision
- Service failure, its causes, and implications

It reviews these concepts in the context of the FM services under review within the research.

2.5.2 Service Encounters

The interaction between the service provider and the customer, is referred to as a service encounter (Clutterbuck, Clark et al. 1993). There are a variety of ways in which a service encounters can occur, for example face to face, via intermediary piece of equipment such as a telephone or more passively via the media, etc. Clutterbuck, Clark, et al. (1993) have identified these categories as follows.

- Active primary encounters where the service provider interacts with the customer either face to face, on the telephone or by mail.
- Primary passive encounters, where the customers observe the service provider or example by walking around a retail store or simply seeing clearly defined buildings or equipment belonging to the service business.

Liveried vans and uniforms are important in this context, especially for emergency services.

- Secondary encounters, which include all other encounters, for example, talking to a friend who works for the company or a chance meeting with someone who has been a customer.

The above definitions are relatively simplistic, limited in their scope – for example, technological advances now includes email, and text messaging, secondary encounters include the influence of the media, and the internet, etc. Such encounters, between customer and organisation will be the point of the 'moment of truth' when the customer gains either a positive or a negative experience of the organisation, based in part, on how the encounter is managed by the organisation.

Whatever the nature of the service encounter it is crucial for a service manager to recognise the opportunity for, and nature of, customer interactions within the process, and manage these to ensure that the encounter proves (at least) satisfactory for the customer and the organisation. In order to do this, as part of an on-going service performance management programme it will be necessary to quantify the service encounter, including defining the service, studying and refining the service process and selecting and training staff to provide a service encounter that will meet or exceed the customer's expectations.

The success or failure of each service encounter the customer has with an organisation will in part determine whether the overall experience the customer has within the organisation is positive. For example, the first encounter many people have when visiting an organisation is with the reception. If the encounter is mismanaged, the customer could perceive the organisation as uncaring, badly organised, and disjointed. The importance of such an encounter is that once an impression is formed it may be hard to change. Furthermore, any one impression the customer receives may subsequently colour all other encounters they have with that organisation. The implications for facilities services in this respect is clear and reflects the importance to the overall organisation of correctly and carefully specifying and managing facilities services, and ensuring good co-ordination of facilities and other services in order to maximise the overall impression and service that is provided to the customer.

From the organisation's viewpoint the concept it tries to develop and implement is one that is perceived as satisfactory by a (Heskett, Jones et al. 1994). In

defining the organisation's service concept it is important that the company does not make the judgement of what it thinks the customer wants actually being what the customer wants without assessing the customer's needs and requirements (Johnston and Clark 2001, Johnston and Clark 2008)

Haksever et al. (2000) re-emphasise this point in saying that

'Probably the most important thing for managers to remember is that for a customer in a service encounter, whatever or whomever she is in contact with, she perceives it/him as the organisation. In other words, when a customer is treated badly by an employee, the customer does not think that he encountered a rude person working for the company, but he thinks he is dealing with a rude company. When a customer sits in a waiting area that is not kept clean, she sees a dirty company, not a failed custodial service.'

Therefore, whilst FM may not be part of the organisation's core business, and provide a significant overhead cost, given their customer interface points, their potential impact on overall customer perception of the wider organisation is significant. Examples of FM/customer interface points are reception/switchboard, - often the first point of contact with an organisation. This can mean that contact with facilities services may influence the way other services are subsequently perceived by the customer

- long response times at switchboard, and a brusque and unhelpful operator.
- room booking administration and its interface with room set up and hospitality.
- overall cleanliness of the facility.
- mail processing and the effect on communications.

Recognising and managing these interactions will be an integral part of the organisation's overall strategy for managing its customers' perception, which presents the service manager with a challenge in terms of defining the scope of the service so that both the customer and service provider knows what to expect from the encounter (Czepiel 1985). It is therefore essential to carefully define and manage the interaction points, at the customer/organisation interface.

An important element of service quality management is to control the inputs in to the service. Haksever et al. (2000) identify four elements of the service

encounter namely the customer, service provider, delivery system, and physical evidence. Whilst the control the organisation has over these elements may vary, the area where the organisation has the least control is its customers. For example,

- the encounter does not require prior acquaintance with the organisation and therefore how the customer will react and what they will expect from the service encounter is an unknown.
- the length of the relationship with the organisation is also variable in nature and duration.

It is evident that careful selection and training of the service personnel can facilitate management of the service encounter in this way. Some organisations may be able to select customers. However, in the public sector where customer selection is not always possible this may prove difficult. .

2.5.3 Perceptions and Service Gaps

At times, there may be a mismatch between customer's expectations of the service and its delivery, resulting from a gap between the expectation and delivery or the delivery and perception. This can be the result of the manager misunderstanding the customer's requirements and not setting the appropriate service specification, and therefore the service does not meet the customer's requirements. Zeithaml et al. call this the service performance gap. The higher the interactivity between service providers and customers, the more vulnerable they are to the gap because of the opportunity for mistakes and misunderstandings during interactions. (Zeithaml, Parasuraman et al. 1990). Within the public sector, gaps may result from actual resources and perception of what should be provided at a particular resource level.

Both concepts may influence the overall service perception, namely the service outcomes and the service experience as detailed below.

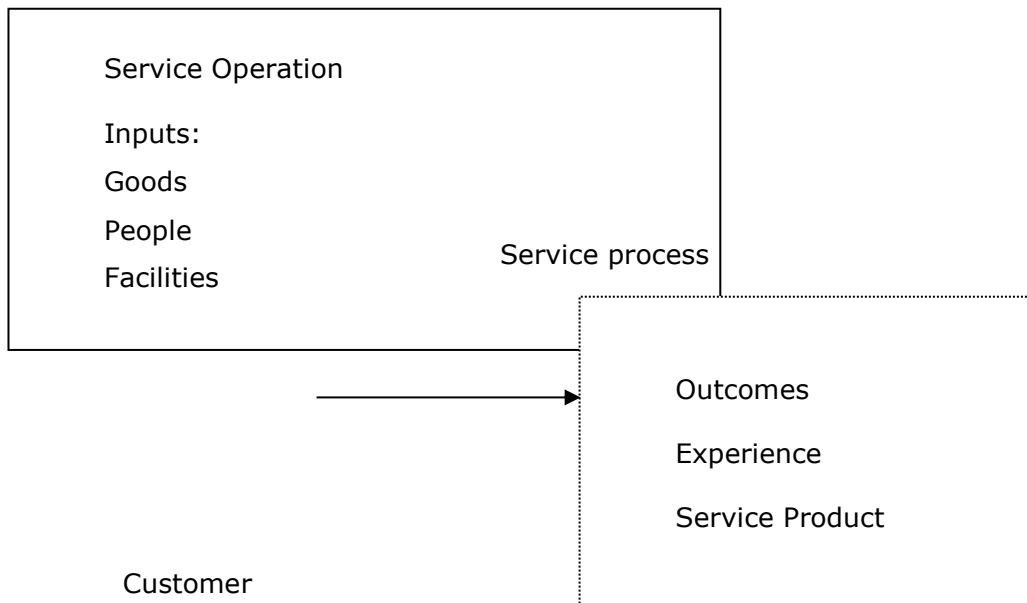


Figure 2.5-1: The customer and operational perspective From (Johnston and Clark 2001) (Silvestro Rhian 1992, Johnston and Clark 2001)

In evaluating service provision, it will be important to determine customer expectations of the service and to this end, how the question is asked may influence the answer. It is likely that asking 'what would you like?' will give a different answer to 'what should be provided?' and again a different response to 'what would be acceptable?' (Johnston and Clark 2008). The resources available to provide the service and the nature of the organisation itself will likely influence the question itself. If resources are less of an issue then 'what would you like?' may be an acceptable question. However, in public services where the competition for resources is high, and support service provision less of a priority to ask customers the same question may lead to raising false expectations that it is impossible to meet. To this end, it is more realistic to determine 'what would be acceptable?', even if the decision is then taken to set the service level slightly above this. An important part of service specification is to determine where dissatisfaction 'kicks in' so that, where possible this level of service can be avoided.

With respect to bands of expectation a zone of tolerance is defined which ranges between the desired and minimum acceptable standards where, as shown in Figure 2.5-2 below, customers can either be 'delighted', 'satisfied' or 'dissatisfied' (Johnston and Clark 2008).

Such zones are important as it is within the 'zone of tolerance' that customers may accept variation within a range of performance and any increase or decrease within this area will only have a marginal effect on perception. Therefore, in defining a service if possible important to ensure that it falls within this zone - so that the maximum satisficing of customer expectation of the service is achieved.

It follows that the implications where resources are constrained, such as FM services within the public sector, is evident. The key will be to ensure maximisation of resources allocated to front line services, whilst balancing this against the knowledge that a poor impression given by, say, a switchboard service may influence the customer's overall perception of the organisation.

Accordingly, in designing services it is important to understand customer expectations. The customer's 'zone of tolerance', illustrated in Figure 2.5-2 below, is defined as the area of service that is acceptable to the customer, at the lower edge of the zone of tolerance there is a risk of the service being perceived as intolerable at up the upper border more than acceptable. Johnston and Clark (2001) suggest that the key is for managers to keep their service performance within the zone of tolerance if they are to ensure that their customers are at least satisfied; delighting a customer may lead to pleasant surprise, or a perception of wasteful allocation of resources.

In respect of performance assessment techniques, the zone of tolerance, is a similar concept to that of the control charts (Johnston and Clark 2008) produced using statistical process control. In the context of soft FM services this can assist the FM in the management services such as switchboard, reception, etc, by measuring the time to process calls or visitors, and whether these fall within the tolerance zone, for example number of calls answered within 30 seconds or five rings of the telephone, etc.

Figure 2.5-2: The Zone of Tolerance

Managing Perceptions of Service

		+5	
More than acceptable			Delighted
Acceptable	Zone of tolerance	- 0	Satisfied
Unacceptable			Dissatisfied
		-5	

(Johnston and Clark 2008) p115

2.5.4 Supply and Demand in Services

An additional challenge within service management is the ability to manage supply and demand, which differs from the management of products in a number of significant ways namely (Haksever, Render et al. 2000)

The capacity of services has little or no flexibility can be affected by physical availability of a resource. As a result, even if the service provider wants to meet the service requirement, this may not be possible. For example, if a customer wants a room for a meeting and there is none available, it is not possible to add another room to meet the request. Obviously, in some circumstances extra capacity can be gained, for example by staff working overtime, etc but this is not possible in every case. For example,

- Demands for a service tend to be unpredictable because people tend to use services on a spur of the moment decision rather than having a longer-term plan for its use.
- Services take place in a set location – whereas goods can be shipped between different units, people may be unable or unwilling to do so. (Haksever, Render et al. 2000)
- With respect to supply issues and services, capacity will be influenced by the skills of staff available to provide service – not all skills can be bought in at short notice. Whilst it may be

possible to smooth demand peaks by cross training employees, bringing in temporary workers, etc, this may have implications for the overall quality of the service provided if processes are not clearly defined and easy to follow, standards set, staff trained and the service is sufficiently predictable to make such arrangements practicable, etc.

- In order to help meet supply it may be possible to automate a part of the service or make the customer part of the service provision. Examples of this are seen within self-serve and self-clear at a restaurant.
- Some tasks can be outsourced for example where the service provides a degree of expertise, it may be more economically inefficient to purchase as required. For example, specialist surveying tasks, or for services such as cleaning and catering which fall outside of the core business, and for which there are many external providers.
- Service hours may also be increased but this will depend on whether this is to meet a specific peak rather than perhaps a sustained change in service requirement, which will require a wider review of services processes, and whether the resources are available to do so.
- Vary the time the service is provided or provide more equipment if appropriate. Challenge for managers is whether to shift or increase demand by adding additional facilities or scheduling more staff (Pullman and Thompson 2003). Pullman and Thompson suggest a range of strategies that can be used to manage demand and capacity. For example, differential pricing, different classes of service, varying costs of service at different times, eg offering a cheaper service at certain times of the day, providing information about service provision at different times of the day, and perhaps encouraging people to use services at a time when demand for the service is lower. In order to smooth capacity and reduce the need for additional resources many organisations, including local authorities and other public sector encourage their customers to access information about the organisation and to a wide range of services via the organisation's website. This can help reduce demand for support services, such as switchboard, and other front line services when

demand for service is particularly high, for example for information on refuse collection services over Christmas.

However, in order to manage capacity a manager needs to define, quantify and measure performance in order to understand what is happening and to understand the potential for and the impact of changing the service patterns. The service manager needs to understand service demand, what patterns (if any) it follows throughout the day, week, year, causes of demand variation (both internal and external), random causes of variation (eg unplanned incidents, emergency responses, etc). Determining and understanding such variations can enable the manager to put coping strategies in place, for example, bring in temporary staff, adjust opening hours, etc.

Lovelock suggests knowing this will enable a manager to recognise whether

- Optimum capacity - ie demand and supply are well balanced.
- Demand exceeds maximum available capacity – customers may be lost.
- Demand exceeds optimum capacity, and the level of service provided may deteriorate.
- Demand is below capacity and resources are underutilised.

Whilst within a public sector context customers may not always have the ability to walk away to another service provider, an understanding of service variation and its causes will form an important part of demonstrating service and resource accountability.

Johnston and Clark outline one of the challenges of operations management being its immediacy in terms of meeting the

'constant challenge of dealing with the needs of a stream of customers, making operational decisions to ensure the delivery of an appropriate quality of service at appropriate cost' (Johnston and Clark 2001) p16.

Furthermore, and in discussing the issue of service management, they suggest that within the day to day management of services it is important to ensure that the required performance targets, balancing service delivery, quality of service and resource productivity are achieved (Johnston and Clark 2008). It is also crucial that to achieve maximum benefit, performance targets meet and/or balance both operational and customer requirements.

2.5.5 Specifying a Service to Meet Customer Expectations

In specifying the service to meet customer expectations, it is important to understand the categories of customer encountered. Johnston and Clark (Johnston and Clark 2008) identify a number of different customer types and indicate that how the customer behaves will have an influence on how the service is provided. One of which is 'the hostage' who is a customer who needs the service but may be 'locked in' to a particular service type/provider. An example of this type of customer are found in services provided by local authorities, and may lead the customer to view the service less positively and make him/her intolerant of any service failures.

An important consideration when specifying services in a local authority context is that central government may make promises and local government have to translate these into their service delivery measures. In a context of competing and restricted resources such measures may in reality be unachievable.

It is important to know what customers expect from a service as to do so may help in managing service performance in a manner that whilst attempting to meet customer requirements does not over perform and become wasteful of resources with the organisation providing something that customers do not really want from service. In order to do this it will be necessary to consult with the customers, regularly enough to ensure relevance and in a manner that is open to new ideas and does not necessarily reinforce established patterns/the 'right' answer (Johnston and Clark 2008). For example, a customer may be satisfied with a facility but not its opening hours. The Accounts Commission for Scotland highlight this issue in saying

'without adequate information on both customer expectations and perceptions then feedback from customers surveys can be highly misleading from a strategic and operational perspective' (Accounts Commission for Scotland 1999)p1.

Failing to take action on data provided, will also likely affect customers' perception of the service; service provision must be balanced with the resources employed in its provision. Customer expectations of a service are not a static entity and may nor may not be based on an actual direct experience of the service, outside influences being via the other people's experiences, the media, etc. It is also likely that customer's perception of a service will fall across a range rather than be at the extremes of a perfect service to a very

unsatisfactory service. Johnston and Clark (2008) who suggests a range between ideal and intolerable, giving the following definitions, propose one such continuum which is detailed below.

Table 2.5-1-: Continuum of Expectations (Johnston and Clark 2008) p113

Ideal	The best possible
Ideal feasible	What should happen given the price or the industry standard?
Desirable	The standard the customer wants to receive.
Deserved	The level of performance that the customer ought to receive given the perceived costs.
Minimum tolerable	The minimum tolerable standards, those that must be achieved.
Intolerable	The standards the customer should not receive.

At times customer's expectations of what they want from a service may be unclear, although they may be clear about what want. Ojasalo calls this vague notion of what is expected 'fuzzy expectations', although he suggests that it is only aspects of expectation that are fuzzy rather than the entire requirement (Ojasalo 2001).

In defining/measuring a service, an important consideration is that not all factors that go together to create the service have an equal weighting/impact on customer perception. There are some features of a service which if changed will have a positive or negative effect on the customer's overall perception of the service, and others that have very little influence the customer's perception of the service at all. Johnston and Clark (2008) have defined the factors that affect quality into four groups, based on their ability to satisfy or dissatisfy customers depending on their presence or absence. These factors, which are similar to Hertzberg's hygiene factors in motivational theory, are defined as follows. (Johnston and Clark 2008) p120.

Hygiene factors – ie the factors which in themselves customers would expect to see and if present will satisfy, and if absent will lead to dissatisfaction, but in themselves will not provide delight. This would lead to the likely conclusion that when specifying a service it is important to know what these factors are as over specification will likely result in a waste of resources.

Enhancing factors, as suggested by the category name, these factors are likely to delight if present but be unlikely to dissatisfy if not present. These tend to be the unexpected factors within a service. For example, someone is extraordinarily caring or helpful in his or her service delivery.

Critical factors – the factors that can both delight and dissatisfy. These factors, which Johnson and Clark suggest includes communication with the customer have to be provided at an ‘acceptable’ level, if they are not to dissatisfy but if they are more acceptable may well delight the customer.

Neutral factors – the factors that will have little or no part on satisfaction – such as ‘the comfort or aesthetics in a banking hall may play no part in ‘customers’ satisfaction or dissatisfaction.’

This is illustrate diagrammatically in Figure 2.5-3 below, for a bank, but the factors shown are also appropriate for FM services and contexts.

Figure 2.5-3: Satisfaction-Dissatisfaction Factors Johnston and Clark (2008 p121)

High	Hygienics	Critical
Potential to dissatisfy	Availability	Responsiveness
	Reliability	Communication
	Integrity	Competence
	Functionality	
	Security	
	Neutrals	Enhancers
	Comfort	Attentiveness
	Aesthetics	Care
		Friendliness Courtesy
Low		
Low	Potential To Delight	High

It is therefore important for managers to consider how they can improve customer satisfaction by bringing the enhancing features of their service to the attention of their customers.

2.5.6 Service Failure and Its Implications

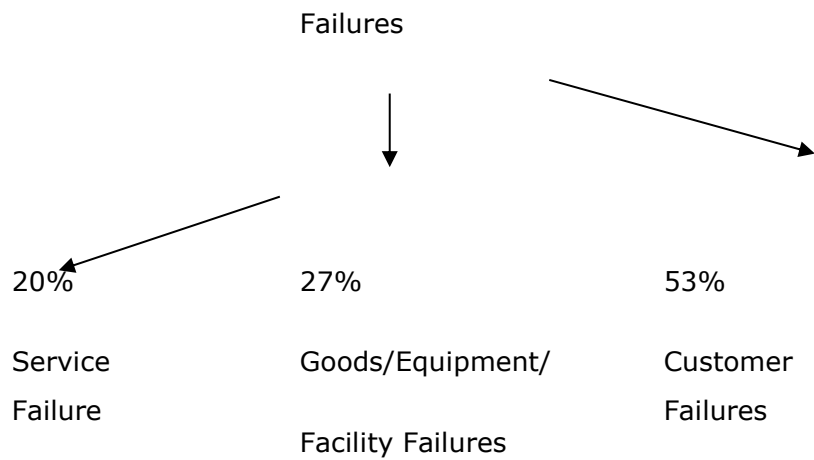
Service failures are at times inevitable. This is in part a result of the fact that services involve the interaction of one or more service providers with the customers, ie an interpersonal interaction. Consequently, however hard an organisation may try to provide a quality service, at times they will not succeed and the service will 'fail', and this may affect the customer's satisfaction with the service provided (Vazquez-Casielles, del Rio-Lanza et al. 2007). In 1990, Bitner, et al. used Critical Incident Technique (CIT) to determine if there were particular features of a study that could distinguish a satisfying service encounter and a dissatisfying one. It follows that the greater number of interactions the higher chance of the customer perceiving or experiencing a service failure, which results in overall dissatisfaction.

Within organisations where the customer may have a longer term or on-going relationship with the customer, such as for some of the services provided by a local authority, past experience of either good or bad service may affect the customers on going perception of the organisation and its service as a whole (Hess Jr, Ganesan et al. 2003).

According to Johnston and Clark service failure may be caused by the failure of associated goods, equipment, the service process, or the customers. They suggest that the majority of failures are customer failures and these fall into two categories those caused by 'customer failures' and those where customers make mistakes, the later tends to be completing forms wrongly, turning up at the wrong time, etc. (Johnston and Clark 2008).

Importantly, and irrespective of responsibility, failure provides the organisation with an opportunity to recover. Figure 2.5-1 details the percentage of service failures that they consider can be attributed to the various causes, and from this, it is evident that customer failures are considered the greatest overall cause of a service failure.

Figure 2.5-1 - Attribution of Causes of Service Failures (Johnston and Clark 2008 p 431)



In respect of facilities services, where the FM service may provide an interface between the customer and the front line service interaction, the FM service may provide an important buffer in the event of service failure, which may result in a more satisfied customer. Moreover, in the services where there is a degree of personalisation or customisation, or a continuity of relationship with the service provider, this can lead to a feelings of a relationship with the service provider and result in greater tolerance of failures than where this is not the case (Berry 1995). Where services have internal customers the opportunity to build relationships, gain trust and customer satisfaction will obviously be greater, and an important aspect of the FM service manager’s remit.

2.5.7 Summary

This section of the literature review evaluated the literature surrounding the users of the service, ie the customer and stakeholders. Whether the service providers have a discrete or on-going relationship with their customers, the importance of understanding the nature of the customer encounter/relationship, and the impact that the service provider can have on a customer, in both a positive and negative way was explored. Linked to this is the effect that a service provider’s behaviour, both conscious and unconscious, may have for both the service provided and the organisation as a whole. The effect of behaviour and physical setting on a customer’s satisfaction with the service was also explored.

The customers of FM services are largely internal, ie other members of the organisation. Therefore, given the importance of this customer base within this context, the need of service managers to understand and managing the service process in order to ensure that internal customers experience equal levels of satisfaction with a service as if it were being provided to an external customer was also reviewed.

It has reviewed the relationships between customers and service providers; the importance of understanding a customer's expectations and needs when specifying a service, in order to ensure that a service is neither under nor over specified. The implications of direct and indirect customer contact were also explored and the importance of understanding and managing customer expectations as part of the service management process was explored.

Finally, the causes and service failure and the importance and opportunity of service recovery at a service and organisational level were discussed.

2.6 Performance Measurement and the Comparison of Techniques.

2.6.1 Introduction

This section reviews the literature relating to performance measurement and the role it plays within the FM service management process. It reviews the background to and relevance of performance assessment within the public sector, within the management of FM services, the criteria for performance measurement, evaluating the traditional and systems approach to performance assessment.

Specifically seven performance assessment techniques are reviewed, along with their use in assessing the performance of FM services, with a particular focus on their use within a local government context.

- Balanced Scorecard
- Benchmarking
- Data Envelopment Analysis
- Performance dashboards
- Performance Prism
- Six Sigma
- Statistical Process Control

Given the primary focus on benchmarking as a technique within this sector, a more detailed focus is given to this technique.

The role of performance measurement in assessing the capability of the process and service failure is also explored.

2.6.2 Background and Context

Performance assessment techniques can be used at single service level within the organisation, across a range of services and organisations or even sectors, in order to develop the service and determine alternative methods of service delivery, in an attempt to improve service quality.

Given its prominence within the public sector, the primary performance assessment techniques considered within this research is benchmarking along with its use in a cross-sector context.

According to Moullin

'A well-designed performance measurement system is vital for ensuring that organisations deliver cost effective, high quality services that meet the needs of service users. Without stakeholder feedback on all-important aspects and a system for ensuring that the organisation acts on that information, managers are struggling in the dark to improve services. However, performance measurement is not easy, particularly in health and public services where a wide range of stakeholders are involved' (Moullin 2004) p110.

Moreover, there are multiple accountabilities. (De Bruijn 2007)

Stakeholders are increasingly seeking evidence from organisations on what they are doing, why and how well they are doing it (Neely, Adams et al. 2002). Accordingly, there is a range of performance measurement techniques available to support this requirement and assist in gathering performance information, and evaluate the efficiency and effectiveness of past performance.

Such stakeholder scrutiny, although understandable and undoubtedly necessary, places increasing pressure on public sector organisations

'..... to demonstrate that there have been improvements in performance and that goals and objectives are being achieved' (McAdam, Hazlett et al. 2005) p256

And leads public sector organisations to

'devote more attention, time, and money to performance management, measurement and evaluation than perhaps ever before (McAdam, Hazlett et al. 2005) p257

The perceived successful use of performance assessment within the private sector, as evidenced within a range of case studies detailed within the literature regarding performance techniques, for example for

- Benchmarking (Camp 1989, Codling 1998, Coers, Gardner et al. 2001).
- Balanced Scorecard (Norton and Kaplan 1996).
- Control charts/statistical process control (Owen and Morgan 2000, Stapenhurst 2005).
- Data Envelopment Analysis (Norman and Stoker 1991, Avkiran 2002).

- Performance dashboards (Eckerson 2010).
- Performance Prism (Neely, Adams et al. 2002).
- Six Sigma (George 2003, Cygi, DeCarlo et al. 2005, Giménez 2005).

has led to its adoption in the public sector. However, failure to recognise the difference between these two sectors, and without assessing the applicability of any particular technique in this context, may negate potential benefits. In citing the work of Bendheim and Graves (1998), (McAdam, Hazlett et al. 2005) suggest that

‘such an approach could result in the public sector reality being subsumed within that of a contorted private sector reality , which does not accurately or appropriately represent the interest and needs of the stakeholders’ (McAdam, Hazlett et al. 2005 p257)

Therefore if performance measurement and management is to be relevant to the organisational and service context in which it is to be employed, it must comprise an approach which

‘... if properly designed and implemented, will focus organisational efforts into a common purpose by directing everyone’s attention into a set of key goals and objectives’ (Kanji and Moura e Sa 2003) p274

The measures chosen need to be dynamic and sensitive to the internal and external environment within which the organisation and its services are operated, and provide management with means checking that they are providing a satisfactory level of service, and that is sufficiently robust to ensure that any such improvements can be maintained (Amaratunga and Baldry 2003).

In reviewing the decision to undertake a performance measurement exercise, there is a range of performance measurement and management techniques available. This raises the question of does one particular performance management technique fulfil the needs of all services, or will different techniques be more appropriate according to the particular characteristics of the particular service under question? There is sometimes a tendency to apply a particular performance assessment technique across the organisation, in a one-size fits all approach, rather than considering which technique has the best fit for respective services. This may result from training staff in a particular technique, using whichever technique is suggested in particular prominence within journals and publications available at any one time, or be based on past knowledge.

Although in practice it is recognised that a multi technique approach may be more onerous, recognising the diverse nature of FM services, the different levels of customer contact, etc it is unlikely that the use of one technique on its own will satisfy all service needs (Amaratunga and Baldry 2003). This research assesses and reviews this question and considers which, if any, of the various techniques are most suitable for all or any particular group of services or single services, in light of their varying characteristics.

Given the high level of customer interface of a number of the FM services under consideration, a key factor in selecting the respective performance measures will be to ascertain which processes, routines and competencies are critical for customer satisfaction and determine appropriate measures for these processes. Managers need to decide which are the key processes, competencies and skills if they are to satisfy their customers (Amaratunga and Baldry 2003).

In seeking to meet customer requirements there may be constraints, which prevent the organisation providing its services at a level that excels in terms of operations, processes and competencies, and determine whether this endeavour will be realistic and/or appropriate. Therefore, in assessing and managing service capacity, factors such as resource constraints will need to be balanced with the required service level.

In considering this issue of capacity, and the respective organisational constraints, the theory of constraints (TOC) can be used in assessing organisational capacity, in the not-for-profit sector to help identify performance goals and constraints,

'identifying their organization goals, the constraints to improved performance, and the most effective solutions. The TOC can also be applied to not-for-profit organisations to improve performance towards non-financial goals and to assure financial survival' (Motwani, Klein et al. 1996) p 53.

TOC has a wider application in manufacturing and a strong financial basis, with the underlying focus that if the bottom line is to be achieved, the impediment to achieving this must be found and challenged (Motwani, Klein et al. 1996). Many of the constraints that limit or diminish organisational performance are policy or procedurally based rather than physical constraints. For example the policy of preventing overtime, or use of part time staff to smooth service peaks. This consideration makes the theory applicable to service organisations. This

suggests that identifying and challenging the constraints may enable performance improvements (Motwani, Klein et al. 1996).

In employing the TOC, the service manager questions what needs to be changed and how to change it in order to overcome the constraint, or its impact. The three areas for consideration are throughput, inventory, and operating expenses. Relating this to services, throughput relates to customer throughput, for example the number of customers ordering refreshment provisions from a hospitality service on a particular day, or in financial terms the income from this provision minus the variable costs, inventory would be the potential number of people who could potentially make use of the service. (Motwani, Klein et al. 1996). If this applied to a service such as a switchboard where, for a local authority, the organisation's potential population would comprise the population of its catchment area, although it is highly unlikely under normal circumstances that all potential callers would telephone, service capacity will need to be assessed and managed. Therefore, if the potential service throughput is defined as obstacle to achieving improved performance, the capacity needs to be managed in order to increase throughput whilst reducing inventory. In this example, throughput may be maximised and inventory reduced by making using direct dial in telephone numbers, or placing some information on the website.

The relevance for TOC within not for profit organisations is based on the premise that

'each organisation, even a not-for-profit one has to have a specific goal or else there is no purpose for its existence. The process of identifying the goal is, however, significantly more complicated for not-for-profit organisations than it is for profit-seeking ones. Once the goal is determined, it is important to defined measurements which would assist in judging whether actions bring the organization closer or away from its goal' (Motwani, Klein et al.) p32

The capability of the staff performing the service, will also affect achievement of the reach the required level of service provision. Therefore, in practice, it may be more realistic to aim for a service standard provision that does not fall below an agreed standard and result in dissatisfied customers, than to aim at level of service that will exceed customer expectations.

In summary,

'Good performance information helps identify what policies and processes work and why they work. (HM Treasury 2001 p 4)

Used correctly, the use of one or more of a range of performance management techniques, should support a service manager in making an informed assessment on how their services are performing and the allocation of resources required to achieve the intended service level. (Audit Commission, Cabinet Office et al. 2001). Furthermore, it should assist the service manager in ensuring that their service design allows customer expectations to be managed in accordance with organisational constraints, for example in resources. Managing expectations should ensure that the resulting services are provided in a manner that if not exceeding its customers' expectations at least does not dissatisfy customers.

Given its increasing profile within the public sector, it is important to ensure that the respective technique is chosen because it fulfils the service/organisational performance needs within this sector and not because it has been successfully employed in the private sector. For maximum benefits to be achieved, it is essential to ensure that the performance measurements chosen are critical to the success of the service. These key performance indicators can be determined by breaking down the service(s) into their component processes, and the critical inputs and outputs associated with these processes identified. Once identified, this will allow the key performance measures to be identified (Eckerson 2010). This will enable a manager to measure how well an organisation or part of the organisation performs in an operational, tactical or strategic activity that is critical to the success of the organisation. (Eckerson 2010)

Likewise, whilst consistency is important in performance assessment for meaningful comparisons, given the dynamic nature of organisations and the services within them, it will be important for the service manager to review and where necessary amend the measures to match changing circumstances.

2.6.3 Criteria For Measurement

'Choosing the Right Fabric', a joint report produced in 2001 by the National Audit Office, Audit Commission, Cabinet Office, Office for National Statistics and HM Treasury, outlines six criteria which the authors consider comprise an effective performance management system, and a further eight criteria proposed which characterise 'good' performance measures.

Initially considering a performance management system, this is defined in the report as

'the process of producing and disseminating performance data, painting a complete picture of the organisation in a way that a single measure could not'. (Audit Commission, Cabinet Office et al. 2001) p11

The criteria associated with such systems will now be listed and discussed.

Focussed on the organisation's aims and objectives and have performance measures that are prioritised on the strategy and objectives of the organisation. This criterion proposes that in considering the use of performance measurements, and the performance system itself, the question that should be asked is what the purpose and use of the information obtained will be, and how will it help improve performance? This approach prevents information that is interesting but not necessarily relevant to maintaining or improving service performance from being collected. Furthermore, it recognises that such an approach should not prevent the collection of performance information that will help provide context. Within the research, a number of the selected performance assessment techniques are focussed at a service level.

Appropriate - The information being collected should be appropriate to and useful for the stakeholders who are likely to use it and take into account how and why they will use it. This indicates that the performance measurement and management process should recognise the varying stakeholder needs and that different stakeholders may have a different perception of what 'good' performance is. This may mean that different information is required by different groups.

Balanced - giving a picture of what the organisation is doing and covering all significant areas of work. The paper suggests that the performance information system should 'give a balanced view of the whole organisation' as to focus on only parts of the organisation may 'lead to unmeasured activities being neglected' (p 12) and lead to the focus being directed only toward parts of the performance that are easy to measure. They suggest that failure to take a balanced view may lead to encouraging undesirable behaviour, so that if for example concentration is given to the number of letters answered and the quality ignored, this may result in a large number of substandard letters being produced. (H M Treasury 2001). It is suggested developing measures in partnership with stakeholders can help ensure that a balanced approach is achieved. It is suggested that attention to although it is important to focus on economy, efficiency and effectiveness and whether the cost of the inputs has

been minimised, etc, if a 'balanced view' is to be reached, consideration should be given to timeliness, quality and cost dimensions as well.

This is because,

'cost reflects the financial side of an organisation's activities: quality the features of a service and how appropriate they are for the user; and timeliness covers how responsive the services are'. (Audit Commission, Cabinet Office et al. 2001) p13

Robust - able to withstand changes in personnel or organisational changes and should not be dependent on the knowledge, skills or influence of a single individual... nor on a single way of producing a service. Therefore, if the way a service is provided changes it should still be possible to collect comparable performance data (p 15). Although if a view of organisational/service performance is to be tracked over time consistency of method will be important to provide meaningful information, it is important that the way services are performed is monitored and if they are not performed in the most appropriate/efficient way, the process is reviewed and if necessary changed. This links into the appropriateness of what is being collected, as failure to assess this, may result in measuring and collecting data for the sake of it (Hatry 1999)

Integrated into the organisation, being part of the business planning and management processes. It should be part of the management process rather than a service 'add on', and staff need to understand how their performance fits into overall organisational performance.

Cost effective, balancing the benefits of the information against cost. Performance measurement and management can be a time consuming process, and the report suggests that it is important to determine the costs of doing so that the 'burdens imposed by requests for information for example time taken to fill in forms, to put in place new processes and even the time managers take to review performance information' (Hatry p 16) are taken into account. This criterion therefore proposes that the cost of collecting information should therefore be balanced against intended use and how it will improve performance.

And for individual performance measures; namely

- Relevant to what the organisation is aiming to achieve
- Able to Avoid Perverse incentives – not encourage unwanted or wasteful behaviour; (ie behaviour that exists to meet a target but not to improve service to the customer and results in 'optimising the trivia')
- Attributable -the activity measured must be capable of being influenced by actions, which can be attributed to the organisation, and it should be clear where accountability lies.
- Well defined with clear, unambiguous definition so that data will be collected consistently, and the measure is easy to understand.
- Timely - producing data regularly enough to track progress and quickly enough for the data still to be useful.
- Reliable – accurate enough for its intended use and responsive to change.
- Comparable with either past periods or similar programmes elsewhere:
- Verifiable with clear documentation behind it, so that the processes, which produce the measures, can be validated.

The strength of the above criteria, for both performance systems and measures, is that they have been proposed from the viewpoint of assessing performance within the public sector. The report acknowledges the wide range of stakeholders for public sector services, and provides a basic framework that is intended to underpin the increasing profile of performance measurement and management within this sector. It also supports a pragmatic approach to performance management in recognising that

'It's rarely possible to have the perfect performance measure – defining measures, setting targets and collecting performance information is a balancing act between using the ideal information and using what is possible, available, affordable, and most appropriate to the particular circumstances' (Audit Commission, Cabinet Office et al. 2001) p3

This research will assess the relevance of the FABRIC criteria when evaluating the techniques under review within this research (see Section 3.11.8 and Section 4.7.3).

Given the focus of the organisations who compiled the report, it may be not surprising that it has a relatively strong financial focus, stressing the need for providing and being seen to provide 'value for money', and whether the outcomes of the performance are provided at a reasonable cost. Although this approach may put less emphasis on the operational aspects of service delivery,

the financial position is undoubtedly important in managing an organisation, and indeed the services within it as, when in control financial resources underpin the ability to provide the other aspects of service provision. However, it is recognised that the scope performance measurement and management extends beyond financial measures.

A number of the criteria suggest that a performance management system should be viewed in a corporate sense and used across the organisation to achieve full benefit. This may be relevant to frameworks such as the balanced scorecard, which focus at a strategic level, but does not apply to techniques such as statistical process control or data envelopment analysis, which focus at an operational level. Likewise, it can be important to measure how well a particular service is performing in its own right, and indeed even a number of the techniques, which are more strategically based, can be applied at a service rather than organisation wide level.

Neely, et al. (Neely 1998) identified a further set of quantifiable measures, which overlap with a number of the criteria outlined by HM Treasury, but which are at a more basic level, and aimed at answering the questions ie How good? How many? How quickly? How easily and how expensive? Namely;

- Quality (consistency, reliability, conformance, durability, accuracy, and dependability).
- Quantity (volume, throughput, completeness).
- Time (speed, delivery, availability, promptness, timeliness, and schedule).
- Ease of use (flexibility, convenience, accessibility, clarity, and support).
- Money (cost, price value).

These clearly have relevance within service measurement within the public sector, and whichever performance system is chosen will need to take account of these issues.

Each of the performance management frameworks considered within this research claim to be comprehensive despite all offering a slightly different perspective (Neely, Adams et al. 2002). Neely, et al. (2002) goes on to suggest that this multi-faceted nature means that no one technique is likely to prove the definitive technique for measuring and managing performance but rather

that the different techniques will act like a series of lenses through which the performance can be viewed (Neely, et al. 2002).

How much value is 'added' from the use of the techniques will likely depend on

- what is being measured;
- whether the key variables that affect the service have been assessed and can be analysed;
- whether key performance targets have been determined, and
- what information will need to be captured for the particular service in order to monitor and control service performance.
- that the performance assessment technique selected matches the characteristics of the service chosen (see Section 4.7.4).

In considering this last point Pitt and Tucker 2008 conclude that

"The principle of benchmarking seems to be techniques that can be applied in measuring facilities service performance and a catalyst in generating innovation to the performance process. It is important to highlight that the characteristic of the services itself are very subjective to measure, and the acknowledgement that benchmarking should not be the only performance mechanism within an organisations overall system" (Pitt and Tucker 2008) p 252

Importantly, whatever any of the performance measurement and management techniques are able to contribute to the service will be dependent on the correct usage and interpretation of the technique; failure to do either may lead to incorrect assumptions being made, this leading to a reduction rather than improvement in service performance (Clarke, Davis et al. 2001)

2.6.4 The Techniques

A key intention of the research is to determine what, if anything, each of the following techniques can contribute to either the management of a range of soft FM services as a group or services, or to one particular service, over a given period ie the short to medium term.

The techniques under investigation are

- Balanced Scorecard
- Benchmarking
- Control charts/statistical process control
- Data Envelopment Analysis

- Performance Dashboard
- Performance Prism
- Six Sigma

These techniques share some if not all of the following characteristics, namely,

- they recognise the value of process mapping the service in order to determine who and what is involved in the end-to-end process, who is responsible for what and what the sequence of actions are involved.
- they emphasise the importance of knowing what information will be collected and what it is intended will be done with it.
- a number of the techniques recognise the importance of considering the viewpoint of different service stakeholders.
- recognise the importance of managing variation in processes, controlling variation.
- recognise the value of understanding the capability and capacity of current processes.
- recognise that in services, people are the major cause of variation, and can be resistant to changes placed upon them. (George 2003)

The approach to performance assessment can either be traditional or follow a more systems based approach.

2.6.5 Traditional Approach to Performance Measurement

A traditional or productivity approach to performance measures focus on financial measurements and performance outputs (activity based targets) and standards, with the emphasis being on business activities rather than a customer satisfaction based approach (Clarke, Davis et al. 2001). Whilst sound financial management and the cost of service production are essential components of good service management, services are provided for a customer and therefore performance measures also need to capture what is important to the customer in order to provide a service that meets both organisational and customer requirements. Failure to identify and act on customer requirements could lead to an organisation to deliver a service, which although assumed to do so, does not actually meet customer needs and leads to a potential waste of both financial and human resources.

Performance measurement and management techniques need to identify a way of ensuring that you are not adding more 'value' to a service or product than a

customer will want or pay for. (George 2003). This is particularly likely if you do not know what the customer wants in the first place. Consideration will include, is the task too complex and perhaps involves workers in too many different tasks or key strokes, is there an excessive amount of work in progress, are there delays between when one part of the process ends and the next starts, etc.

Historically, and leading from the statutory nature of service provision in local government, concentration on financial measures has been predominant in the public sector, when compared to customer focussed measures, although initiatives such as the Government's best value regime within local government does include an increased focus on customer satisfaction with service provision. Current assessments need to demonstrate sound financial management and value for money, this being evidenced within the Comprehensive Performance Assessment framework 2005 within which the Audit Commission has included a use of resources judgement, with a major 'key line of enquiry' being 'value for money'. However, although undoubtedly important any measure in isolation will only tell part of the story. As Clarke, Davis, et al. (2001) suggests financial indicators will tell you how you are doing against budget not how to improve or maintain current performance.

Output measures based on activities and targets are another traditional approach to performance measurement. Examples of output measures are those based on a time taken by volume assessment, and may include setting a theoretical capacity level for the service/activity in question, which allows service standards to be identified and assessed. For example, number of telephone calls answered in 30 seconds. This type of assessment, on a pure activity base gives an easily definable and measurable assessment of service performance, for example with switchboard performance via call logging technology. Such measures can also assist in determining resource levels. For example, a service standard of 80 per cent of calls to be answered within 30 seconds is set. It is determined that given call volumes, two switchboard operators are required to reach this standard. Achieving the target may provide an organisational/service comfort factor. This approach appears a sound basis for setting targets for measuring activity. However, is it meaningful? This type of measure does not ascertain the quality of response provided to the customer. The speed of response is acceptable but is it providing customer satisfaction? (Clarke, Davis et al. 2001) In assessing process output and targets achieved, it is also important why something has happened. This can only be determined by considering the

process to see that is providing the output. Therefore although measuring outputs is important this will not 'add value' if you do not look at why.

A further weakness of this approach is that measuring service performance against target may not take into account that processes have inherent variation. For example variation resulting from different staff providing the same service at different times, who have different training levels, etc, or variations in input at different times of day, etc. Failure to consider inherent variation may lead to the conclusion that a target is not being met when in fact it is. To gain benefit from recognising the inherent variation, the manager needs to determine when should such variations begin to give cause for concern, and when is there definitely a need to take action? If a process target is that 80% of all telephone calls will be answered in 30 seconds, if 78% or even 68% of calls are answered in 80 seconds if this a cause for concern? Conversely, if 85% of calls are answered in the same time span what does this mean for service delivery?

When considering performance figures consideration should also be given to determining whether more is to be gained from considering on the team's performance or an individual's performance; where it is practicable to do so it is most likely beneficial to do both. This will be particularly relevant if you are trying to determine the cause of individual and team variation on overall performance (Clarke, Davis et al. 2001). Assessing an individual's performance will allow a contextual assessment of that individual's performance, for example to help determine if a team member is slower at sorting the post because they have lower eye-hand co-ordination than another team member. It is also important to establish what about the service provision is hindering the team in achieving their purpose and how much of their time is used in trying to solve such problems, for example staff making last minute hospitality bookings.

2.6.6 The Systems Approach

To obtain a more holistic view of service performance, the traditional view can be combined with a systems view of the service, ie an approach that focuses on the capability of the service process and service provision from the customers' viewpoint. The perspective of such measures is 'outside-in', ie from the point of view of the customer viewing the organisation, and measures the capability of the service process to meet the customer's requirements. Unlike more traditional measurement systems where the measures are function oriented, the systems approach takes an 'end to end' approach across the functions, in terms of for example time taken from post being delivered to the building, say by the

Royal Mail, to a member of staff receiving their mail in their office in tray. (Clarke, Davis et al. 2001).

Taking the systems view, and looking at the service provision from the view of the customer, can assist in finding ways which

‘... simplify the customer’s role in the service encounter. ‘Chase and Hayes (1991) p 25

However, considering the customer viewpoint will only provide half the picture and to understand the process fully, an assessment will need to be made of the degree to which the process assists or hinders service providers in delivering the service. Chase and Hayes (1991) suggest that this element is often missed in saying that it is equally important to view the service form the employees’ viewpoint. (Chase and Hayes 1991)

This approach also embraces the concept that key elements of the services should drive which performance measures are utilised. For example, if time is an essential factor for the customer’s assessment of satisfaction with the service, then the time taken to deliver something, answering a call etc will be a key measure, or if getting their answer in one place is crucial then the ability for a ‘one stop’ answer is likely to result in a higher degree of customer satisfaction. (Clarke, Davis et al. 2001). Again, account will also need to be taken of the key service elements for the organisation.

Obviously, in taking into account customer requirements, service providers will need to ensure that, where appropriate, they manage customer expectations and challenge customer priorities in order to balance these with organisational needs. For example, by giving customers the choice of having a service provided at a higher level but at a higher cost.

It can be seen that the systems view of performance measurement takes an end-to-end approach where as well as focussing on the capability and capacity of the function; it views the service as starting and ending with the customer. (Clarke, Davis et al. 2001)

2.6.7 Performance Assessment Techniques

This section reviews the seven performance assessment techniques under review within this research. Providing a mix of operational and strategic techniques, they have been selected as techniques that covers a spectrum of perspectives.

In reviewing the techniques their potential suitability in assessing the fourteen selected FM services is discussed.

Statistical Process Control

In order to assess the significance of such variations, statistical process control, or control charts can be used. This concentrates on threshold values, at the upper and lower limit of process performance.

Inherent variation in services can be assessed by using statistical process control techniques, sometimes referred to as control charts or process behaviour charts, to indicate whether the process is in (a state of statistical) control or out of (statistical) control. (Stapenhurst 2005), (Wheeler 2000), (Clarke, Davis et al. 2001).

This technique is relatively simple to use, and gives a graphical representation of service performance. Examples within facilities support services where such a technique may be of value include switchboard response times, mail processing, hospitality delivery, print room production times for defined job types.

According to Owen (Owen 1990) use of statistical process control techniques in support area, administrative or service organisations, such as banking, insurance, local government, hospital and transport organisation, is very limited, as organisations have failed to recognise its relevance. (Owen 1990)

This is attributed to a lack of awareness of the technique at senior management level, lack of exposure to statistical process control techniques in management education and because it tends to be seen as a 'production line tool and the wider applications have been missed'. (Owen 1990). P 57

However, statistical process control, has a wide range of uses for repeatable activities – a characteristic of some administrative tasks, and therefore enables data to be collected which can be analysed by the use of control charts, to provide information on how the process is working (Owen 1990).

Furthermore, the association of SPC techniques with machined components have led to its potentially wider uses being missed. (Wheeler 2000).

In considering these applications, and relating this to a FM environment, there are areas where this technique could be considered. Such applications will like be those that have repeatable activities/processes, for example in administrative

processes. (Owen 1990). Examples within the context of soft FM services are corporate administration, including room booking administration, printing or reprographics, mail delivery and processing, switchboard, etc.

A key benefit from using these techniques within such functions is that variation in the time taken to undertake such tasks, can lead to delay, uncertainty, waste and dissatisfied customers, which not only results in failure costs in themselves, but can also result in waste in the areas that depend upon this administrative support for providing their own services. (Owen 1990).

When processes are measured, generally the distribution of events is similar each time, or it changes with each set of measures. The plots achieved require interpretation to determine the nature and importance of any variation in the process. Furthermore when plotted measurements of a process frequently follow a normal distribution, even though the shape of the distribution may vary. (Stapenhurst 2005). Statistical process control is based on the distribution of data around the mean, and between process limits, known as control or action limits. These limits are generally set at three standard deviations from the mean as, if a value is obtained outside of these limits it is concluded that it has probably not come from the same distribution as that from which the mean and standard deviation were calculated. To indicate whether the process is in or out of control, some charts also include 'early (Wheeler 2000) warning limits' which are set at a lower level of deviation – 2 standard deviations - , which if reached indicate that the process maybe going out of control. To achieve maximum benefit from this technique it is essential to understand the signs that indicate a process is either in or out of control or unpredictable and if any action is required.

To summarise, processes are in a state of statistical control when performance data (Stapenhurst 2005)

- is randomly distributed ie with no obvious patterns.
- it is distributed randomly around the mean, with approximately half the data lying above the mean and half below.
- is distributed with less points the further away from the mean
- is within defined limits ie 3 standard deviations from the mean.

- in this state, the process is only subject to common cause variation, ie the random fluctuations that can be expected in any measurement and are a result of inherent variations. However, the potential benefits of the technique would be limited if it was assumed that because a process is in control, or predictable it is working well, it does not mean it is working well but rather than it is stable and predictable. (Stapenhurst 2005), (Wheeler 2000). Predictability of the process is a key element of performance management because even if a manager is not happy with the results achieved, there is a reassurance that the service will continue to be provided in a way in which if
- 'nothing changes in the process this is what it consistently is capable of achieving.' (Clarke, Davis et al. 2001 p109)

Wheeler (Wheeler 2000) emphasises the need to understand the routine variations, or 'noise' in a process, to enable an understanding of what might be indicated by a single value. Process behaviour, or control charts, filters out the 'noise' caused by routine variation. If the noise in the process is interpreted as a signal for change this can lead to actions which accordingly to Wheeler (Wheeler 2000)

'at best ,inappropriate, and at worst, completely contrary to the proper course of action, this mistake is a source of waste and loss everyday'(Wheeler 2000).

The obvious converse of this is failing to detect a significant event when it is present. It is important to be able to determine between the two types of variation so that the appropriate action can be taken – even if this is to do nothing. (Wheeler 2000)

The second type of variation to which processes are subject is special cause variation, ie those variations for which there is a specific cause, and are external to the process. In this case, the process is not in a state of statistical control or is out of control. The cause of this variation will need to be considered to assess its importance and to determine whether it is necessary to take any action as a result. Known examples of special cause variation may result from delays in the internal postal delivery because the external supplier was late, or a hospitality delivery being late or incomplete because an inadequately trained member of staff is providing the service. Recognising whether the variation has a particular cause and differentiating this from common cause variation is a key factor in

preventing an element of the process being changed unnecessarily. This situation is hindered when the reason for the special cause variation is not readily apparent, as this will result in the ability to predict what will happen next, or improve the process being reduced/eliminated, as the process is not working within the known limits. If a process is changed without taking into account any special cause variation, the changes made may be less effective, as the special cause may still be present and influence the process even after the changes have been made. (Stapenhurst 2005).

The application and potential benefits of this technique within the provision of soft FM services will be assessed in the Traditional Performance Measures section. This will also address the question of whether there are examples of processes where assessing the significance of variation is more important than it is for others?

Data Envelopment Analysis

Data envelopment analysis (DEA) was developed by Charnes, Cooper and Rhodes in 1978 and can be used in the evaluation of the relative efficiency of 'decision making units' ie distinct units within an organisation (Beasley 2005). Data envelopment analysis was initially used to investigate relative efficiency in not for profit organisations and they adopted for use in profit making organisations (Avkiran 2002). This concept of relative efficiency suggests that the efficiency of the particular function/process, etc is being compared with that of the same function/process, etc in another organisation or part of the business. The technique is based on the identification of particular inputs and outputs to a process and once the particular inputs and outputs have been identified, an analysis is undertaken to determine

'how the inputs interact to produce the outputs for each unit in the group investigated. In the process, we aim to pinpoint the inefficiencies in allocation and conversion of resources to outputs' (Avkiran 2002).

As stated above, within this technique relative efficiencies are identified which, under the 'standard economic definition' of productivity is taken to be

'the ratio of weighted sum of outputs to weighted sum of inputs' (Cited in (Avkiran 2002)).

In using the measure of relative efficiency is given by a number between 0 and 100%, or 0 and 1, whereby 1 signifies that the service/process in the particular

business unit under consideration is an efficient unit. Avkiran (2002) goes onto suggest that

'in the absence of relative efficiency analysis, many an economic decision based on performance indices such as deposits per staff (in a bank) or student enrolments per academic staff (in a university) may be too simplistic and misleading' (Avkiran 2002)

One potential problem with this technique is the requirement to apply weightings, in calculating the relative efficiencies. This is highlighted by Emrouznejad, A (1995-2001) who says that

'The initial assumption is that this measure of efficiency requires a common set of weights to be applied across all units. This immediately raises the problem of how such an agreed common set of weights can be obtained. There can be two kinds of difficulties in obtaining a common set of weights. First, it may simply be difficult to value the inputs or outputs. For example, in the depot data the weights on the outputs presumably relate to the values or cost of producing the outputs but these costs or values may be difficult to measure. Alternatively, different depots may choose to organise their operations differently so that the relative values of the different outputs may legitimately be different. This perhaps becomes clearer if an attempt has been made to compare the relative efficiency of schools with achievements at music and sport amongst the outputs. Some schools may legitimately value achievements in sport or music differently to other schools, and in general units may value inputs and outputs differently and thus require different weights. This measure of efficiency coupled with the assumption that a single common set of weights is required is thus unsatisfactory'. Emrouznejad, A (1995-2001).

<http://deazone.com/en/resources/tutorial/relative-efficiency-measurement>

This flexibility in the choice of weightings can mean result in a unit appear efficient when this efficiency may have more to do with the evaluation criteria than inherent efficiency. However, a benefit of being able to select the appropriate inputs, outputs, and weightings is that it allows an assessment and comparison to be made against the key service criteria that are important to the

service manager and reflect the particular management focus. Emrouznejad, A (1995-2001). (Avkiran 2002).

With the FM services considered within this research, a potential application of DEA would be in the assessment of mailroom transactions. In its simplest form the technique can be used by producing ratios of output and dividing by input measures. For example, number of letters sorted or franked and the input the number of staff. Similar comparisons could be used for switchboard services, print room services, and catering. Such comparisons can be used to compare performance within different offices or departments.

Once the relative efficiencies have been determined, these can be plotted to produce an 'efficiency frontier'. This efficiency frontier envelopes all the other data points, and highlights what level of performance may be achievable.

This use of DEA, in its simplest sense, allows a simple comparison of an input and output and for easily quantifiable elements such as staff productivity for a specific task. It cannot be used in isolation within one department, in that it has to be used in comparison with other functional units/ organisations undertaking the same process. In this way the one of the highest relative efficiency can be determined so that the processes that underpin this efficiency can be elucidated and applied within those units with lower relative efficiency and allow them to hopefully achieve similar levels of productivity within their service.

Benchmarking

As highlighted within Section 2.2, of the seven performance assessment techniques under consideration benchmarking is the most well-known and highlighted for use within this sector.

Benchmarking process is set of steps used to discover and incorporate best practices into day-to-day operations. (Damelio 1995).

In considering best practices, (Eisenhardt and Martin 2000) suggest that although there will be differences between organisations, there are

'specific dynamic capabilities also exhibit common features that are associated with effective processes across firms. These commonalities arise because there are more or less effective ways of dealing with the

specific organizational, interpersonal, and technical challenges that must be addressed by a given capability. In popular parlance, there is 'best practice'.(Eisenhardt and Martin 2000) p1108.

If incorporating 'best practices' into a service there will be a requirement to ensure that service quality is maintained at a desired level or incremental improvements are achieved. To do this, it will not only be necessary to measure current performance but also to have a method of measuring the extent and rate of any improvements. (Wild 2002). However, objective measurements may be difficult to achieve, partly be due to the difficulties presented by the intangible nature of the services themselves and the fact that the customer is often one of the inputs to the service, which can make the process more difficult to control.

In assessing improvements or stability of performance, there must be a standard against which to make a comparison. This may be an

'historical reference point, that has already been passed or more appropriately a goal not expected to be reached for some time' (Wild 2002)p 787.

Benchmarking is a technique that allows organisations

'to compare performance to relevant and achievable standards and thus help secure continual improvement'.(Wild 2002) p786.

Although Wild states that continual improvement can be secured, it is equally important to note that the requirement may be for standards to be maintained at an agreed level.

To obtain maximum benefits from benchmarking the technique should not be a one off activity but rather part of an on-going process of performance measurement and assessment.

'Practices must be continually monitored to ensure that the best of them are uncovered. Only those firms which pursue benchmarking with discipline will successfully achieve superior performance'. (Camp 1989) (Chang and Kelly 1994)

It may be that some measurements are continually recorded but in reality is it likely that comparisons will take place at an agreed frequency, be this every quarter, through to annually, etc.

The definitive work with respect to benchmarking is Robert Camp's book 'Benchmarking The Search For Industry Best Practices That Lead To Superior Performances' (Camp 1989), which details his benchmarking studies at Xerox. Camp states that benchmarking is a 'positive, proactive, structured process' which leads to 'changing operations' and eventually attaining 'superior performance and a competitive advantage'.

Camp's use of the phrase 'changing operations' places suggests this technique is positioned within a (service) operations management framework. Although Camp's reference to 'superior performance and competitive advantage' may more readily suggests a 'market' position which would make the technique more suited to the private sector, given the increasing requirement for the public sector to demonstrate service excellence and provide a competitive service it use is now more established within the public sector. This is further illustrated in that two key tasks within the Government's Best Value regime for local government, are 'compete' and 'compare'.

When undertaking a benchmarking exercise, a number of different focuses/approaches can be taken, namely,

Internal benchmarking – this is one of the most straightforward benchmarking operations undertaken and it compares internal operations. Data should therefore be readily available and there are no issues of confidentiality.

Internal benchmarking can combine metric and process benchmarking and is sometimes used where processes in one part of the organisation are more efficient than those in other parts, for example in a large local authority which has a number of reception desks, some of which have received a quality award where others have not.

Competitive Benchmarking – Camp suggest that direct product competitors are the most obvious to benchmark. The benchmarking is intended to show the comparative advantages and disadvantages between competitors. However, care needs to be taken to ensure that a true comparison is being made. For example, if competitor organisations are significantly different in size, it may be more productive to benchmark against a similar size organization in a slightly different industry.

Functional Benchmarking – Rather than concentrate on direct competitors, this approach concentrates on finding the 'industry leader' in a particular

function 'wherever they exist'. (Camp 1989). Camp (1989) makes the point that in assessing the function a key consideration is whether the industry leaders are driven by the same customer requirements, and the operations must be comparable from the function being studied.

Depending on the function and the position of the industry leader, such comparisons would suggest the potential for cross sector benchmarking. However, given the statutory nature of some of the services provided within the public sector, the customer requirements between this sector and the private sector may make such comparisons less productive.

Generic or Non-competitive benchmarking -. A process is a repeatable sequence of steps used to transform an input into an output that has value to an internal or external customer (Camp 1989, (Damelio 1995). Furthermore, a number of processes are common to most organisations, although they may have different names, across the range of industries and sectors. For example, order fulfilment, reception and switchboard, mailroom activities, portering, administration, etc. (Camp 1989), (Chang and Kelly 1994). Generic benchmarking holds the potential of 'revealing the best of best practices' (Camp 1989) and provides a method of finding processes which could easily be adapted to the organisation. (Chang and Kelly 1994). However, with respect to its use, Camp (1989) also suggests that although this type of benchmarking is the most difficult to gain acceptance and use of but that in reality it is also probably that with the highest potential 'pay off'.

Cross sector benchmarking – is benchmarking between different industry /service sectors, for example the private and public sector and can be in completely unrelated operational areas. Codling (Codling 1998) provides an example of cross sector benchmarking in the health service and relating to usage rates of a critical surgery theatre in a hospital when compared with usage rates for a theatre used for relatively minor surgery. The study, in Karolinska, Sweden, looked at increasing efficiency in use of operating theatres, and

'comparisons with automotive manufacturing it reduced the average loss of time of 59 minutes between operations by more than half. It decreased the emphasis on certain theatres being dedicated to particular types of operation and carried out those of similar length and complexity in the same one. This enabled the closure of four of the 16 theatres, while

increasing the total number of operations in the first year of the project by over 2,000 to 28,000. (Codling 1998).

This study suggests that there may be potential for dramatic improvements to be gained by comparing practices with a partner who, at first consideration, may not seem the most obvious partner. Even if such dramatic results were not obtained it would perhaps suggest that there may be benefit in seeing what can be learnt from a benchmarking partner in another organisational sector.

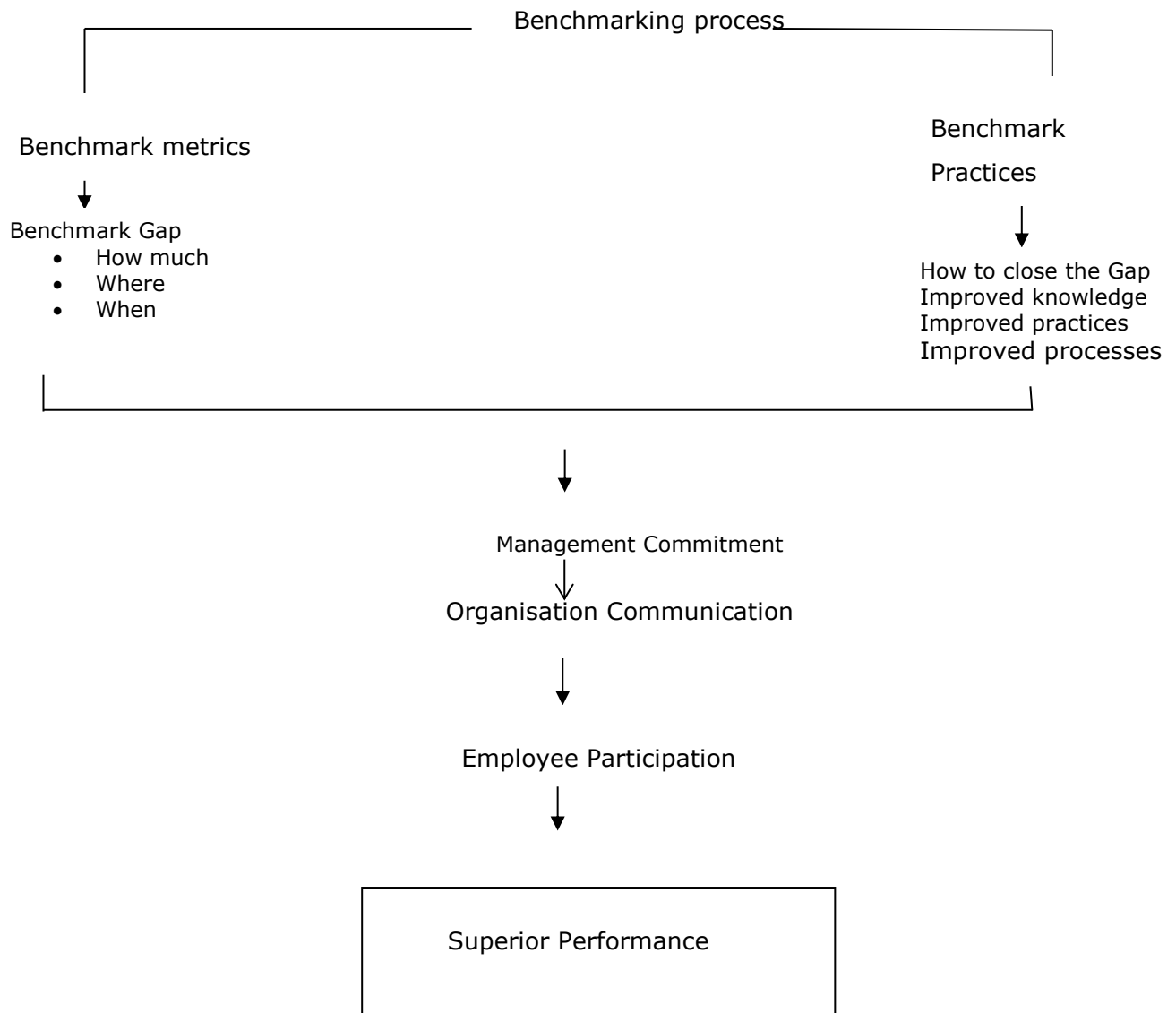
Given that many non-profit agencies are engaged in providing services to clients or the public in general in pursuing social betterment goals, they are concerned with the same kind of performance criteria, such as programme effectiveness, operating efficiency, service quality and client satisfaction the process of performance measurement is very similar in not-for-profit sector and the public sector.

With respect to benchmarking in the public sector, (Poister 2003) says that in the public and non-profit sectors benchmarking tends to be used to see how an organisation's performance 'stacks up' within its public service industry. Perhaps this is missing an opportunity to see what improvements could be made by widening the field.

2.6.8 Benchmarking Models

A number of benchmarking models proposed for undertaking benchmarking these include the following, the first of which, at Figure 2.6-1 details Camp's generic benchmarking process.

Figure 2.6-1 Generic Benchmarking Process – According to Camp (1989) p5



In considering the above model, it would appear that in practice it would be prudent to gain 'organisational commitment' to undertaking the benchmarking at any early stage. This would allow the allocation of resources, if only of staff time, to becoming involved in the process and at a later stage, implementing any changes from the process. This would be particularly important given the on-going nature of benchmarking. The model appears to combine two elements – the benchmarking process and the management decision and implementation process, whereas in practice there will likely be greater integration.

In proposing a technique for undertaking a benchmarking exercise, Camp (1989), Chang and Kelly (1994), Codling (1998) and (Coers, Gardner et al. 2001) all highlight a number of key steps. Although the steps are categorised differently, for example, Camp and Codling suggest that Plan and Analyse are the first two stages. The steps highlighted are in line with the Deming Cycle (Plan, Do, Check, Act), and a generic overview of the key steps identified within the four techniques given above follows.

- Plan - identify what is to be benchmarked (including subject area, key processes and sub processes, metrics, current measures used, project objectives, and scope, identify potential benchmarking partners).
- Do - Collect data/ information and undertake benchmarking exercise.
- Check - Undertake qualitative and quantitative analysis, establish any process differences/determine performance gap, target future performance.
- Act -set/adjust goals and develop an action plan for introducing any improvements to close 'gap', implement specific actions, review progress and calibrate.

Camp (1989 p 259) has an additional 'maturity' phase which incorporates

- Leadership positioned attained,
- Practices full integrated into processes,

but within the literature, generally there is an agreement on the key process steps for this technique.

For maximum benefits to be achieved from a benchmarking exercise, and as with data envelopment analysis, the most appropriate way forward is likely to be undertaking benchmarking metrics and then looking at the processes behind these. In implementing best practice, it is important to identify enablers (ie the conditions or factors that influences the effectiveness of a practice that lead to best practices as it is often the quality of the enablers (for example a person's training and experience) that make a given 'best practice' so effective. (Damelio 1995). Benchmarking with competitors may show that one organisation can

answer 90% of telephone calls to a switchboard within 30 seconds and another only 85% but unless the reasons for the difference, in terms of the process are looked at this is meaningless. This also highlights the importance choosing the correct benchmarking partners, because if resource constraints, or customer profile are too dissimilar it may not be practicable for an organisation to implement best practice in another.

Codling (Codling 1998) suggests that there are five perspectives that can be considered when planning benchmarking activity. The most relevant for this research is that of the customer perspective, in which the rationale of the benchmarking exercises is what is important to the customer. Codling (Codling 1998) says that in deciding what to benchmark based on the customer's perspective the key points are to:

- Establish what makes a difference in the customer's eyes between an ordinary supplier and an excellent one.
- Set standards for those things which according to the 'best' practice can be found.
- Learn how the 'best' companies meet those approaches and ideas to meet and exceed the customers' requirements.
- Ensure the best practices are shared across all parts of the company.

The majority of these strengths and weaknesses appear equally relevant for both the private and public sector. However, with respect to the weakness highlighting the fickle nature of customers, this is not true for statutory services where the customer does not have the option to defect. It may also be relevant to say customers want the same service at a lower cost.

With specific consideration of FM services, the literature highlights that the majority of benchmarking studies undertaken on the property rather than the support service side. This may well be because most of these items are tangible and therefore more straightforward in terms of comparison.

As with any quality-driven process, any action must be in line with the organisation's business strategy. In the case of benchmarking, the procedure should be applied to those processes that are critical to the success of the

organisation (i.e. the company's "critical success factors" – see Joyce (1995)). These factors are the conditions, variables or characteristics which, if properly managed, will have a direct effect on customer satisfaction and hence the organisation's prosperity. A key feature of successful benchmarking is therefore the ability to benchmark only those processes that are critical to the organisation's goals. Typical goals, beyond simple profit maximisation, can include increasing customer satisfaction, improving competitiveness and increasing performance. Where metrics can be readily applied to the goals, for example, standard business metrics for reducing costs or increasing performance, the goals can be easily benchmarked. Where metrics are difficult to establish, for example, customer satisfaction, the benchmarking process will be less straightforward (Spendolini, 1992). It is, however, essential that some form of specific standard of measurement be identified. Without at least one, a performance gap cannot be identified and thus benchmarking is impossible. (Massheder and Finch 1998) p 100

A successful benchmarking exercise will therefore involve, asking the key questions what, who and how? What is to be benchmarked, who or what will be compared and how the data will be collected. The analysis of the results needs to involve an understanding of the current process practices as well as those of the benchmarking partners. The procedures need to be carefully integrated, via the benchmarks being converted into a statement of operational principles, which can be converted into specific implementation actions and a periodic measurement and assessment of achievement, must be put in place.

2.6.9 Capability of the Process

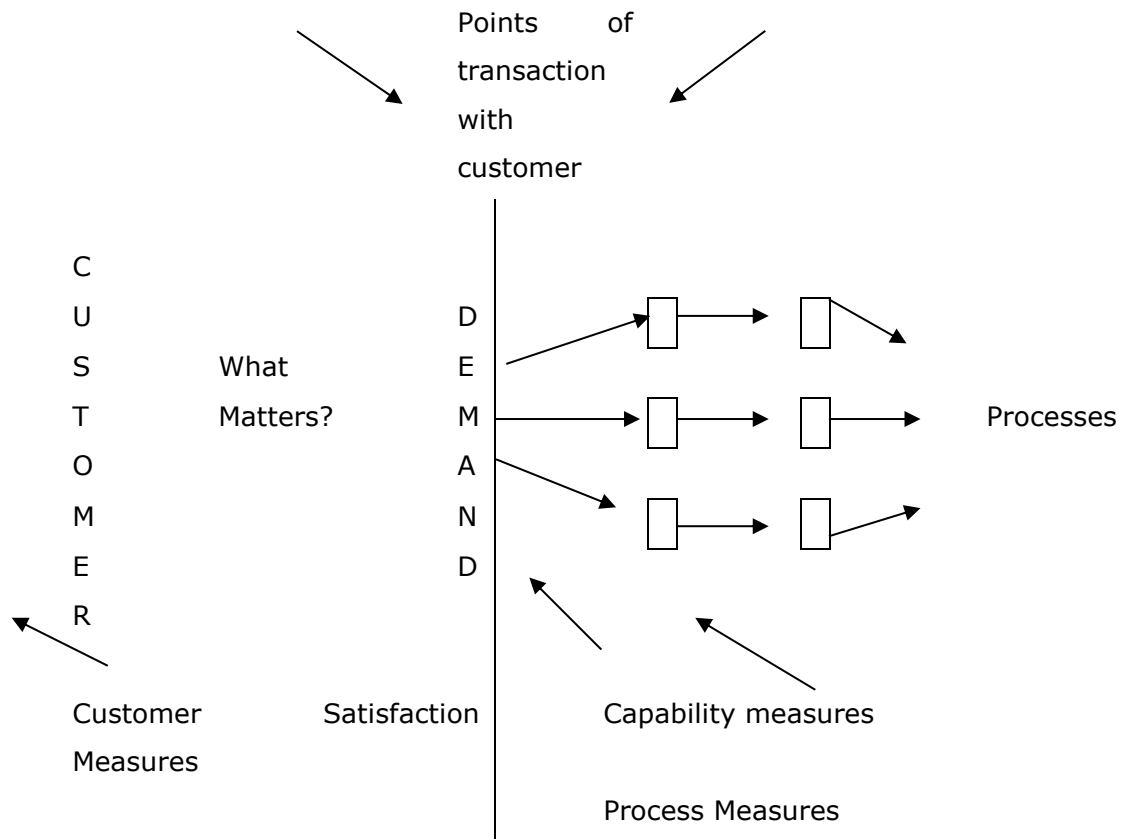
Performance measurement techniques can be used to achieve a better understanding of a process. In questioning the value of traditional performance targets, Clarke et al. (Clarke, Davis et al. 2001) make the point that if you understand the capability of the process why bother with having targets? If you do not understand the process capability then you may set the target too low and not achieve the process capability. Conversely, setting it too high, this can cause unnecessary stress to the staff performing the tasks lead to staff 'cheating' with staff doing what they need to do to achieve the outputs, or distorting the system or the data, even if this is wasteful of resources and means the service is less cost effective. (Wheeler 2000, Clarke, Davis et al. 2001, Neely, Adams et al. 2002), However, although recognising the potentially negative impact of an 'over focus' on targets, assessing targets and activities is in its widest sense assessing process capability. If the target is set in a way that recognises and

takes into account the capability of the process, it may provide a sense of direction, and if the target is reached a sense of achievement to those providing the service.

As a context for measuring the service process, Clarke, Davis, et al. (2001) proposes a customer-focussed model of performance measurement, which highlights three key areas for measuring service performance improvements. The model focuses on the relationship between the customer and the process, highlights the interface points during service delivery, and considers the capability and capacity of the process to meet customer demand. Although customer demand must be balanced with the organisation's ability, capability and capacity to meet the customer demand, and the customer expectations, its key areas of enquiry are

- determining what matters to the customer, and the measures of customer satisfaction.
- understanding customer demand at the service interface points (including the 'demand of failure').
- translating customer requirements and demands into measures for improving performance.
- reviewing the capability of the process itself, to ensure that it is responding to what matters.
- evaluating process efficiency and determine potential areas of waste.

Figure 2.6-1 Three Primary Measures for Managing Performance Improvement (Clarke, Davis, et al. 2001)



Clarke, Davies, et al. (2001) suggest that customer satisfaction measures should be complemented by process capability measures to enable the organisation to determine how well its processes are managing to meet the customer's requirements.

Although this model seeks to satisfy customer requirements and focuses on viewing the service from a customer viewpoint, one limitation maybe that customer needs and requirements vary from person to person and in different situations. However, even given this limitation, a key factor is highlighted for a service provider, in that it focuses on the customer interface points, and how well the service system is able to meet these requirements. There may also be a difference between customers and consumers of the service as to

Furthermore in assessing customer demand at the customer interface points, and how predictable this demand is, will support an overall customer focussed

service, and determine how reliable the organisation is in responding to customer demand (Clarke, Davis et al. 2001)

When measuring the frequency of demand, the context must be considered, for example where the measurements taken on a 'typical' day. If it is established that there are significant variations in demand on a particular day or at specific times during the day, then demand should be measured at these times to achieve a complete picture, as failure to do so could lead to an unreasonable assumption being made about the service. (Clarke, Davis et al. 2001).

Clarke, Davis, et al. (2001) also suggest that the type of demand is important if the complete picture is to be established and this includes the demand of the process meeting customer's requirements, what they call failure demand, ie the demand that arises from the process failing to meet the customer's requirements. For example, how often the wrong post is delivered, or the wrong hospitality order is supplied, or a telephone call is transferred to the wrong recipient, despite being answered within the correct timescale. In order to evaluate the process an Ishikawa diagram can be used to provide a diagrammatic representation of the process and, in conjunction with the service provider, those factors that help achieve the process, and those that hinder it are identified. Once established, the process can be revisited and the capability of the revised process to meet customer requirements reassessed. This reassessment will enable a distinction between the positive and negative objectives of the process to be established, in terms of what needs to be done to improve the process and what must be avoided to cause the process to fail.

In order to determine how efficiently demand flows through the process, process measures will be required. In order to assess the factors that assist or hinder the process in satisfying the customer's requirements, the process needs to be mapped from the customer, across all functions and back to the customer. (Clarke, Davis et al. 2001). For example, how often calls are put through the wrong person, hospitality is delivered at the wrong time, or to the wrong room, post is delivered to the wrong recipient, etc.

Therefore, part of the process of providing a successful customer focussed service will be to ensure that the manager views the service, as far as is practically possible, from the customer's viewpoint. This can be done by mapping the process from where the customer comes into initial contact with the process, through to the end of the service delivery. Any constraints, through

capacity or customer demands, can be noted. This process should enhance the service provider's ability to manage the service process and the organisational capacity to meet customer requirements.

2.6.10 Strategy Focussed Measures

The balanced scorecard developed by Kaplan and Norton in the 1990s, is a strategic management system designed to manage strategy over the longer term ie 3 to 5 years. It is intended for adoption as a corporate performance measurement technique rather than for assessing part of the organisation, and this may give rise to questions over its suitability for assessing one service/functional area, such as soft FM services. Norton and Kaplan say that the balanced scorecard should

'translate a business unit's mission into tangible objectives and measures. The measures represent a balance between external measures for shareholders and customers and internal measures of critical business processes, innovation, and learning and growth' (Norton and Kaplan 1996 p 10).

Norton and Kaplan suggest that the balanced scorecard is an ideal measurement system for the 'information age' which requires organisations to operate at a much faster pace and has organisations that

- are cross-functional in nature organisations rather than silos (this perhaps suggesting its suitability for FM as a support service works across the organisation).
- companies customise products to suit customer needs.
- operate on a global scale (although the public sector does not operate on global basis there is a parallel with wider community involvement and electronically accessible services, and an expectation of 24/7 service delivery).
- Innovation - continuous improvements both in products, and
- Operates in an environment where there are more 'knowledge workers' and quality initiatives (there are areas of the public sector where knowledge is the key service output).

The balanced scorecard combines elements of both the traditional and systems performance measures, by viewing an organisation from the following

perspectives; financial, customer, internal business processes, and learning and growth.

In the United States, Chesley and Wenger (1999) looked at the use of the balanced score card in respect of public sector, and how its use in this context can differ in this context to that in the private sector. They concluded that the technique could be used to

- Clarify and translate a vision or strategy
- Communicate and link strategic objectives and measures
- Plan, set targets, and align strategic initiatives, and
- Enhance strategic feedback and learning.

but noted that constraints on public sector organisations, which they classified as 'hard and soft constraints', have an impact on the way that the balanced scorecard is viewed and used. With respect to hard constraints, these include the belief within private organisations that success in an organisation leads to growth. Obviously, in government bodies success cannot lead to growth. Size of the operation and its existence depends primarily on the

'non-market, non-operational and non-value chain strategies. In fact, the implied success factor for federal organizational strategies is "smaller". Strategic managers are not organisationally rewarded by successful business strategy. They cannot grow their business' (Chesley and Wenger 1999) p 59.

The rationale for public organisations is different. With respect to financial considerations these have

'an enabling or a constraining role, but will rarely be the primary objective for business systems. Success for public organisations should therefore be measured by how effectively and efficiently they meet the needs of their constituents'. (Amaratunga and Baldry 2003).

A local authority does not provide products but

'fulfils a number of obligations. For example, it safeguards the liveability and safety of society. In many cases it is responsible for difficult ,

insoluble problems; dealing with them by an authority is inherently ineffective and inefficient' p 12(De Bruijn 2007)

These characteristics undoubtedly place constraints on public sector organisations, when compared to the private sector. Chesley and Wenger (1999) characterise the 'soft constraints' of government organisations as highly co-ordinated routes of communication and a bureaucratic culture, whereby its leaders are unable to alter the structure which is interconnected vertically through the political process and horizontally with missions that cross organisational boundaries (Chesley and Wenger 1999).

With respect to performance measurement, it will be important to map the service process and the interactions with customers and other organisations who are involved in service provision, so that key performance measures can be determined. These constraints in the main are also found within government bodies within England. Particularly with respect to the focus on the budget cycle and budgetary constraints being a key driver.

Although the above constraints recognise the importance of recognising the impact of budgetary cycles, budgetary constraints and cost benefit, to achieve a more comprehensive picture it is necessary to look past this aspect and consider the intangible service elements, which are a key part of service provision, the impact these have and how they can be managed.

The key features of the perspectives and associated measures are discussed below.

2.6.11 Financial Perspective

'The balanced scorecard emphasizes that financial and non-financial measures must be part of the information system for employees at all levels of the organisation. Front line employees must understand the financial consequences of their actions; senior executives must understand the drivers of long term financial success.' (Kaplan and Norton 1996) p 8.

A potential weakness of this approach is that although an understanding of the financial perspective is key at management level, it is perhaps questionable as to whether all front line staff put this emphasis on financial consequences, with customer perspectives being more readily accepted for front line staff who have a high degree of customer contact.

With respect to service provision, although Norton and Kaplan recognise that different employees, for example executives, have different ideas of what superior service is and what the most important customer segment should be. The model purports that once the financial and customer objectives have been established, an organisation can identify the objectives and measures for its internal business processes, and recognises that compared to other systems

'even those that use many non-financial indicators, focus on improving the cost, quality, and cycle times of existing processes. The Balanced Scorecard highlights the processes that are most critical for achieving breakthrough performance for customers and shareholders. '(Kaplan and Norton 1996)p 11.

The balanced scorecard appears to place a very high emphasis on financial performance in saying

' financial objectives and measures must play a dual role: they define the financial performance expected from a strategy, and they serve as the ultimate targets for the objectives and measures of all the other scorecard perspectives' (Norton and Kaplan 1996)

Norton and Kaplan identify a number of key strategic themes relating to the financial perspective namely revenue growth and mix, which relates to expanding the product or service to reach new customers; cost reduction/productivity improvement relating to lowering the direct costs of these products and services, and reducing indirect costs, and asset utilisation relating to the reduction of working capital levels necessary to support a given volume and mix of business. These themes have a very commercial focus, which has less relevance within the public sector, where market share and profitability are not business drivers.

For the first of these measures, the return on investment is important in both the public and private sector. However, whereas in the private sector financial objectives are generally aimed at long-term profitability, as they are in a purely commercial environment in public organisations, financial considerations have:

'an enabling and constraining role, but will rarely be the primary objective for business systems. Success for public organisations should therefore be measured by how effectively and efficiently they meet the needs of their constituencies' (Amaratunga and Baldry 2003)

In considering the financial perspective, Amaratunga and Baldry (2003) highlight that some critics of financial measures consider that these no longer have the same relevance in today's organisations, as they do not

'improve customer satisfaction, quality, timeliness and employee motivation. In their view, financial performance is the result of operational actions, and financial success should be the logical consequence of doing the fundamentals well' (Amaratunga and Baldry 2003) p184.

This argument stands true for both the private and public sector, particular at time when the need for greater accountability and responsiveness to customer requirements is the norm. Whilst a well-designed financial system can assist in the decision making process and help ensure that overall financial efficiencies are achieved (Amaratunga and Baldry 2003), the emphasis on the financial perspective is one of the key limiting factors often related with for using the balanced scorecard within the public sector Gambles (1999 p 24).

Kaplan and Norton (2001) accept this criticism, saying that non-profit and government agencies should instead consider placing an overarching objective at the top of their scorecard that reflects their long-term objectives. Within the public sector such a use has been demonstrated by (Chesley and Wenger 1999) who forwarded a modified representation of the balanced scorecard which was used by the National Reconnaissance Office (NRO) in the United States. Figure 2.6-2 shows the original model; followed by Figure 2.6-3, which illustrates Chesley and Wenger's modified version of the balanced scorecard, adapted to show an alternative organisation perspective, ie one that places a higher emphasis on customer satisfaction. A key point to note is that in order to provide the best fit for the organisation, generic models sometimes need to be adapted to fit the context in which they are being used.

Figure 2.6-2 : The Balanced Scorecard 1996 Kaplan RS and Norton D. R p 9

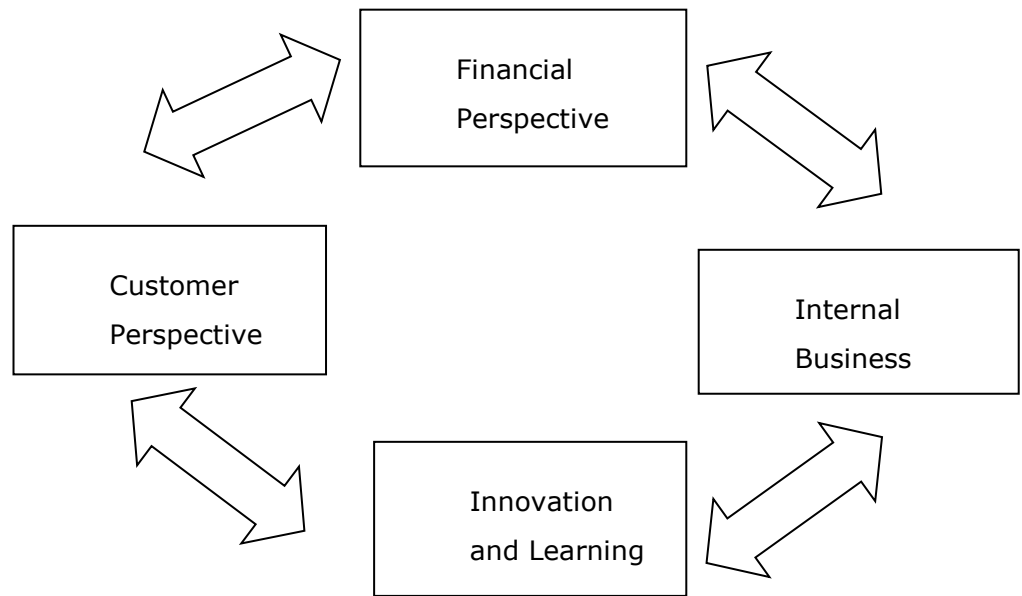
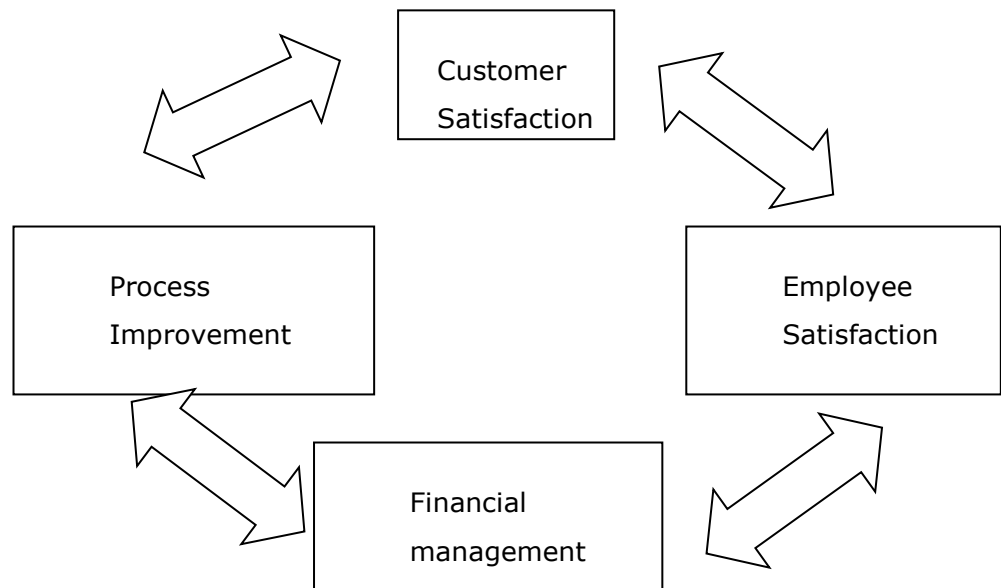


Figure 2.6-3 Chesley and Wenger's modified version of the Balanced Scorecard

California Management Review 41(3) 1999, p64



2.6.12 Customer Perspective

In considering the customer perspective, Kaplan and Norton suggest that the core

'measurement group of customer outcomes is generic across all kinds of organisations. The core measurement group includes measures of:

- market share
- customer retention
- customer acquisition
- customer satisfaction
- customer profitability'

Kaplan and Norton (Norton and Kaplan 1996) p96

In outlining their core customer measures, Kaplan and Norton (Norton and Kaplan 1996) say that these should be customised to target customer groups which will deliver the greatest growth and profitability. (Kaplan and Norton 1996)

However, in considering these measures, it is evident that market share, customer acquisition, and profitability have little relevance within the public sector. The customer base is a defined geographical area, and customers are acquired by being residents/operating a business in that area rather than choosing to be a customer of the particular organisation. Customer retention is linked to the customer retaining a connection with the area. Furthermore, the statutory natures of some services provided, for example local taxation and refuse collection services by a local authority, means that the service user does not have a choice of provider. Conversely, the service provider provides the service based on residence in the catchment area, not actively seeking to retain the customer. Furthermore, there is an understanding that the customer is a customer all the time they are resident within the area, that certain services must be provided to them and that the cost of the services is to be met by the whole community.

To this end, (Olve, Roy et al. 1999) suggest that rather than a customer focus a relationship focus may be more appropriate. Within the public sector this is whilst they are in the local authority's catchment area and although it may be relevant to know why people move into and out of the area, the perspective can

be broadened to give a picture of what is happening within the wider environment.

The BSC is focussed upon customer satisfaction and increasing profitability. Within local government, the customer is central to the best value process. In considering this point, McAdam and Walker (2003) emphasise that this can be complicated by the range of customers and stakeholders that such a body has,

'Most public sector scorecards focussed on excellence and sought to work more efficiently, for example reduce costs, fewer mistakes and more effective use of resources. However, this operational approach was viewed as not being the best way to develop customer needs. There is also a danger that the more straightforward customer profiles in the private sector will be applied to complex customer and stakeholder profiles in the public sector leading to overly simplified measures within the customer quadrant of the scorecard.'(McAdam and Walker 2003) p878.

2.6.13 Internal Business Process Perspective

Kaplan and Norton identify suggest that the three principal business processes which this part of the model encompasses are

- Innovation
- Operations
- Post sale service

and suggest that these form part of the value chain and means of researching customer needs and creating a ways of meeting these needs.

Although Kaplan and Norton say that organisations must innovate to produce continuous improvement in both products and services. However, whether continuous improvement is always sought and indeed always realistic must be questioned. It is unlikely that services or products can go on improving ad infinitum and even if they could whether this is what customers' would require. Norton and Kaplan (1996) consider that innovation is a critical part of the service process, and therefore it may be more realistic to look to innovate for either improvement or maintenance of a certain service level.

The reference to innovation within the balanced scorecard does not appear to take into account the different opportunities for innovating in the public and private sector. In service operations, the output is largely intangible and service

consumption generally immediate, with the producer and the consumer interacting for the service process to be complete. Staff deal directly with a variety of clients, which obviously results in a degree of unpredictability. Furthermore, whereas in manufacturing there is an opportunity for standardisation of work processes, within services this opportunity is reduced and in fact increased standardisation in this environment can have a negative impact on the on the customer-provider relationship (Damanpour 1991) and the customer's overall service experience.

Damanpour (1991) highlights the distinction between private and public sector organisations, given the overall differences in their managerial roles structures, decision-making processes and the opportunities and constraints that this places on the opportunity for innovation. He suggests that the high level of bureaucratic control can stifle the opportunity for innovation when compared to private enterprise. Although there have undoubtedly been changes in the public sector and a wider recognition of the need to provide high quality/customer focussed services, where appropriate by making innovative changes, in reality such opportunities are more constrained than in the private sector, not least because of the use of public funds, and other resource constraints. Furthermore, given a higher focus on achieving targets, and the penalties imposed for not doing so, may affect the balance on whether to strive to find new ways of service provision or playing things safe in order to meet the target (Gaster and Squires 2003).

2.6.14 Learning and Growth

The final perspective of the balanced scorecard is that of learning and growth, and it is this perspective, which provides the infrastructure to enable achievement within the other perspectives.

Kaplan and Norton highlight three principal categories for the learning and growth perspective. Namely;

- Employee capabilities
- Information system capabilities
- Motivation, empowerment and growth perspective (alignment).

The balanced scorecard has a strong commercial focus and the Improvement and Development Agency, I&DeA, suggest that to make it more usable within

the public sector it has to be used differently with the mission rather than the financial/shareholder objectives driving the organisation's strategy.

Furthermore, as (Olve, Roy et al. 1999) say

'the logic of the balanced scorecard concept dominated by the notion that the balance among different perspectives and measures should promote long-term survival and profitability. For a municipal or national government agency, the goals are different'.

The goals of the public sector tend to be of an enabling and regulatory nature, and success is measured by how effectively and efficiently they meet the needs of their communities.

The ID&eA go on to suggest that

'Perhaps a substitute should be found for the financial perspective' (ID&eA 2006)

and propose, that perspectives that are more relevant may be, performance, relationships, activity and future focus.

In concentrating on the vision for individuals or teams, what the objectives are for that unit and the measures, targets and initiatives associated at this level, the use of the balanced scorecard as a performance measurement system for a functional unit, such as a soft FM service becomes more feasible.

2.6.15 The Performance Prism

Developed by (Neely, Adams et al. 2002) the performance prism is intended to provide a 'stakeholder-centric' view of performance management. It is intended to build on other existing techniques such as the balanced scorecard.

The performance prism is a three dimensional framework, which Neely et al. state is designed to be

'highly flexible so that it can provide both a broad and narrow focus as required'. (Neely, Adams et al. 2002) p160.

It is based on five interrelated perspectives on performance namely;

- Stakeholder satisfaction – who are the key stakeholders and what do they want and need?

- Stakeholder contribution – what does an organisation need and want from their stakeholders on a reciprocal basis?
- Strategies – what strategies does an organisation need to put in place to satisfy the needs and wants of its stakeholders, whilst also satisfying organisational requirements?
- Processes – what processes does the organisation need to put in place to enable the organisation to execute its strategies?
- Capabilities – what capabilities does the organisation need to put in place to allow it to operate its processes? Capabilities are the combination of people, practices, technology, and infrastructure that together enable execution of the organisation's business processes. (Teboul 1991, Eisenhardt and Martin 2000, Neely, Adams et al. 2001).

The above considerations, and in particular the operational strategy that is put in play to meet customer and organisation requirements and the services processes that underpin this strategy will be a key focus in service delivery.

One notable difference within this framework is that it considers what the organisation wants from the stakeholders in return for what it provides. This too will form part of the operational strategy, in determining what customers need to bring to the party in order to assist the service provider in providing them with an efficient and effective service delivery. Clear examples from the FM arena are that in order for a hospitality service to perform efficiently the service provider will need to educate the customers to be specific about their requirements, place an order with adequate notice for the caterer to fulfil their requirement. Likewise, room booking administrators will need to ensure that their customers clearly outline their room layout requirements, any equipment, advise reception of the meeting venue in order that they can correct direct visitors. Or, to enable the post to be dispatched on time, mail room personnel will need to educate their customers to have the post in their out tray by an agreed time. This model recognises that the service can only be provided to a satisfactory level when both sides are aware of their roles within the process and perform them to the required level.

Unlike the balanced scorecard, the focus of which is at the strategic level, the performance prism uses performance indicators to show whether the organisation is moving in its intended direction. This technique recognises that different stakeholders may have different requirements and the organisation must decide which stakeholders' wants they want to try to satisfy. This is

framed in the questions 'who are the organisation's stakeholders and what do they want and need?'

Within the balanced scorecard, there is an emphasis on ensuring customers are loyal and that profitability is secured with respect to other competitor organisations. However, Neely et al. (2002 p 167) make the point that

'Customers do not necessarily want to be loyal or profitable'

Generally customers want good service and, if appropriate, a good product. In the public sector customers may demonstrate loyalty through need rather than choice – because either they need to be a customer for example as a Council Tax payer or because they need to access a service and the local authority is the statutory provider.

With respect to different stakeholders, the performance prism and balanced scorecard reference the difference between customers and investors who are often different groups of people. This is not always the case within the public sector where the main investors are the public within the community the local authority supports, and accordingly the investors in this sense will pay for services whether or not they use them, via local taxation, even if not directly for example via seeking planning permission, etc.

The concept of what organisations expect in return from a supplier – and considering this in providing good customer service – is relevant within the scope of FM. A clear example is found within the post room service and the mail deliverer, for example Royal Mail. The mailroom clearly wants prompt and accurate delivery of its mail in the morning and regular and reliable collection of mail at the end of the day. From the Royal Mail's perspective, a clear requirement is that the mailroom has the outgoing post ready for collection at the agreed time, sorted as agreed, for example first/second split, franked and un-franked mail split, etc.

The performance prism is not widely used within the public sector at this time but the strong stakeholder focus of this model is of interest to this sector. (Whittaker Brown 2006). The Improvement and Development Agency (I&D^eA) recognise the model's key strengths are that it builds upon the strengths of the balanced scorecard. It is intended to cover all the organisation's key stakeholders, it can be applied at any level in the organisation - from across the whole organisation to a specific business unit - and it not prescriptive in the

dimensions of performance that should be measured. (Whittaker Brown 2006) Examples of its use are given within the private sector (DHL and House of Fraser), and within the charitable sector (Neely, Adams et al. 2001).

2.6.16 The Performance Dashboard

At their simplest level performance dashboards provide a visual representation of performance, to a range of stakeholders across the organisation. Specifically they are intended to interpret

“the organization’s strategy into objectives, metrics, initiatives, and tasks customised to each group and individual in the organization. It provides timely information and insights that enable business users to improve decisions, optimize processes and plans, and work proactively’ (Eckerson 2010) p 4.

Eckerson goes on to suggest that the Performance Dashboard is a means of conveying ‘critical information at a glance’ and suggests that the dashboard provides a complete monitoring, analysis and management application if used appropriately (Eckerson 2010). As with all performance assessment systems it is important to collect and track the correct data, ie data which will be useful to its users and fulfils the purpose for how they intend to use it. The metrics need to be prioritised and validated and realistic targets set against which performance will be measured. Information technology is an integral part of producing and utilising meaningful performance dashboards.

Eckerson suggests that Performance Dashboards are suitable for a range of employees within the organisation, and can be used at three levels, operational, tactical and strategic. Specifically

- operational dashboards are intended to track core operational processes and are focussed on monitoring rather than analysis or management,
- tactical dashboards track departmental processes and the focus is analysis,
- strategic dashboards monitor the ‘execution of strategic objectives and emphasize management more than analysis and monitoring’.

(Eckerson 2010) p xvi

Accordingly, Eckerson (2010) suggests that this enables performance dashboards to be applied at different levels within the organisation in order to support strategy making and refinement, organisational communication across the board, provides a means of increasing performance visibility, supports resource deployment and cost reduction, etc. The information produced via performance dashboards can be applied at the various levels of the organisation and can be used to explain performance to stakeholders. However, as with any performance assessment technique it is an appropriate and co-ordinated approach that enables the tool to be used effectively rather than in a haphazard way, and therefore the dashboard should go beyond 'a screen populated with fancy performance graphics' (Eckerson 2010) p 10, in order that to become a business information system.

One advantage of the performance dashboard is that it can be updated on a daily or intraday basis. The dashboard is based on three layers of information which Eckerson proposes enables the organisation 'monitor, organise and drill to detail', a three stage process for which he uses the mnemonic MAD. This approach is intended to ensure that users/stakeholders can access information that they need and that is relevant to them. Eckerson suggests that advanced use of performance dashboards means that they can also be used at a more strategic level, which incorporates 'modelling', 'advanced analytics' (such as 'what if' analysis) and 'deliberate and act', and calls this amended process double MAD.(Eckerson 2010)

Eckerson provides examples of case studies where this technique has been used, for example in a call centre. In respect of soft FM services, potential applications are a switchboard, helpdesk, or room booking service. Data can be collected enabling performance scores to be regularly updated, and allowing the service provider and manager to determine how individual team members are performing against agreed performance, and how the team is performing over a period of time, at different times of the day, under different circumstances, etc.

In this way the technique could also be used to monitor and plan resource deployment. An example provided by Eckerson highlights use of the technique to measure performance within the police force, both in respect of providing details of where crimes are taking place, response times, etc (Eckerson 2010). Eckerson indicates that the data was used in a predictive way, reviewing crime statistics by type, location and time of crime happening in order to help determine where certain crimes were more likely to happen and when, and

therefore where police officers could be deployed during their shift, as a preventative measure. Response times to crime were also monitored. A potential application in soft FM would be the planning staff resources for cleaning activities, at an analytical level looking at areas cleaning materials used, customer calls to a helpdesk and times of day problems arise, etc in order to determine when and where to deploy resources.

At a tactical level an example is given of a university which tracked research proposals, awards and expenditure by college department.

2.6.17 Six Sigma

Six Sigma is a technique which, like statistical process control, recognises that although there will always be variation in processes, as it is intended to be utilised with projects that are transactional in nature. This includes usage for with processes such as customer service that extend across the organisation; as part of a traditional cross functional approach. It is intended to balance the 'voice of the customer' ie customer needs and the 'voice of the business' and allow this to support the design of products, services and processes. (Cygi, DeCarlo et al. 2005, Giménez 2005, Stapenhurst 2005).

Six sigma concentrates on two key areas – process efficiency and whether this is operating as it should and achieve the process goal, and defects per opportunity. Processes are broken down into a number of units or opportunities and the number of defects per 'opportunity' quantified. However, care has to be taken to avoid splitting the process down into too many components which can then become meaningless.

Six sigma concentrates on what it calls critical to quality characteristics, ie the characteristics of the service or product which are 'key for the customer and, therefore, for customer satisfaction. (Giménez 2005).

Like statistical process control, this technique highlights that variation must be managed within tolerable/acceptable limits. Six sigma recognises the value of looking at variation within the short and longer term, as variation will increase in the longer term, for example as people become more familiar with the service processes, and perhaps introduce different ways of performing their roles. (Cygi, DeCarlo et al. 2005)

All of the techniques reviewed within this research indicate that with correct and systematic usage dramatic service improvements may be achievable and

sustainable. This claim is somewhat spectacularly highlighted with respect to the use of Six Sigma which it is suggested provides a

'series methodology and statistical tools that lead to breakthrough improvements in profitability and quantum gains in quality, whether a company's products are durable goods or services' (Giménez 2005) p423

Given this claim, it is difficult to understand why, if substantiated, not all organisations are employing it with respect to their performance measurement and management activities.

However, dependent on the complexity of the project, Six Sigma involves the application and interpretation of considerable statistical knowledge and information. It is questionable as to how many managers possess the required statistical knowledge to use the technique properly. It is perhaps questionable as to whether to enable managers to exploit the benefits of a number of performance management techniques, training in and/or current knowledge of statistics should be a core skill required by managers, and form part of on-going management training programmes.

The use of the six-sigma technique recognises the requirement for specialist practitioners, and there appear to be many independent trainers available to impart these skills. However, given the resources constraints of many organisations, including those within the public sector, the use of such a technique may be difficult to justify without proof of potentially dramatic improvements in a comparable environment.

Six Sigma and lean six sigma pointed out by George, Rowlands, et al. that you need a strong commitment from CEO and executives, line managers and process owners. With respect to the use and resource investment required of a commitment to the Lean Six Sigma technique George, Rowlands et al. highlight the specialist nature and commitment required in the use of this technique in saying

'To have any chance of success, implementation of Lean Six Sigma must be accompanied by new positions, new training, and new ways for different layers of the organisation to communicate. This new "infrastructure" helps companies translate their investment in Lean Six Sigma into measurable results to the organisation and its customers" (George, Rowlands et al. 2004) p55

The problem solving technique associated with (Lean) Six Sigma is DMAIC ie Define-Measure-Analyse-Improve-Control who suggest that use of this technique

'forces teams to use data to...

- Confirm the nature and extent of the problem.
- Identify (the) *true* causes of problems.
- Find solutions (to the problems) that evidence shows are linked to the causes.
- Establish procedures for maintaining the solutions even after the project is done' p 56 (George, Rowlands et al. 2004)

Process maps are often used within six sigma. This considers processes at a high level and involves a process called SIPOC, which stands for Suppliers, Input, Process, Output, Customers, and this allows the basic elements of the process to be identified.

As with all techniques it is important to scope how success of the project will be measured, including mapping the process and determining who provides the data, who will use it and who owns the measure so that accountabilities and responsibilities are clearly defined. This supports action being taken as a result of the process.

The core principle behind lean six sigma is that defects in the process can relate to anything that dissatisfies the customer. For example a delayed process completion is a defect (George, Rowlands et al. 2004).

Stapenhurst (2005) suggests that six sigma and statistical process control (SPC) work in hand because SPC monitors performance and six sigma is the tool used to improve process performance, when it is determined that this is required.

The ability to recognise and correct service failures may make six sigma and lean six sigma suitable for application in the measurement of facilities support services. For example where there are delays in hospitality deliveries, late mail collection or delivery, a high number of unanswered or delayed telephone calls answered by switchboard, incorrect room layouts, etc. Unfortunately, there appears to be little documented evidence of the benefits achieved by using these techniques within the public sector. However, as highlighted above, the complexity of the technique and the high resourcing implications may make its use untenable.

2.6.18 Performance Assessment and Service Failure

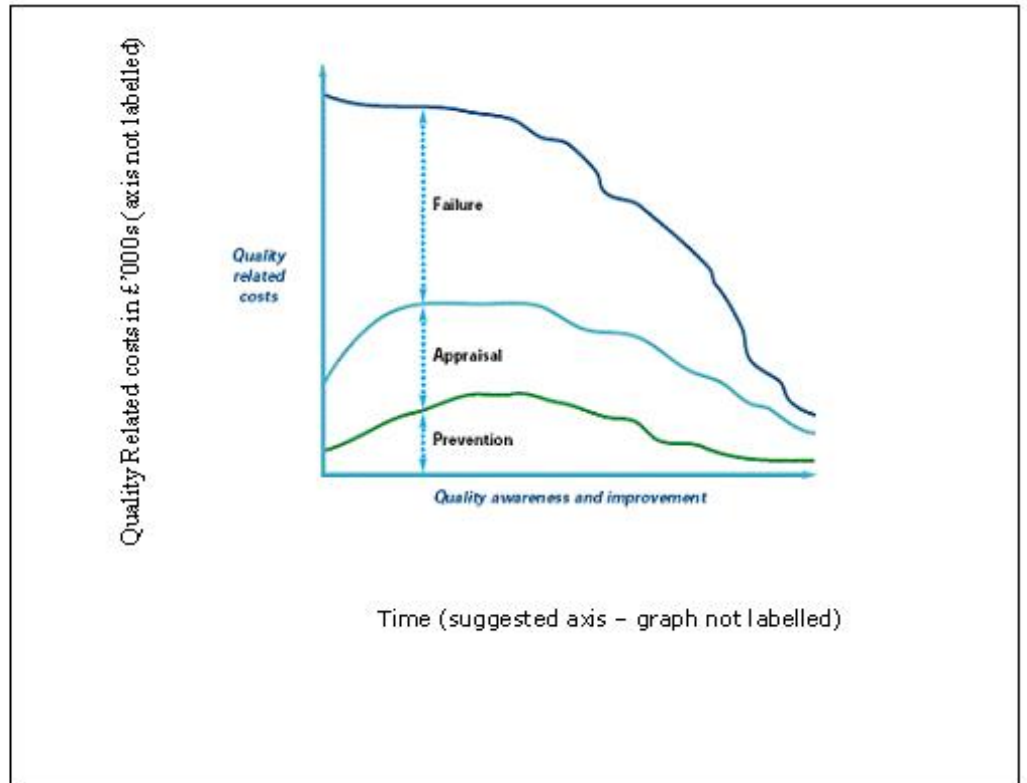
It is accepted that service provision will not always succeed, and therefore another consideration in performance management is to consider why and how services fail. When there is a service failure whether this is internal or external the organisation will incur failure costs (Clarke, Davis et al. 2001).

Internal failure costs occur when the work fails to reach the required quality standard and needs to be reproduced before finished work is passed to the customer, within the scope of soft FM the opportunity to rework the service could arise within printing/reprographics, catering services. In the main, the other services are produced at the time of consumption and therefore the opportunity for rework is reduced, or in some cases impractical.

The second category of failure cost is that which is external and is only discovered once the products or services have reached the customer (Department for Trade and Industry 2005). These costs include the work that the organisation must incur in dealing with the complaint, and cost incurred in handling and investigation the rejected or recalled products, including any transport or reimbursed postage costs.

One model for considering service failure is the Prevention- Appraisal - Failure model. Represented graphically below, this shows how as quality awareness rises the quantity and level of failure and appraisal costs falls.

Figure 2.6-2 The Prevention, Appraisal, Failure Model



(<http://www.dti.gov.uk/quality/pdfs/sections/performance.pdf> p 3)

An alternative that is proposed to the prevention-appraisal-failure model is the cost of non-conformance model. This model recognises the cost of quality as being cost of conformance (ie producing the service or products to the required level) plus the cost of non-conformance (ie failure costs associated with the service or product non being produced to standard or through variability in the process. (Department of Trade and Industry 2005 p 3). The potential use of this model is that it will enable the service provider to determine balance the financial impact of failure against the cost of providing the service or product to the required standard at all times. A limitation of this model is that although it takes into account the cost of say rework, etc it does not include the reputational cost of getting things wrong. Therefore, it is proposed that counting the cost of failure is only part of the equation.

In considering service failures, additional benefits can be gained from considering where the process may fail, by 'failure mapping'. This process can be undertaken with by the application of control charts, six sigma, ishikawa

diagrams, and the performance prism. The aim is to recognise where the service is failing the customer, so that these elements of the process can be removed, or amended to reduce the impact and incidence of service failures. This is because in considering the 'worst case scenario' and then tracking back can assist in highlighting whether the right strategy, processes, capacity and capability measures are in place to help limit the effects of failure on the service and/or organisation. By considering both success and failure maps a robust set of performance measures can be created.

The cost of failure is perhaps less evident within the public sector, where less direct competitive pressure exists. However, in times of increased public scrutiny and the need to demonstrate value for money, failing to look at this area could prove a significant omission within the overall performance measurement process.

2.6.19 Opposing Views on the Use of Performance Assessment within the Public Sector

Whilst the use of performance assessment and specifically benchmarking within the public sector, and within the context of this research within local government, is at the least strongly encouraged, some researchers suggest its uptake, is not as high as perceived to be.

The last decade has seen an increasing adoption of benchmarking within the public sector, in the UK and Europe, to systematically compare and improve service performance (Triantafillou 2007). The most commonly understood and used performance technique; it is widely supported by politicians, linked to best practice (providing an alternative to market testing) and a means to demonstrate resource accountability (Bowerman et al. 2001; Triantafillou 2007).

Whilst few would argue against a need for improving public services and financial accountability, criticisms have been raised against the increased use of and reliance on performance measurement to achieve this. The basis for criticism revolves around suggestions that service complexities negate its effectiveness, and focusing on performance targets can result in a number of undesirable outcomes including

- a focus on the procedure/process and a desire to meet required standards despite conflicts with customer requirements,

- penalties for failure to achieve targets stifles rather than encourages innovation,
- targets for services with less clearly defined outputs can result in performance being judged against something less meaningful to the customer,
- ignoring co-production between service provider and customer in service output, effects the service outcome,
- and failure to recognise organisational context when studying and adopting (rather than adapting) best practice

(Behn 2002, de Bruijn 2007, McAdam et al. 2005, Seddon 2008).

Whilst acknowledging such criticisms, public bodies need a comprehensive, reliable means for achieving on-going service improvements, accountable, customer focussed services, innovative service delivery, and appropriate use of resources (Moullin 2004, de Bruijn 2007). The UK Government actively supports performance systems, as can be evidenced from the list of initiatives and statutory instruments given below

Similar reforms have been introduced within other countries, all aimed at providing a highly performing, results driven service culture (Behn 2002; Galera et al. 2008).

Despite the above, some researchers suggest that expectation and reality are different, uptake is lower than expected, and results are not used to drive service improvements (Behn 2002; Galera et al. 2008). Reasons given are; lack of standardisation of performance indicators leading to mistrust of results; fear of the consequences of failure; lack of understanding of the process; resistance to compulsory participation; cost based culture, constantly changing regimes affects motivation (Behn 2002, Bowerman and Ball 2001; Galera, et al. 2008; Pollitt, et al. 2008).

2.6.20 Summary

There are a range of performance measurement techniques available for assessing service performance, seven of which are included for assessment within this research, namely

- Benchmarking
- Data Envelopment Analysis
- Statistical Process Control
- Performance Dashboard
- Balanced Scorecard
- Performance Prism
- Six Sigma

The techniques detailed above were chosen as they provide a range of operational and strategic measures and also provide either a traditional or system perspective.

Data envelopment analysis (DEA), statistical process control (SPC), six sigma and, in part, benchmarking are based on the collection and analyses of data, have an operational bias, and can be utilised at a service level. Indeed DEA and SPC are particularly suitable for this application. These techniques are intended for use on an on-going basis checking performance over time and have a shorter-term application. For example, SPC will highlight special cause variation that may affect the service performance.

These techniques measure the use of resources, such as number of mail items processed, number of telephone calls answered by a certain number of people in a certain period. These measures can be used in an assessment of the capability and capacity of the service, from which level of service provision can be determined and managed.

Benchmarking can measure either metrics or processes. The measurement of processes is qualitative in nature, allowing the manager to look behind the processes make up the service and to compare these with the service processes of 'best practice' services. Data envelopment analysis has a similar application in that once the service is positioned with respect to other providers (either in house or externally) the processes of the best practice service can be mapped for comparison. The review cycle of process benchmarking and data envelopment analysis will have a longer time frame than metrics – with processes perhaps being reviewed on a bi-annual basis.

The performance prism has a basis in strategic measurement but builds on this to provide a wider service stakeholder perspective. It is therefore suitable for use at either a service or an organisational perspective.

The balanced scorecard is a strategic rather than operational tool and is intended for use across the organisation although it is claimed that it can be adapted to a service level, although even at this level the intention is as a strategic management tool. This tool is more qualitative and will likely be used over a longer time frame and not be revisited as frequently as the more quantitative tools (although it is likely that these will inform the strategic process).

Whichever system or mix of systems is selected, to achieve full benefits the measurement process needs to be on going rather than a one off or short-term approach. This is because performance measurement provides a number of snapshots of performance over a defined period. Therefore, to give a more comprehensive picture, such measurement will need to form part of an on-going review in order to determine that service quality is maintained or highlight potential amendments to service provision, which can then be implemented and their effectiveness assessed. Likewise to gain the full picture, in addition to the specific measures it is necessary to analyse the process itself.

Given the potentially resource intensive nature of performance assessment, it is essential to assess the costs/benefits and risk impacts of implementing and managing the chosen system. More specifically;

- the criteria that are key to service performance ie those service characteristics that are critical to customer satisfaction but also meet organisational needs.
- whether a service problem and its solution are evident without the use of performance measurement techniques.
- the service is being provided for the customer and therefore measures should help ensure that the service is meeting the customers' needs and not a means to an end (Clarke et al 2001)
- measures should also reflect that service users might access the service in different ways and at different times. Given the government's regime of electronic government, and the intention that all services should be completely accessible by electronic methods, this is another set of customer viewpoints that will be need to be considered in considering the performance of service delivery.
- include both perception measures and performance indicators, so that there is a balance between perception measures, which are obtained directly from service users and other stakeholders, and performance indicators, which are recorded directly by the organization (Moullin 2004).

Although the use of targets and service standards can provide a useful base for service management, the reason for collecting the data is to monitor performance and allow any adjustments to be made to the service to meet customer and organisational needs. If the target becomes the reason for collection, the use of the information as a tool to monitor and improve services or to indicate that something needs to be done to redress the balance can be lost. A further essential part of performance measurement process is to review the measures and techniques used on a regular basis to determine whether these are still relevant, and if not then eliminate them so that characteristics are being measured out of relevance rather than habit. (Neely, Adams et al. 2002).

To add 'value' to the service management process, performance targets will need to be set so that they are not only challenging but also achievable. (Neely, Adams et al. 2002).

At a strategic level, performance measurement techniques need to assist in confirming that the measures to check that chosen strategies are being implemented, and can be

- used to communicate the strategies throughout the organisation (for example by showing progress in reaching an overall organisation goal, via a traffic light system, etc).
- be applied to incentivise implementation of a strategy measures can be used to analyse if the strategies are being implemented or not and if not why not.

With respect to the performance systems and measures, the Audit Commission et al (2001) also recognise that

'It's rarely possible to have the perfect performance measure – defining measures, setting targets and collecting performance information is a balancing act between using ideal information and using what is possible, available, affordable, and most appropriate to the particular circumstances. (Audit Commission, Cabinet Office et al. 2001).

2.7 Developing a Theoretical Model

2.7.1 Introduction

The previous sections of the literature review have evaluated and developed the theoretical context to the research. Specifically

- the resource based framework, which provides a theoretical context to the research,
- the relevance of the public sector context,
- FM and its role within the local authority context,
- the nature of services and the implications for performance service provision,
- customers, both internal and external to the organisation, their expectations and the implications for service management and delivery,
- the role performance assessment and a discussion and comparison of the techniques under review within the research.

From this review three key themes emerged which appear to influence the effective use of performance assessment with the management of soft FM services, specifically,

- **environment** - the nature and role of FM within the local authority context, and the impact that the sector has on service management and service performance assessment.
- the role of **knowledge and information** on the effective management and implementation of performance assessment of FM services, and
- the relevance of the service manager's **education and awareness** regarding the nature of services, customers and their expectations, and the role and use of performance assessment techniques as part of the service management process.

Accordingly, this final section of the literature review,

- summarises and integrates the key points from the previous sections of the chapter, in relation to the three themes.
- in light of the above, proposes a theoretical model which suggests a number of factors that may influence the use and role of performance assessment within the management of soft FM services specifically within a local authority context, and
- which lead to the development of the key research questions and methodology for the research, in order to assess the validity of the

proposed model and evaluate the key research questions and research hypothesis.

2.7.2 Environment

The first potential influence on the role of performance assessment within a local authority is the internal and external environment.

The environment relates to an understanding of the

- the Public Sector Context,
- the role and position of FM in local government,
- the influence of the political composition/governance and policy framework within the authority,
- the FM service context within an organisation, eg whether services are front of house or support,
- the role and application of performance assessment in the public sector specifically within the FM services,

and more specifically,

- how the political/legislative framework is translated at a local (internal) level into the governance structure, policies and procedures the overarching political context;
- government instigated performance initiatives, their interpretation at a local level, usage, reporting of results, etc.
- the political composition of the local authority's governing body (the Council members and committee structure).
- the role of FM within a local authority context, the role of support services within the organisation and how their performance can affect front line service provision, the breakdown of services within a local authority into front of house or support services.
- the service priorities set by the local authority's Council members and the importance placed on the different services and their performance within the authority.
- whether performance management initiatives are used across the organisation, or have a specific service application, and whether these include FM services.

The dynamic and nature of the local government sector is determined by changes either coming from within local government or imposed by central government or legislative changes this resulting in high levels of public interest and profile. Such changes are highlighted by the work of Wilson and Game (2006) who comment

'What area of the private sector, they would ask, has had to come to terms with more change and upheaval on every front: privatisation and the contracting out of services; compulsory competitive tendering (CCT); Best Value and Comprehensive Performance Assessment (CPA); the introduction and almost instant abandonment of 'poll tax', followed by council tax and tax capping; neighbourhood offices, one-stop shops, enabling councils, beacon councils, private finance initiatives, area-based initiatives, strategic partnerships, inspectorates, e-government, performance indicators and league tables... all against a backdrop of continuous finance constraints and the actual or threatened rearrangement of the whole local government structure.'p6 (Wilson and Game 2006)

Over the last 30 years, a range of performance management initiatives have been introduced by central government, with the intention of ensuring that public bodies place an increased emphasis on service delivery outcomes, efficiency and better management of public funds. In addition, local authorities are also obliged to demonstrate accountability, stakeholder value and customer satisfaction. The context of on-going resource constraints and an increasingly demanding/ knowledgeable customer/ stakeholder base, means that service managers must be able to ensure and demonstrate that resources are utilised in a manner which is innovative, supports learning and is orientated towards their sector, or 'market' (Henri 2006).

Such changes have been perceived to be within the 'new public management' era and more recently involve an increasing use of technology to provide, demonstrate and deliver efficient, cost effective, transparent and customer focussed services. In summary, seeing local authorities moving towards

'a performance-oriented culture in a less centralised public service' (Sanderson 2001 p298)

with

'responsibility for operational management devolved but within a framework of accountability for results'. (OECD 1994 cited Sanderson 2001 p298)

and an environment of evaluation where

'performance is scrutinized at different levels, through a variety of means: in terms of outputs through systems of performance measures and indicators; in terms of managerial systems and processes through inspections and quality audits; and in terms of contract performance through monitoring of standards'. (Sanderson 2001) p 298

Within the UK, a range of mandatory regimes, as detailed below, illustrates the commitment of successive governments to performance improvements within local authorities.

	2010	CAA abolished
2000s	2009	Comprehensive Area Assessment (CAA)
	2007	National Performance Indicators
	2005	Key Lines of Enquiry and direction of travel
	2003	Comprehensive Performance Assessment (District Councils)
	2002	Comprehensive Performance Assessment County Councils
1990s	1999	Local Government Act
	1997	Best Value Regime
1980s		Compulsory Competitive Tendering

In reviewing the influence of central government on this process, Taylor (2011) studied the requirement for Australian public agencies to utilise performance assessment as part of their service management process. As in the UK, performance assessment in Australian state government agencies undertake initiatives that are derived from

'legislative or administrative mandates on performance measurement and reporting, and the subsequently development of formal rules and procedures to measure, collect and report on agencies performance' (Taylor 2011) p1317

Taylor found that, as in the UK local authority sector,

'Agencies usually draw up strategic or business plans specifying their goals and measure performance through PIs, reporting on performance in a process that resembles, and is often an element of, the annual budget reporting process' (Taylor 2011) p 1317.

In addition to the influences exerted by the external environment, the internal environment of the organisation, its culture, will also influence the role of performance assessment as part of the service management process (Ho 2006). This will include how it translates the use of performance assessment, and any regimes implemented by government into its policy and governance frameworks and reporting requirements, for example, to the relevant portfolio holder (if in a Cabinet structure) or Committee or Council Members.

With respect to Council Members', their perception of the role and importance performance assessment, at both an organisation and service level will influence its use. As Ho (2006) points out

'... If elected executives and legislators are not interested in performance measurement, managers may easily lose their enthusiasm about the tool because they do not see any pay off from their time investment and effort to collect and report the data" (Ho 2006) p219

It follows that if Council members believe that performance information has been useful to their organisation, they are more likely to use it and encourage the Council officers (the soft FMs in this case) to use it. Such use being as part of the decision making process, in order to develop and justify budgets and make best use of the resources available to them (Ammons and Rivenbark 2008), (Hatry 1999). In doing so, this can help managers

"to gauge and demonstrate the fairness of programs, thereby building trust in government " (Hatry 1999)xi

In considering the importance of the organisational culture overall, internal environment, Taylor concludes that

"An organisational culture that accepts routines of performance measurement and reporting as appropriate organisation behaviour is likely to use performance information for decision making more than one that is sceptical of or opposed to the implementation of such a system in the organisation" (Taylor 2011) p 1319

FM involves the integration and coordination of an organisation's tangible assets and support services in order to sustain and enhance its primary functions. The scope of FM services includes a range of both 'hard' and 'soft' services. This split is widely acknowledged, as is the variability of the services included within service provision across different organisations. In order to optimise service provision, managers must review their primary and support activities in order to ascertain which key activities and support services should be incorporated within its FM service, their process and interdependences, in order to support the front line services and organisational objectives. From the review of the literature, there did not appear to be a generic service remit for FM within the public sector, and this extends to local authorities.

In reviewing the environment at a service level, services within organisations are either primary or front line - customer facing - or secondary or support services, which provide support to the front line. The soft FM services under review within this research are an example of such a secondary or support services within many public and private sector organisations. Although non-core business functions in their own right, the soft FM services provide essential support to the core business functions. Furthermore, many of the soft FM services under review are back office in nature, with their processes carried out remotely from the customer/user interface, all or elements of the service are (largely) invisible to the customer. In such instances, whilst service provision does not have the 'complication of the customer's presence' (Johnston and Clark 2008) p 187, neither will there be the opportunity to directly interact with or influence stakeholder perceptions of the service. This increases the need to find an objective method of assessing and demonstrating service performance to customers, or order to establish accountability.

When compared with the primary front line services provided by the Council, ie housing, planning, education, social services, environmental services, etc, it is understandable that greater importance in terms of resource allocation, will be placed on these services given competition for resources, than for support services such as soft FM. Likewise, that these primary services are included within an external assessment and reporting processes on which the local authority will be rated, where league tables exist. Furthermore, it tends to be these services that the stakeholders have greater familiarity with and interest in, given their direct impact on their lives. It follows that soft FM services be given less prominence within this sector than it is given by other public services, for example the health service (Lindholm 2004) where for example cleaning and

catering are critical services. Stakeholders will be unlikely to want resources expended on FM services, and are likely to demand that resources are minimised and used effectively.

Indeed where assessment of FM services is undertaken within the local authority context, this is often in fulfilment of an asset management strategy, than relating to the services that support it. Substantial guidance is provided and there is a statutory requirement to prepare asset management plans that are subject to regular external assessment. (DETR 2000, ODPM 2003). Asset management forms part of the Audit Commission's use of resources judgement, which assesses how an authority's financial management is integrated with strategy and corporate management to support a Council's priorities into order to deliver with 'value for money' to its local community (Audit Commission 2006).

It is therefore somewhat surprising that in considering the potential application of performance assessment within the management of soft FM services, the literature has highlighted that this is limited. It was noted that the majority of service reviewed within this research are outside the definition Public Audit Forum's definition of estates management (UK Public Sector Audit Agencies 2008) (see Section 2.3.4). The majority of benchmarking studies referenced within the literature have been undertaken on the property assets (hard services) rather than support services such as the soft FM services.

In considering the above, this would suggest the importance for FMs to have an objective means by which to demonstrate accountability and the value added by the service for the resources allocated for its provision is key to their success and potentially survival. However, this is not to suggest that performance assessment is a panacea for successful service management. As Ho (2006) states

'performance measurement is only a tool that generates information for decision makers. To make a difference, it needs to accompany changes in organisational culture and practices so that performance information becomes fully integrated into the daily operations and planning of the organisation (Ho 2006) p 227.

2.7.3 Knowledge

In the context of the literature review, knowledge relates to an understanding of the

- the role of knowledge as an organisational capability and how this can support the development of service level competitive advantage,
- the key stakeholders of the service,
- customer experience and how customer expectations can be managed and met or exceeded,
- relative importance of internal vs. external customers,
- key service comparison partners,
- the role of performance databases and case studies, which may be support performance assessment and service improvement.

The theoretical framework underpinning this research is the resource-based theory, which emphasises how an organisation can use its capabilities to provide competitive advantage. One of the capabilities that an organisation has is knowledge, both individual knowledge and at an organisational level. As an organisational resource, knowledge is linked to performance (Mills and Smith 2011).

Knowledge management is defined as an

'organised process of creating, capturing, storing, disseminating, and using knowledge within and between organisations to maintain competitive advantage' (Jayasingam, Ansari et al. 2012) p 2

and it is the processing capability of knowledge management ie its capture/acquisition, interpretation, dissemination (ie its distribution and sharing among employees) and utilisation (the practical use of acquired knowledge) – either within or between organisations which most closely characterise performance assessment techniques, and their usage in order to improve service performance (Gold, Malhotra et al. 2001, Jayasingam, Ansari et al. 2012). Specifically, the FM will collect performance data, ie the raw facts, organise these facts in to information, and gain knowledge from the meaningful use of such information (Bhatt 2001).

Within an organisation, performance information can be gathered and assessed by the FM, using a range of techniques to help them assess and optimise the use of available resources in order to

'provide more (high quality) services with the same quantity (and quality) of financial, material and intellectual resources. Given such a general, contested and ambiguous aim, the question is how can this be done?' (Vakkuri 2010) p 1000

Vakkuri suggest that there are two key questions relating to knowing within an organisation, firstly

"how do we know what the best thing to do is? How do we know the most efficient mechanism for organizing public service provision in society? For this purpose, concepts, measurements and models are designed. The second is the 'doing' question: how do we know how to act upon our conceptions of efficient practices? What are the prerequisites and limitations for public sector systems to follow the most rational procedures (assuming that these are known)?" (Vakkuri 2010) p1000.

In order to maximise the potential benefits to be gained from utilising performance assessment, service managers must understand what information is available on their services and how to gather and apply the knowledge in order to address 'practical managerial problems' such as how to ensure the most effective use of resources both human and financial (Vakkuri 2010) p 1000. As Bevan and Hood (2006) acknowledge such understanding will result in ensuring that the manager measures what matters, rather than what is easy to measure.

Therefore, FMs can use the knowledge gained from and within performance assessments in an interpretive way in order to help them better understand the service context, to see and explain why things happen and determine what can be done to influence service performance, how to exploit the capabilities, for example of the team, etc in order remove ambiguity.

In order to facilitate service comparisons, and to help FMs determine the most appropriate performance assessment technique by service, a service specific database or knowledge base would potentially be of value. The former providing raw service data with which soft FMs can compare their own service performance, the latter service information with context and guidance for action,

for example, case studies on using a particular technique to assess a given service.

In order to clarify and demonstrate how specific service objectives and performance can contribute to overall organisational performance, knowing where and how to gain information on which performance targets support wider corporate objectives, will be key. Given the wide remit of FM services, and the lack of a generic service profile, understanding the differences between FM services within different organisations within the public sector, or indeed the private sector, may assist the FM in determining appropriate comparison organisations and partners.

Likewise, given the broad remit of FM, whilst such information may be gathered from within the sector, a willingness to explore the potential for cross sector comparisons (with FM services providers in other public sector organisations), and determine prospective partners with whom to undertake meaningful service comparisons.

In considering potential sources of information for service comparison, it is noted that databases are available within the public sector for FMs to use. Specifically, within local authorities the Chartered Institute of Public Finance and Accountancy (CIPA) offers estates management benchmarking, the National Health Service the Estates Return Information Collection (ERIC), the Estate Management Data Exchange (eMandate) in further education, and the Estate Management Service (EMS) for Higher Education. As their names suggest, the key focus for these benchmarking services is estates, and incorporating 'hard' FM data (see Section 2.7.3). The key metrics and ratios are predominantly finance based (including cost of services, and other elements), space (areas and suitability and age of the estate), energy consumption and sustainability, staffing costs and numbers (full time equivalents), patient and/or student numbers and ratios as appropriate. Unfortunately, there are no equivalent databases for soft FM services or case studies available that FMs can use to determine use of performance assessment for their soft service portfolio.

Likewise, whilst there are some examples of performance assessment used within the management of soft FM services, such as statistical process control (Owen 1990) (Owen and Morgan 2000) for administrative processes, data envelopment analysis for mail room and office services (Avkiran 2002) these are limited. This lack of a database potentially reduces the availability examples of

good practice for facilities managers to review and/or adapt when considering performance assessment of their own services.

As a process, performance assessment uses quantitative and qualitative indicators to regularly measure the results and efficiency of public programmes that clients, customers or stakeholders expect (Broom et al. 1998; Hatry 1999 cited in (Ho 2006). Therefore, it is anticipated that in order for the FM to gain maximum potential benefit from the use of any performance assessment regime employed as part of the service management process, will require a clear understanding of

- their key stakeholders; stakeholders expectations, and what information stakeholders are seeking on service performance.
- the key performance indicators required in order to maintain service level or deliver service improvements.
- the type of data (qualitative or quantitative) which is relevant to meet the needs of the respective performance assessment regime, and which will determine the relevant information source and enable the FM to gain maximum benefit from its use.

It is recognised that public bodies can have a wide range of stakeholders and tend to be subject to greater public scrutiny than private companies, and therefore put greater reliance on external stakeholders 'for their legitimacy' Noordegraaf (2006 cited in Taylor 2011 p 1320). Consequently, public agencies are

'more likely to rely on the support of external stakeholders, than their actual performance for legitimacy. They are aware that any PIs released to external stakeholders, like members of the public, can shape these stakeholders' perceptions on the worth of the agencies' mission, the degree of autonomy they enjoy, the level of public and political support, and even the supply of resources received" (Meier 2000) cited in Taylor 2011 p 1320

Furthermore, as Taylor (2011) highlights,

"Stakeholder support helps agencies to obtain resources, autonomy, authority, leadership stability and administrative continuity for the

application of the system (Meier 2000; O'Toole and Meier 2003)" Taylor 2011 p 1319

Being in an environment where stakeholders justifiably demand transparency and accountability, but where the presentation of such information may be influenced by external factors such as media coverage may lead, according to Taylor, to a situation whereby

officials within the agencies are likely to be concerned that they are being held accountable for results they believe they cannot control (Taylor 2011) p 1321

and make it difficult for the public to differentiate the actual results from external influences, Kravchuck and Schack 1996 (cited in Taylor 2011 p 1321).

For local authorities, internal stakeholders include service providers, the management structure of the organisation, and elected officials (Council members) who oversee the local authority's strategic direction and other service departments within the organisation to whom the service is provided. The FM needs a clear understanding of the importance of internal customers who are the key customers for many of the services under the soft FM remit and the impact that their satisfaction with service provision may have on organisational performance as a whole (Gremier, Bitner et al. 1995). Indeed, Rosenbluth and Peters argue that the needs of the customer are second to employee needs, because customer needs will be satisfactorily met only when employee needs are being satisfactorily met (Rosenbluth and Peters 1992).

2.7.4 Education and Awareness

Used in an appropriate way, performance data can help managers make better decisions, improve performance, and both require and provide better accountability, by focussing attention on goals and objectives, providing feedback on performance, staff motivation, the effective allocation of resources, evaluation of alternative approaches to service provision and to increase overall operational control (Poister 2003).

In the context of the literature review, education and awareness relates to and understanding of

- the characteristics of a service and the implications for service management,

- the key service characteristics and how and understanding of these can help in selecting an appropriate performance assessment technique,
- the needs and expectations of customers, in order to manage and balance organisational and customer requirements,
- service level capabilities and capacities,
- characteristics of Performance Assessment Techniques and how these can be utilised to support the selection of an appropriate technique for service assessment.
- the importance of understanding the basic usage of the selected performance assessment technique in order to optimise its usage,
- the application of selected performance assessment techniques and the interpretation and application of results achieved.

Performance assessment is a tool that generates information for decision makers (Ho 2006). Therefore, for the FM to gain maximum benefit from its use will require not only an awareness of the available techniques but also

- the public sector context, the role of FM services within this context, and the key stakeholders and their requirements.
- capabilities that exist within the team performing the service and the ability to maximise available resources.
- the key service characteristics of the service so that he/she can determine the key elements that make up the service and how this may influence its performance, and the choice of performance assessment technique.
- the characteristics of performance assessment techniques with which to assess the service. Where a technique is mandated understanding the characteristics of the service and of the performance assessment technique will help determine what can be measured in order to provide more meaningful results, that will be useful, for example, in explaining the service to a particular audience, eg service provider, customer, senior manager, etc.
- how to apply the chosen technique to the selected service, the results that can be generated and how these can be interpreted and applied to help improve the service performance, to justify resources provided for service provision, explain service performance to particular customer/stakeholder, etc.

In managing the soft FM services, the FM will need an understanding of the unique nature of services, specifically simultaneity of performance and delivery, perishability, intangibility, and heterogeneity and the specific management challenges/opportunities for their delivery that these characteristics provide. Across the range of FM services, some have a facilitating product, for example mail items within the mail room service, whereas others such as switchboard are totally intangible. Given the potential impact of these elements on the overall customer experience, it is crucial that such elements are not ignored when the service and its performance are defined and assessed (see Section 2.4.4).

Services within an organisation fall into the category of front line – or primary services and secondary or support services which play a facilitating or supporting role to the core function, front line service operations, employees, consumers/customers, etc. Soft FM services are a good example of such a secondary or support services within many public and private sector organisations where although a non-core business functions in their own right, they provide essential support to the core business functions.

Within an organisation, the supporting nature of these services may result in their receiving less focus than the core business function, even though they may form interface points between the customer and the organisation (for example switchboard, reception, security) and as a result have the potential to significantly influence a customer's overall perception of the whole organisation. It is therefore crucial that the performance of these services is managed to ensure that they are provided in a manner that is resource efficient, balances customer and organisational expectations, (at least) does not dissatisfy customers, and is consistent with the wider corporate strategy and organisational style.

A key factor in providing high quality soft FM services will be that the FM recognises the importance of these services and treats their internal customers, the service provision, and need to improve the quality of such services with the same importance that is placed on providing a service to external customers. Johnston and Clarke note this within their internal service rule specifically:

'the importance of internal service provision: the level of external customer service will never exceed the level of internal customer service' (Johnston and Clark 2008) p20.

Internal services can provide at least as good 'value for money' as an external alternative by (Johnston and Clarke 2008).

Adapting the service need – “Internal service providers must demonstrate their ability to tailor their offerings to the changing business needs in a way that external providers cannot”

“Gaining acceptance from internal customers. Centrally funded services are frequently viewed with suspicion by local operating units and may not receive the co-operation required to carry out their tasks effectively.”

(Johnston and Clark 2008) p20

Furthermore, the provision of soft FM services can be either front of house or back office in nature. Within front of house services, such as main reception, the customer experience is substantial, the customer is involved in the process and therefore subject to the unpredictability of both the customer and, to a lesser extent, the service provider. Whereas back office operations contain processes carried out remotely from the customer/user interface even though these may play a significant part of the overall service delivery to the customer. The back office services or elements of service provision are (largely) invisible to the customer and do not have the 'complication of the customer's presence' (Johnston and Clark 2008) p 187

The degree of direct customer interface, along with other characteristics of the service, will affect the service performance indicators and, potentially, the performance assessment technique selected as part of the service management process. Furthermore, whilst for some services there will be a clear distinction between the front and back office elements of the service, for example the mailroom and print room services, for other functions the separate elements will be less clearly defined, for example a catering service.

Such an understanding should help the manager better understand their service, and the impact of the wider organisational context, and

'why things happen as they do and what should be done to influence the course of events' (Vakkuri 2010) p1000.

For example, in assessing the impact of reducing the resources allocated to the service provision, to determine the point at which this may have a detrimental effect on the ability to meet customer demand and the overall tenability of service provision.

Furthermore, and in order to make an objective decision on the best performance assessment technique with which to assess a service, it is necessary for the FM to understand the key characteristics that comprise the service and how and if these match a particular performance assessment technique. The following key service characteristics were determined from the review of the literature (see Sections 2.4 and 2.5),

- Customer/stakeholder base - internal only, external only or mixed,
- Direct interface with customers: no direct customer interface (Schmenner 1995, Fitzsimmons and Fitzsimmons 2010),
- Front office service: back office function (Hope and Muhleman 1997),
- Service production s customer driven: driven by organisational requirements,
- Service is provided at time to suit customer: provided at set times.
- Service is tailored to customer requirements: all customers receive the same service (Lovelock 1983, Gremler, Bitner et al. 1995, Fitzsimmons and Fitzsimmons 2010),
- High level of customer participation in service delivery (Hope and Muhleman 1997, Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010),
- Predictability of service process: service is unpredictable in nature (Hope and Muhleman 1997, Fitzsimmons and Fitzsimmons 2010),
- Professional service: practical skills based,
- Technical knowledge required: no technical knowledge needed (Hope and Muhleman 1997),
- Routine: non routine in nature (Hope and Muhleman 1997),
- Proactive: reactive,
- Service process includes a 'facilitating product' as part of the output: no 'facilitating product' is produced (Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010),
- Continuous need for service: occasional need (Lovelock 1983, Fitzsimmons and Fitzsimmons 2010),
- Criticality of service failure to the business,
- Outsourced: in house service provision,

- Reliance on contractors: in house

An assessment of the strength of a particular characteristic will assist the FM in determining its importance as part of the performance assessment process and overall service management.

In addition to understanding the key service characteristics of the service under review, the FM will also need to be aware of which performance assessment techniques are available and most appropriate for assessing their particular service(s). There are a number of performance measurement techniques available for assessing service performance and seven of these are considered within this research, specifically

- Benchmarking (Camp 1989, Codling 1998, Coers, Gardner et al. 2001).
- Balanced Scorecard (Norton and Kaplan 1996).
- Control charts/statistical process control (Owen and Morgan 2000, Stapenhurst 2005).
- Data Envelopment Analysis (Norman and Stoker 1991, Avkiran 2002).
- Performance dashboards (Eckerson 2010).
- Performance Prism (Neely, Adams et al. 2002).
- Six Sigma (George 2003, Cygi, DeCarlo et al. 2005, Giménez 2005).

These techniques were chosen because they cross the spectrum of models ranging from traditional to contemporary, offering a range of operational to strategic focus, and are applicable for assessing the key service characteristics outlined above. The techniques cover from a range of perspectives, which largely dictates their use.

The first perspective is a qualitative framework and data envelopment analysis (DEA), statistical process control (SPC), six sigma and, in part, benchmarking falls within this category. These techniques are based on the collection and analyses of data, have an operational bias, and can be utilised at a service level. Indeed DEA and SPC are particularly suitable for this application. These techniques are intended for use on an on-going basis checking performance over time and have a shorter-term application. For example, SPC will highlight special cause variation that may affect the service performance.

These techniques measure the use of resources, such as number of mail items processed, number of telephone calls answered by a certain number of people in a certain period. These measures can be used in an assessment of the capability and capacity of the service, from which level of service provision can be determined and managed.

Benchmarking can measure either metrics or processes. The measurement of processes is qualitative in nature, allowing the manager to look behind the processes make up the service and to compare these with the service processes of 'best practice' services. Data envelopment analysis has a similar application in that once the service is positioned with respect to other providers (either in house or externally) the processes of the best practice service can be mapped for comparison. The review cycle of process benchmarking and data envelopment analysis will have a longer time frame than metrics – with processes perhaps being reviewed on a bi-annual basis.

The performance prism has a basis in strategic measurement but builds on this to provide a wider service stakeholder perspective. It is therefore suitable for use at either a service or an organisational perspective.

The balanced scorecard is a strategic rather than operational tool and is intended for use across the organisation although it is claimed that it can be adapted to a service level, although even at this level the intention is as a strategic management tool. This tool is more qualitative and will likely be used over a longer time frame and not be revisited as frequently as the more quantitative tools (although it is likely that these will inform the strategic process).

Whichever system or mix of systems if selected, to achieve full benefits the measurement process needs to be on going rather than a one off or short-term approach. This is because performance measurement provides a number of snapshots of performance over a defined period. Therefore, to give a more comprehensive picture, such measurement will need to form part of an on-going review in order to determine that service quality is maintained or highlight potential amendments to service provision, which can then be implemented and their effectiveness assessed. Likewise to gain the full picture, in addition to the specific measures it is necessary to analyse the process itself.

Whichever technique is applied, and given the resource intensive nature of their application, it is essential to assess the costs/benefits and risk impacts of implementing and managing the chosen system. More specifically;

- The criteria that are key to service performance ie those service characteristics that are critical to customer satisfaction but also meet organisational needs.
- Whether a service problem and its solution are evident without the use of performance measurement techniques, for example, if it is evident that inadequate training is affecting service performance, say switchboard response rates, then it is more important to address this problem first rather than launch into the use of a performance measurement technique in order to improve service.(Cygi, DeCarlo et al. 2005)
- It is critical to remember that the service is being provided for the customer and therefore measures should help ensure that the service is meeting the customers' needs and not a means to an end (Clarke et al. 2001).
- The measures should also reflect that service users might access the service in different ways and at difference times. For example, Neely (Neely, Adams et al. 2002)gives the example of banking and customer perception's again at different times of the day, and also the differences between those who visit the physical premises and those who do not because they use telephone banking, or internet banking, etc. Given the government's regime of electronic government, and the intention that all services should be completely accessible by electronic methods, this is another set of customer viewpoints that will be need to be considered in considering the performance of service delivery.

In order to encourage continuous improvement, and/or to monitor whether a predetermined standard is maintained.

At a strategic level, performance measurement techniques need to assist in confirming that the measures to check that chosen strategies are being implemented, and can be

- used to communicate the strategies throughout the organisation (for example by showing progress in reaching an overall organisation goal, via a traffic light system, etc).
- be applied to incentivise implementation of a strategy measures can be used to analyse if the strategies are being implemented or not and if not why not.

Performance assessment is an important part of the service management process at both an operational and strategic level. The use of the techniques such as those highlighted above provide potential benefits in changing a decision based on a hunch to one based on fact.

With respect to the performance systems and measures, the Audit Commission et al. (2001) also recognise that

'It's rarely possible to have the perfect performance measure – defining measures, setting targets and collecting performance information is a balancing act between using ideal information and using what is possible, available, affordable, and most appropriate to the particular circumstances. (Audit Commission, Cabinet Office et al. 2001).

This approach reflects the resource-based framework, which considers how an organisation deploys its resources as part of the service process to achieve a desired level of performance, and the development of service competencies and process capabilities, which underpin the variation in performance levels. Such competencies and capabilities may allow an organisation to achieve competitive advantage for the core business, or in the case of services such as soft FM, enables a service manager to ensure that the service provided does not prove a source of disadvantage to the core business.

An understanding of how to use the resources/capabilities will better enable a service provider to meet stakeholder demand. Only by assessing the resources utilised will the manager be able to determine if the service provision is tenable. As suggested by Lockett, Thompson et al. (Lockett, Thompson et al. 2009) an assessment of a particular level of service performance, and its associated resources, enables a manager to make sense of and manage the 'known unknowns' and hence be aware of strengths and weaknesses. This will enable to service manager to be accountable for the resource allocation, which is likely to be even more important during times of resource constraints. Only in this way will service managers be able to demonstrate that their soft FM services are not only meeting customer/stakeholder requirements, but that they are doing so in a manner, which optimises resource usage, or at least is not being wasteful of allocated resources.

However, whilst performance assessment may be useful in respect of demonstrating accountability to stakeholders, Sanger (2008) suggests its appropriate usage demands more than

'having the capacity to do it' (Sanger 2008) S78

By reviewing service practices within their own and other comparable organisations, FMs may determine different methods of service delivery and in this way broaden their experience of which practices may work and which may not deliver the desired results within their own organisation without the need for 'trial and error'. Thus providing a means of seeking and determining 'best practice' within other organisations that can be adapted or adopted within their own organisation (Orlikowski 2002).

In reviewing the use of performance assessment, the literature review has highlighted that there are a range of techniques available to the FM with which to assess their service performance (see Section 2.6). Just as differing service practices may be adapted to suit the organisational context, it follows that once a manager has an awareness and understanding of a performance assessment technique then, as Orlikowski (2002) and Vakkuri (2010) state the opportunity presents itself to interpret and adapt its use, if appropriate, rather than to use it 'slavishly'. For example, the manager may choose to ignore certain aspects of the technique, develop different ways of using it to suit their organisational/service context, etc. If changes are made or steps are omitted without a good understanding of how a technique works this may lead to the wrong element being ignored and compromise or invalidate of the results obtained.

Therefore, if used in an appropriate manner, the FM can use performance assessment as an heuristic to help the FM resolve a particular service problem. Vakkuri (2010) suggest this may be achieved either by using the performance assessment technique to help the manager model their service performance, or by using the assessment technique to provide a context for a particular decision, say, to understand the implications of the customer perspective on performance improvements (Vakkuri 2010).

Taylor suggests that employee's ability to learn from performance information can be dependent on two conditions

- '1. They have access to the necessary information; and
2. That routines of data consideration are regarded as appropriate behaviour within their organisation' (Taylor 2011) p1318.

With respect to access to information, as highlighted within the discussion on knowledge above, performance data can be sourced either from within the organisation, from working with other organisations direct, or from databases providing comparable data. With respect to its usage being considered appropriate behaviour, the culture and commitment of senior management and elected Council Members to the process will likely influence the FMs to use performance assessment as part of their service management process.

In 2011, Taylor conducted a study to determine whether informed usage of performance assessment techniques influences the user's perception. She found that unsurprisingly employees whose role involved the use of performance indicators perceived them more positively and used them more often, than those in other roles, but considered this could be regarded as useful because

'it provides an insight into the attitudes and actions of this group of employees' (Taylor 2011) p 1322.

It follows that if optimum usage of performance assessment techniques is to be achieved, such usage, or recommendation for usage, should be made on an informed basis. This is emphasised by Ho (2006) who acknowledges whilst it is important to utilise an appropriate performance assessment technique, those developing the systems should take into account their suitability for those they will be used by and how they will use them. If the FM does not have the appropriate training/education to enable them to optimise this use, this should be provided.

Furthermore, whichever performance assessment technique is selected for use, it is important for the FM to ensure that it is adequately integrated into their overall service management process, and there is a good understanding of customer requirements, the objective for measurement, and how best to present the results of the performance assessment, in order

'to provide legitimacy within the 'institutional environment' rather than to inform organisational change and service improvement' (McKevitt and Lawton(1996) cited in (Sanderson 2001) p 298)

This proposes an holistic approach to performance assessment, and a way of linking 'performance measurement to the bigger picture of 'strategic planning, goal setting and public reporting' (Ho 2006) p 234 rather than a 'tick box' exercise.

In considering this point, Sanderson highlights the work of Palmer (1993) who found the performance measurement systems were inadequately integrated into the mainstream 'budgetary and management processes' (Sanderson 2001p 298). It is questionable whether this approach alone goes far enough to provide a comprehensive picture, and in reviewing this point Ammons and Rivenbark (2008), question how governments can be truly accountable unless in addition to documenting their financial status, they

'also report on service levels and, ideally, on service effectiveness and the efficiency of service delivery?' (Ammons and Rivenbark 2008) p304

In order to take a wider view, FMs will require an objective way of assessing their service performance. However, whichever system or mix of systems if selected, to achieve full benefits the measurement process needs to be on going rather than a 'one off' exercise or short-term approach. This is because performance measurement provides a number of snapshots of performance over a defined period. Therefore, to give a more comprehensive picture, such measurement will need to form part of an on-going review in order to determine that service quality is maintained or highlight potential amendments to service provision, which can then be implemented and their effectiveness assessed. In addition to contextualise the findings, it will undoubtedly be necessary to analyse the process itself.

The measures should also reflect that service users might access the service in different ways and at difference times. For example, Neely (Neely, Adams et al. 2002) gives the example of banking and customer perception's again at different times of the day, and also the differences between those who visit the physical premises and those who do not because they use telephone banking, or internet banking, etc. Given the government's regime of electronic government, and the intention that all services should be completely accessible by electronic methods, this is another set of customer viewpoints that will be need to be considered in considering the performance of service delivery.

2.8 A Proposed Model

The review of the literature highlights three key factors - independent variables - that may influence the outcomes (dependent variable) in relation to the role and

effective use of performance assessment within the management of soft FM services. Namely;

- Environment
- Knowledge
- Education/Awareness

Affect the outcome in terms of the

- Ability to demonstrate service accountability
- Provide services that delivery best value/value for money
- Deliver enhanced stakeholder/customer satisfaction, and
- Services that meet or exceed the customer requirements

For each of the three independent variables, there are a number of associated criteria (sub-variables), which appear pertinent for an FM to consider when using performance assessment as part of their service management process – whether this is a compulsory (organisational) or a voluntary (self-motivated) initiative.

If the above factors underpin a systematic approach to performance assessment, the potential to achieve the desired outcome of the performance assessment process may increase, and lead to service delivery, which supports the requirement for the FM to

- better understand the environmental context in which their soft FM services are provided.
- a knowledge of stakeholders, knowledge sources available to facilitate their service management process.
- an awareness and understanding of the key service characteristics, which comprise their services and how these can assist in selecting an appropriate performance assessment technique.
- an understanding of how to demonstrate service accountability
- an ability provide services that deliver best value /value for money
- provide the FM with an enhanced understanding of their services stakeholders, and potentially higher levels of customer satisfaction.
- provide services that meet/exceed, or at least do not fall below, their customer expectations

Diagrammatically, each of these factors and their associated criteria are detailed below in Figure 2.8-1.

Factors Affecting the Effective Use of Performance Assessment

Environment

Understanding of:

- Public Sector Context
- The role and position of Facilities Management in local government **1,2**
- Role service has in organisation ie front of house or support, **2**
- Influence of Political Makeup/Governance/Policy Framework; **1**
- The Role and Application of Performance Assessment in the Public Sector and within FM **2,3**

Knowledge/Information Management

Understanding of:

- Key Customers/ Stakeholders **1**
- Customer/Stakeholder Expectations **1**
- Relative Importance of internal vs external customers **2**
- Key Service Comparison Partners **6,7**
- Knowledge database and Case studies **5,6,7**
- Partners **6,7**

Awareness/Education

Understanding of:

- Capabilities and Capacities **2**
- The nature/role of services within an organisation **1**
- Key Service Characteristics **4**
- Characteristics of Performance Assessment Techniques **3, 4**
- Application of technique & Interpretation & Application of Results **5,6,7**

Leading To

Outcome

- Demonstrable Accountability
- Services that deliver best value /Value for money
- Enhanced Stakeholder /Customer Satisfaction
- Services that Meet or Exceed Customer Expectations

Figure 2.8-1 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context

2.9 Key Research Questions

In order to assess the relevance of these factors it is necessary to develop a number of key research questions, which, will be tested within the research methodology.

Each question is numbered and, for indicative purposes only, the number is included on the model, in Figure 2.8-1 above, to highlight which question relates to that respective area of the model.

- 1 What is the structure and function of FM within a local authority context?
- 2 What Role Does Performance Assessment have within the management of soft FM services in a local authority context?
- 3 What are the key criteria for managers of soft Facilities Services when selecting a performance assessment technique?
- 4 Which if any of the performance assessment techniques outlined provide the most benefit within the management of soft FM services?
- 5 In assessing the performance soft FM services, are better results obtained from
 - a) single service/single assessment technique comparisons, or
 - b) using a combination of techniques to assess either single or groups of services having similar key service characteristics?
- 6 When assessing the performance of soft FM services, can service providers achieve more useful results
 - a) undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or
 - b) from making comparisons only with 'own sector' peers?
- 7 If cross sector comparisons yield more benefit,
 - a) who are the most appropriate comparison partners?
 - b) for which single services, or groups of services with similar characteristics, does this apply?

The following chapter will outline the research methodology used to assess the performance assessment techniques and concepts outlined within this chapter.

3 Chapter 3 – Research Methodology

3.1 Introduction

The previous chapter reviewed the literature relating to the resource-based framework, local government context, FM within this sector, service and service operations management, customers and their expectations and the scope and place of performance management of soft FM services within the public sector context. The review culminated in the proposal of a theoretical model which highlighted a number of factors that may affect the effective use of performance assessment, as part of the overall service management process. From this model, a number of key research questions were derived.

This chapter describes the research methodology. Initially indicating the epistemological position and methodological approach, the section then outlines the research hypothesis and key research questions. The subsequent sections describe and explain the methods used within the research, and the assumptions, principles and procedures of how the research was undertaken. (Kaplan 1964, Schwandt 2001).

The methodology also sets out a process to assess, develop and validate the following concepts,

- An evaluation of whether the environment, knowledge/information and education/ awareness affect the effective use of performance assessment in practice.
- The key service characteristics and processes of the selected FM services,
- The use and awareness of a range of performance assessment techniques,
- A practical evaluation of the use of the selected performance assessment techniques within an organisational setting, along with a review of the advantages and disadvantages that may be achievable by their use.

3.2 Theoretical Context

The research is positioned within a functionalist paradigm, which seeks to

"provide essentially rational explanations to social affairs. It is a perspective which is highly pragmatic in orientation, concerned to understand society in a way which generates knowledge which can be put to use. It is often problem-oriented in approach, concerned to provide practical solutions to practical problems" (Burrell and Morgan 1979) p 26.

This approach is

"... better suited to the study of those organizational phenomena that are consistent with such grounded assumptions (e.g., attempts to describe the efficacy of one production process over another are better represented by theories grounded in objectivist/functional assumptions..." (Gioia and Pitre 1990) p587.

Specifically, the research project compares the suitability of each of seven performance assessment techniques, when used to assess the performance of a given range of soft FM services, within a public sector context.

From a societal perspective and in its most developed form, the functionalist approach is concerned with 'social engineering', regulation, and control of social affairs. In the organisational context of this research the regulation and control is related to the manner in which FMs in the local authority context better control and manage their services processes to provide and demonstrate accountability.

The functionalist paradigm is characterised by a positivist approach, and objective observation within a real world setting, (Johnson and Duberley 2000). In line with this approach

- It is possible to make 'real world' observations that are independent of the theoretical context – the use of these seven performance assessment techniques within a practical work based context was studied via a questionnaire;
- the researcher's prejudices are not imposed – a range of performance assessment techniques were given and respondents asked to rate them, i.e. no ratings were pre-assigned.

- theories developed from the findings are based on what is observed; and the ideas generated are ultimately understood in terms of what the observed events say about the world.

Furthermore, the survey and case study elements of the research, examine the use of the performance assessment processes within a 'real world' context, namely a workplace setting (Burrell and Morgan 1979). The reality of the workplace context is subjective, and particularly within the case studies varies according to the participants' perceptions. To add context, quotations will be provided to evidence their reality where appropriate.

Moreover, in accordance with this epistemological position, in reviewing the understanding and use of performance assessment in this context, the research aims to determine any associated causal explanations or regularities within the research findings (Johnson and Duberley 2000). Consequently, the research will be conducted in a way that maximises internal validity, ie whether what is identified as the cause of a particular research outcome actually produces the effect. In the case of this study, this includes which services were managed, age, gender, educational and professional background of respondents, and their effects on the knowledge and usage of performance assessment within the service management process); external validity ie the potential for extrapolation of these results, and reliability of the findings, given the techniques used.

In order to secure the highest possible level of objectivity (but recognising that some bias may arise in the language used, etc.) all survey respondents were sent the same questionnaire to complete. As part of this questionnaire the respondents were asked to provide their own ratings of suitability, or otherwise, of the techniques under investigation and were not influenced by the researcher to select or rate more highly a particular technique for use with a particular service.

However, whilst the research predominantly follows a functionalist paradigm, the case studies involved both questionnaires and semi-structured interviews in order to establish any themes within the way that the participants understand and use performance assessment as part of their service management process. It is acknowledged that this element of the research also incorporates an element of interpretivism in respect of the qualitative analysis of the responses

to the semi-structured interview and case studies. In accordance with this paradigm, the respondents were encouraged to provide their own descriptions of usage of the performance assessment techniques, their own insights into meaning and benefits of performance assessment, and their associated explanations and interpretations, with respect to their own organisation and service management, thus enabling a wider exploration of the research questions.

Whilst this indicates a slight blurring of paradigms, Gioia and Pitre have indicated that this is common in the formulation of research theory within an organisational context, such as that under review within this research. (Gioia and Pitre 1990).

From an ontological perspective, the research has a 'real world' focus with the case studies based within a live workplace environment. The case study approach was predominantly qualitative, having an interpretivist nature, with a focus on the participants' perspectives, meanings and subjective views that they assigned regarding their understanding and use of performance assessment as part of their service management process (Hatch 2002, (Creswell 2007)). It was recognised that this approach would likely highlight a number of perspectives from the participants rather than a common understanding. However, to more fully understand the use, or otherwise, of performance assessment of soft FM services within a natural setting, ie the workplace, being sensitive to people and context in which they are placed was key. Accordingly, this section of the research is concerned with the

'voices of the participants, the reflexivity of the researcher and a complex description and interpretation of the problem, and it extends the literature or signals a call for action' (Creswell 2007) p 37.

3.3 Research Hypothesis and Key Research Questions

The aim of the research is to determine which, if any, of seven performance assessment techniques, managers of soft facilities services, within the public sector, were familiar with and used as part of their service management process. These techniques were selected because they cross the spectrum

from traditional models to those that are more contemporary, offer a range of operational to more strategic focus.

Particular emphasis was given to the use of the assessment techniques within local government. The research takes into account the views and empirical findings of past researchers who evaluated the use of performance assessment within the wider public sector environment (see Section 2.2 and Section 2.6). The study tests the following hypothesis and seven key research questions.

The research hypothesis under evaluation is as follows.

Hypothesis: Given that local authorities are required to assess the performance of their services, including those of facilities and estates, the use of a performance measurement system based as a minimum on benchmarking will be both widespread and well developed, leading to improved performance of the soft Facilities Management services that satisfy both supplier and client requirements.

moreover, both the above are necessary to achieve and/or sustain the desired service performance levels, in the short to medium term.

From this hypothesis seven key research questions were derived,

	Key Research Questions	Method Used	Relevant Sections
Key Question 1	What is the structure and function of facilities management within a local authority context?	Questionnaire	<u>3.10.1</u>
Key Question 2	What Role Does Performance Assessment have within the management of soft FM services in a local authority context?	Questionnaire	<u>3.10.2</u>
Key Question 3	What are the key criteria for managers of soft Facilities Services when selecting a performance assessment technique?	Questionnaire	<u>3.10.3</u>
Key Question 4	Which if any of the performance assessment techniques outlined provide the most benefit within the management of soft FM services?	Questionnaire	<u>3.10.4</u> <u>3.11</u> <u>3.11.5,6,</u> <u>7,8,9,10</u>
Key Question 5	In assessing the performance soft FM services, are better results obtained from a) single service/single assessment technique comparisons, or b) using a combination of techniques to assess either single or groups of services having similar key service characteristics?	Questionnaire, Semi Structured Interviews and Case Studies	<u>3.10</u> <u>3.11,</u>
Key Question 6	When assessing the performance of soft FM services, can service providers achieve more useful results a) undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or b) from making comparisons only with 'own sector' peers?	Case Studies	<u>3.11</u>
Key Question 7	If cross sector comparisons yield more benefit, a) who are the most appropriate comparison partners? b) for which single services, or groups of services with similar characteristics, does this apply?	Case Studies	<u>3.11.11</u> <u>3.11.12</u>

3.4 Soft FM Services Selected for Assessment

Given the wide scope of FM services (Chotipanich 2004), a sample of fourteen soft FM services, detailed below, was selected with the intention of providing sufficient depth and focus for the research, whilst ensuring the research remained manageable.

The selected soft FM related services were

1. Administration
2. Room Bookings (space allocation and deployment)
3. Caretaking
4. Porterage
5. Catering
6. Hospitality
7. Cleaning
8. IT Support
9. Landscaping and landscape maintenance
10. Post Room
11. Printing/Reprographics
12. Reception
13. Surveying (technical advice)
14. Telephony (Switchboard)

In order to give balance, the selected services cross the categories by type ie premises, office services and central services (Barrett and Baldry 2003), and the 'tangibility spectrum' of services, ie those that have a tangible (or facilitating product) as part of the output to intangible (no facilitating product) output (Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2004). Examples of tangible services are reprographics and catering, and of intangible telephony/ reception and surveying services (advisory role).

3.5 Performance Assessment Techniques Selected for Assessment

In order to evaluate performance of the services highlighted in Section 3.4 above, a number of recognised performance measurement techniques were selected. These are detailed below and are explained in greater depth within Section 2.6 Performance Measurement and The Comparison of Techniques;

- Benchmarking (Camp 1989, Codling 1998, Coers, Gardner et al. 2001).
- Balanced Scorecard (Norton and Kaplan 1996).
- Control charts/statistical process control (Owen and Morgan 2000, Stapenhurst 2005).
- Data Envelopment Analysis (Norman and Stoker 1991, Avkiran 2002).
- Performance dashboards (Eckerson 2010).
- Performance Prism (Neely, Adams et al. 2002).
- Six Sigma (George 2003, Cygi, DeCarlo et al. 2005, Giménez 2005).

These techniques were chosen because they cross the spectrum of models ranging from traditional to contemporary, offering a range of operational to strategic focus, and are applicable for assessing the key service characteristics as outlined in the service profiling process (see Section 4.7.3).

3.6 Methodological Approach

The methodological approach adopted within this research is considered primarily nomothetic, using questionnaires, and other 'standardised research instruments', specifically semi-structured interviews and facilitated organisational case studies (Burrell and Morgan 1979). This approach is in line with the functionalist paradigm (Gioia and Pitre 1990) and follows a literature review to determine what was known about performance assessment, its usage and any potential benefits from that usage that may be gained within the management of soft FM services specifically within the public sector and local government context.

Subsequently, and in order to explore and determine the nature and extent of any potential gaps in practice, data was collected via a questionnaire and followed up by semi-structured interviews and a facilitated case study, (see Section 3.11). Furthermore, in order to provide greater context to the research,

the model proposed in section 2.8, highlighted a number of factors that may affect the effective use of performance assessment, as part of the service management process.

The use of these different techniques, as part of overall methodological approach, was intended to provide a broad to a more specific focus on the research questions as the research progressed. To be achieved by initially gathering data from a wide sample of soft FMs working in a local authority context, through to working with smaller groups in order to provide a sharper focus and explore the concepts in greater depth. The intended outcome from the approach being the ability to provide explanations, information, and practical advice on the role and use of performance assessment within the management of soft FM services for practitioners within this field.

The specific methodological approach for the questionnaire, semi-structured interviews and case study are now explored.

3.7 Questionnaire Evaluation

3.7.1 Questionnaires – A Theoretical Context

In order to obtain a comprehensive picture of the structure and function of FM within a local authority context, and role of performance assessment within this context, it was intended that views be collected from FMs working in the local authorities within England and Wales, which comprised 348 local authorities. Gray (2004) states that the advantage of questionnaires is that

- respondents can complete the survey at a time and place to suit themselves, (which was particularly helpful given the geographically diverse nature of the sample population).
- the input of data is quick and from many people.
- they are low cost in terms of time and money.
- there is a lack of interviewer bias, because emphasis will not be put on different words

(Gray 2004) p 188

It was therefore decided that a questionnaire would be the most appropriate research instrument with which to gather the required data.

Whilst questionnaires are comprised of questions designed to gain 'reliable responses' from the chosen sample population, and are associated with the positivist approach (Hussey and Hussey 1997), the disadvantages of this method are that the response rate can be low, and questionnaire length needs to be limited to avoid boredom for completing respondents. (Gray 2004)

When writing questions it is important to avoid (Arksey and Knight 1999) p 94

- Prejudicial language
- Imprecision (for example 'average, regularly or great deal')
- Leading questions
- Double questions
- Assumptive questions
- Hypothetical questions
- Memory recall

The presentation and compilation of the questionnaire are critical in ensuring reliability and validity of the response. A covering letter or explanatory paragraph at the beginning of the questionnaire is also important to provide its context and to provide any information that is necessary for respondents to complete the questionnaire. Likewise, clear instructions should be given to how respondents are intended to respond to questions, including whether one or more boxes should be ticked, or words or numbers ticked to indicate a response. (Hussey and Hussey 1997).

Question can vary in format, and include

- open, where they have no definitive answer, and often start with 'how', 'why' ' what', etc
- closed – where the response is provided with a reply, for example, yes, no, true, false. Such questions can be multiple-choice.
- list questions for example which services do you manage from the those listed below
- category, for example, how often do you...?
- ranking – rating the importance of a number of features. The number of items should be kept as low as possible, for example to six.
- scale - for example rating strength of agreement to disagreement on a scale of statements (a Likert scale), rate 1 to 10, ordinal data where data is

ranked or ordered by the intervals between ranks are not intended to be equal, for example, every day, once a week, sometimes, never, or nominal data which belongs to an identified category for example employees.

(Gray 2004),(Hussey and Hussey 1997)

In comparing open or closed questions, Oppenheim states that whilst being time consuming and more demanding of interview and respondent time, the advantages of open questions the opportunity for spontaneity, probe more deeply and gather information on ideas and awareness. Conversely, whilst closed questions do not allow spontaneous responses, can bias answer categories, be too crude and irritate respondents, the advantage of this format is that they require less time, are low cost, easy to process, support group comparisons, and are useful for testing specific hypotheses (Oppenheim 1992).

In designing the questionnaire, Hussey and Hussey confirm that

'questions should be presented in a logical order, often moving from general to specific topics. This is known as funnelling. In questionnaires that are more complex it may be necessary to use filter questions. This is where only respondents who have to give a certain answer are directed to another 'batch of particular questions' (Hussey and Hussey 1997) p 16

The placement of questions requesting personal information such as name, gender, age, educational qualifications, etc are best placed at the end of the questionnaire, as having invested time in completing the questionnaire respondents may feel more inclined to answer. Furthermore, when questioning age, respondents are more likely to complete an age band than provide their actual age. (Hussey and Hussey 1997)

In considering the presentation method of the questionnaire, the internet has influenced the way in which many surveys are distributed, and offers the potential benefits of being able to provide a range of question formats, allowing respondents to be readily directed to questions that are relevant to them, etc. If this format is chosen, the survey should offer a welcome screen with instructions, a login that allows access to the site over a limited period, and the first question should be easy to answer, in order to encourage the respondent to continue. (Hussey and Hussey 1997, Gray 2004)

3.7.2 Piloting the Questionnaire

In order to provide meaningful data, it is essential that questionnaires are 'accurate, unambiguous and simple to complete' (Gray 2004) p 205.

To this end, it is prudent to assess it before wider circulation. This is known as piloting and is best undertaken with people who have a familiarity with the subject (Hussey and Hussey 1997). Careful piloting may help increase the response rate.

When piloting the questionnaire it is important to review

- the wording of instructions
- style and wording of accompanying documentation
- tone and presentation of questions
- length of questionnaire
- sequence of questions
- whether questions are readily understood
- scales used and question formats.
- redundancy in questions (more than one question reviewing the same area)
- patterns of response – particularly for questions with Likert scales, etc.

(Adapted from Gray 2004)

3.8 Selection of Sample Population for Questionnaire

The context of this research is the UK public sector and specifically local government. In order to ensure maximum participation and optimise sample size, it was decided that the local authority population would comprise all managers with facilities responsibilities within 348 local authorities at County, District and Borough council level in England and Wales. FMs within Scotland and Ireland were excluded because of the differences within their political arrangements. To this end and using the Municipal Yearbook database for reference, a database was compiled of those who either had:

- the word 'facilities' within their job title, for example Facilities Manager, Facilities Director, etc, or
- the functions for which they had responsibility were FM related even though this was not always evident from their job title. (This was particularly the case in smaller local authorities where some of the potential respondents had a joint facilities and other role, for example, Corporate Services Manager).

Given that they share organisational characteristics, to maximise the potential sample size and to ensure manageability of the research, the local authorities were considered as one population and not split into discrete groups by council type, ie County, District, and Borough.

The questionnaire was to be self-administered, and was distributed via a website link included within an explanatory email. In order to maximise the response rate achieved, in addition to the initial email, two follow up emails were sent at monthly intervals. This resulted in an overall response rate of 115, ie 33.1%. Of these respondents, 108 completed all or some of the questions.

3.9 Questionnaires Used In the Research

Two questionnaires were issued as part of the research, the first which evaluated the role of FM and performance assessment within a local authority context was distributed to all potential respondents, and is detailed at Section 3.10. The second questionnaire was designed to form the basis of a semi-structured interview focussing on best value, accountability, and customer satisfaction and is detailed at Section 3.11.4.

3.10 Questionnaire 1: Facilities Management and Performance Assessment

The questionnaire comprised nineteen questions, and was designed to evaluate the key research questions. The initial questions were intended to be relevant to all respondents, moving on those which specifically focussed on which performance assessment techniques FMs were aware of, had used and how

these had been used. The questionnaire also sought to identify an organisational and individual perspective. Whilst it was recognised that having a large number of questions might affect the level of response achieved, the approach attempted to mitigate this by

- a briefing email accompanied the survey outlining the purpose of the survey, and advising of anonymity of responses.
- the questionnaire, predominantly evaluated what respondents do/had done in their work, their views on certain aspects of FM and performance assessment, etc. There were no complex concepts, no data/information collection was required in order to complete it, and respondents were advised that it was their views that were important; there were no right or wrong answers.
- increasing the focus of questions as the questionnaire progressed, enabled respondents to stop when questions were no longer relevant to them.
- information required for each stage of the survey was provided at the relevant stage.
- the survey was web-based and allowed respondents to go back to complete it if they did not have the time to finish the survey at one go.

Specifically, the questionnaire was designed to evaluate

- the position and role of soft FM services within a local government context (Questions 1, 2,3),
- the role of performance assessment within the sector (question 12)
- the familiarity with and use of the selected performance assessment techniques as part of the management of soft FM service within this sector (Questions 4, 5, 7, 10,11),
- the criteria used to select a performance assessment process (Questions 6, 8),
- the relevance to stakeholders for whom the results of assessment are considered appropriate (Question 9), and
- to assess the demographics of the sample population and determine whether the respondent would be willing to take part in a case study to evaluate one or more techniques (Questions 13-19).

The questionnaire was piloted on a small group of FMs and was amended in light of their comments. A copy of the questionnaire is included at Appendix B

3.10.1 Facilities Management Services Within a Local Authority Context

As discussed within Section 2.3, FM has a broad scope (Chotipanich 2004) and therefore in order to ensure that whilst providing a comprehensive picture of the FM services was provided, the research remained manageable, fourteen soft FM services, crossing the continuum of intangible to having a tangible product as part of the service process were selected for assessment.

The question was designed to assess Key Research Question 1, specifically

“What is the structure and function of FM within a local authority context?”

It considered which, if any, of the fourteen selected soft FM services were most frequently managed by FMs in the UK Local Government context. Furthermore, whether some of these services were always included within the FM remit and some always excluded, any frequent groupings within a portfolio, and if so whether these groupings have common service characteristics, which may influence the choice of performance assessment technique selected for the management. Furthermore, and in order to ensure that a comprehensive picture of the overall FM remit within this sector was achieved, respondents were also asked to indicate whether there were other services, FM or otherwise, for which they had management responsibility.

In order to assess the perception of these services within the overall FM profile of these fourteen services, respondents were then asked to rank their importance within the overall FM portfolio of services. Rank 1 being most important and rank 14 the least important. To avoid respondents allocating equal ratings to more than one service, or grouping of services around a mid-point, the survey dictated that each service had to receive a separate ranking. Whilst it was recognised that this may prove more difficult and potentially unpopular it was hoped that doing so would encourage a greater deal of thought over the overall rating process. This question was intended to determine not only which service the respondents felt was most important, but also to

determine if their perception of the importance of the service was influenced by whether it was a service for which they had management responsibility.

3.10.2 The Role of Performance Assessment within the Management of soft FM Services

This section of the questionnaire was designed to evaluate Key Research Question 2, specifically,

“What role does performance assessment have within the management of soft FM services in a local authority context?”

Accordingly, respondents were asked to indicate their agreement or disagreement to a number of statements relating to the role of performance assessment in measuring soft FM service performance. These statements were based in part on practical experience gained from working in a soft FM context where performance assessment was used, concepts highlighted with the review of the literature (specifically Section 2.6). The question was intended to determine whether a respondent’s view on the role of performance assessment within the management of soft FM services influenced usage in practice. It also set out to determine whether FMs saw performance assessment as using a technique that provided a ‘one size fits all’ approach or would use techniques that were appropriate, even if this meant using more than one technique.

The statements are detailed below,

- Performance measurement plays a key role in the management and delivery of FM services,
- Performance measurement can help managers to provide services which achieve higher levels of customer satisfaction,
- Performance measurement helps in demonstrating accountability in service provision,
- Performance measurement helps to fix service boundaries,
- Performance measurement helps to shift and expand service boundaries,
- I would only use one technique to measure performance across all FM services,

- I use a range of performance measurement techniques, some for short-term operational performance checks and some for longer-term strategic measurement.

3.10.3 The Criteria Used by FMs to Select a Performance Assessment Technique

Having reviewed the importance respondents placed on the use of performance assessment within the management of their soft FM services, the next area of concept to be explored related to Key Research Question 4, specifically,

“What are the key criteria for managers of soft Facilities Services when selecting a performance assessment technique?”

Accordingly, a number of statements were provided and respondents asked to rate their importance in selecting a performance assessment technique with which to assess their service. The rating scale ranged from ‘very important’ to ‘not at all important’, and the statements included,

- ease of use,
- ease of collecting data,
- ease of interpreting data,
- results are easy to apply,
- applicable to a range of services,
- requires little training in order to use it,
- allows meaningful comparison with other service providers,
- is widely used in the public sector,
- is used by both the public and private sector,
- requires little or no specialist knowledge to use it.

Having completed this rating respondents were asked to rate each of the seven performance assessment techniques against the same criteria, in order to determine how badly or well they considered that each technique met the respective criteria, and in order to determine what influence this had on their selection of performance assessment technique in practice.

Finally, and given the importance of demonstrating service performance to customers and/or other stakeholders, in order to provide resource accountability and customer satisfaction respondents were asked to detail which performance assessment technique they felt would be most useful when explaining service performance to different stakeholder groups, (see Section 2.5 and Section 2.6).

3.10.4 The Use and Awareness of Performance Assessment Techniques

The next area for exploration was respondent's reported usage of the selected performance assessment techniques within the management of soft FM services within a local authority context.

For each of the fourteen selected services, respondents were asked to detail which, if any of the seven assessment techniques they had used as part of their service management process. Furthermore, they were asked to rate the outcome of this usage on a scale ranging from 'no use' to 'very useful'. Where they had not used a technique to date, a question was asked on whether the respondent may consider its future use as part of their future FM service management process.

Finally, and in order to gain a comprehensive picture of the role that performance assessment plays within the management of soft FM services, respondents were asked if they used any techniques other than those detailed within the questionnaire as part of their service management process, and if so for which services and how successful the usage was/had been.

3.10.5 Stakeholders

Within the local authority context, soft FM services have a range of stakeholders, both internal (service provider, service manager, senior management, members of the Council) and external (members of the public, contractors) to the organisation.

The stakeholder groups under review included both internal and external stakeholders, specifically,

- service providers,

- operational (service) managers,
- senior manager,
- strategic managers, and
- customers.

These groups were chosen to reflect that the information needs for different groups may differ. For example,

- service providers may wish to see how they are performing and meeting customer requirements compared with other team members,
- service managers may wish to see how the individuals and the team as a whole is performing against agreed targets,
- senior management may wish to determine resource utilisation, customer satisfaction, etc,
- strategic managers whether a service is making efficient use of the allocated resources, for example whether it should be provided in house or be outsourced, and customers that they are gaining value for money and providing a high level of customer service.
- customers that they are achieving value for money and that they are receiving an acceptable level of service.

The performance assessment techniques selected for evaluation provide data in a range of formats. For example, the performance dashboard provides a visual representation of performance, which may be well suited to service providers and customers, whereas the balanced scorecard provides a broader picture of the service performance, viewing it from a number of different perspectives which may be of greater value to senior managers/directors.

In order to determine if there was a perceived best fit between technique and stakeholder, the question reviewed, which technique in the FM's experience did he/she perceive the given stakeholders would most useful in helping them to understand service performance. Respondents were asked to select all stakeholder group and technique matches that they felt would apply. Figure 3.10-1 details the options.

	Service provider	Operational manager	Senior Management (eg Head of Dept)	Strategic Management (eg Directors)	Customers
Internal Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functional Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cross Sector Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balanced Scorecard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Prism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statistical Process Control (Shewart's or Control Charts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Dashboard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Envelopment Analysis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Six Sigma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Figure 3.10-1 Service Provider vs Appropriate Performance Assessment Technique

3.10.6 The Demographic Profile of the Questionnaire Respondents

In order to determine the demographic profile of FMs within this sector, and whether variations in the respective criteria affected the knowledge and use of performance assessment techniques, respondents were asked the following questions

- Age (within banded groups)
- Gender
- Educational background, ie degree educated, professional or management qualification, etc.

- Route into FM, ie direct entry to FM at the start of the respondent's career or whether they had entered FM from another route, for example administrative, surveying, engineering, etc.

This information was also compared with the demographics of those outside of local authorities in order to determine if the local authority sector was characterised by any predominant demographic characteristics that may influence the usage of performance assessment of soft FM services within this context.

The second phase of the research comprised case studies, the methodology for which is detailed below.

3.11 Case Studies

3.11.1 Case Studies – A Theoretical Context

The case study element of this research comprised two elements; the first of took being a semi-structured telephone interview (see Section 3.11.4). The second was a practical evaluation of the factors affecting the role and use of performance assessment within a local authority context and of the performance assessment techniques in a live workplace setting (see Sections 3.11.6 and 4.6.1). These activities were developed to enable

- a) a better understanding of the position of FM within a local authority context.
- b) an evaluation of the role and awareness performance assessment within the management of soft FM services within this context.
- c) a more in depth context to the answers given by respondents within the questionnaire, and
- d) an assessment of the key service characteristics that make up the soft FM services under assessment, and such a knowledge can be used in selecting a performance assessment technique with which to assess service performance.
- e) a practical assessment of one or more performance assessment techniques, in the management of soft FM services.
- f) an evaluation of the theoretic model.

Case studies can be used to increase understanding of a subject (Stake 1978), and, as Yin (2003) states tend to be widely used in social science research, both within the traditional disciplines and 'practice oriented' fields such as 'public administration, public policy, management science..' (Yin 2003) p xiii

In defining case studies Yin (2003) states that the case study is an

'An empirical inquiry that

- Investigates a contemporary phenomenon within its real-life context, especially when
- The boundaries of the phenomenon and context are not clearly evident' (Yin 2003) p 13

This suggests that the method may be suitable for reviewing organisational processes, Yin (2003) such as performance assessment, and may have

'descriptions that are complex, and involving a myriad of not highly isolated variables; data that are likely to be gathered at least partly by personalistic observation; and writing style that is informal, perhaps narrative, possibly with verbatim quotation, illustration and even allusion and metaphor'. (Stake 1978) p 7

Unlike descriptive surveys, case studies try to attribute causal relationships. The method considers the 'how', 'why' what', 'when' and 'who' (Hussey and Hussey 1997, Yin 2003, Gray 2004). Whilst case studies are sometimes criticised in that it is difficult to generalise from a specific case, Yin (2003) suggests that multiple case studies can be carried out in order to explore the same issue, thus adding to the validity of the findings if repeated. The approach taken within case studies is either exploratory (inductive) or confirmatory (deductive). In taking the deductive approach, the first case study can constitute a pilot study , which establishes

'the theoretical boundaries and then the data gathering protocol and tools for all the remaining studies' (Gray 2004).

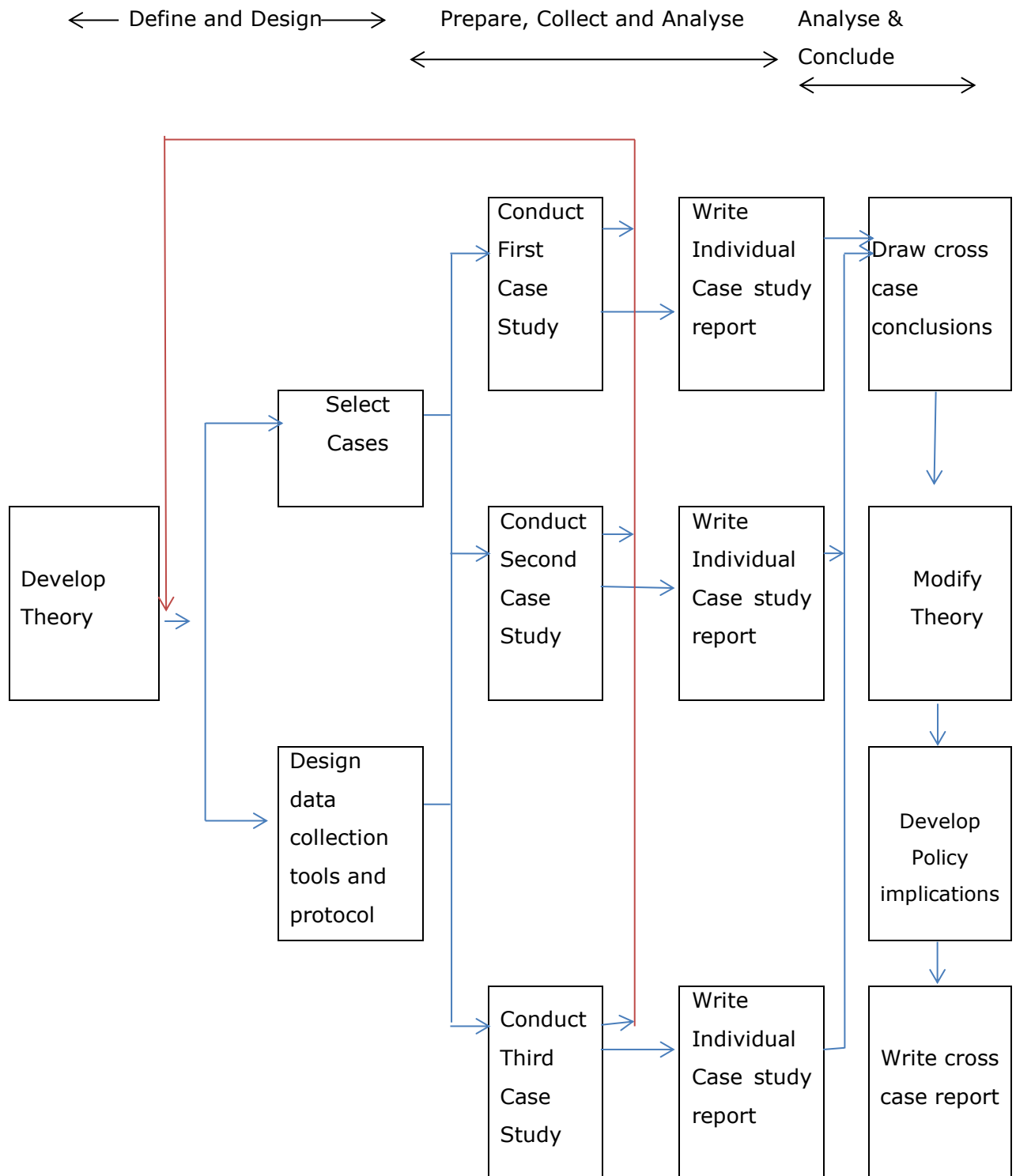
Yin proposes four main types of case study design, namely

- Single case, holistic – for example an entire programme rather than elements of it,
- Single case embedded – for example implementation of an organisational system,
- Multiple case holistic – for example ‘ a region comprising several hospitals that is attempting to improve its communication through the implementation of a specially design training programme... In this case, by conducting the study in a number of hospitals, the study is not aiming to ‘increase the size of the hospital sample, but to replicate the findings of once case study across a number of cases’. (Gray 2004) p 133.
- Multiple case embedded - which can reduce the problems with holistic cases if multiple units of analysis.

However, Yin (2003) cautions against the use of an holistic approach, because the questions being addressed at the start of the research may change as the study moves forward.

In designing the case study, it is essential that the unit(s) of analysis must be clearly defined, and Yin(2003) suggest that this process is aided when the primary research question is defined. Units may be individual participants, or programs, an implementation process, or organisational change (Yin 2003) p23. Therefore, the case study, whether having single or multiple cases, follows a logical process. Diagrammatically, this can be represented as shown in Figure 3.11-1 below.

Figure 3.11-1 Multiple Case Study Method (Adapted from Yin 1994 cited by Grey 2004) p 127



Semi Structured Interviews

The semi-structured interview structure, is one in which

'the main questions and script are fixed, but interviewers are able to improvise follow up questions and to explore meanings and areas of interest that emerge.

They are commonest in qualitative work, where there is a desire to hear what informants have to say on the topics and areas identified by the researcher. However, survey interview may sometimes also have room for the interview to improvise questions to clarify or extend answers'

(Arksey and Knight 1999) p 7

Interviews are associated with the positivist approach (Hussey and Hussey 1997) and are a

'method of collecting data in which selected participants are asked questions in order to find out what they do think or feel. Interviews make it easy to compare answers and may be face-to-face, voice-to-voice or screen to screen; conducted with individuals or a group of individuals'(Hussey and Hussey 1997) p 156

The positivist approach is considered to favour the use of structured and closed questions within interviews. Furthermore, to ensure value from the process it is important that interviews are conducted in a consistent manner. The advantage of interviews is that they enable the researcher to ask a follow up question and therefore can provide more in-depth information than a questionnaire. Although it must be borne in mind that bias may arise within an interview because respondents may provide the answers that they think the interviewer expects. (Hussey and Hussey 1997).

In practice, semi-structured interviews offer a mixture of a positivist and non-positivist approach (Arksey and Knight 1999). If undertaking the survey as part of a positivist study, citing Brenner (1985) Hussey and Hussey (1997) suggest that it is important to ensure that

- Read the questions as they are worded in the questionnaire
- Read slowly and use correct intonation and emphasis

- Ask the question in the correct order
- Ask every question that applies
- Use response cards where required
- Record exactly what the respondent says
- Do not answer for the respondent
- Show an interest in the answer given by the respondent
- Make sure you have understood each answer adequately and that it is adequate
- Do not show approval or disapproval of any answer

3.11.2 Case Study Evaluation

In evaluating service provision it is important to find a service level that is acceptable to the customer and the organisation; too high a level and it could result in waste the resources, too low and it may lead to customer dissatisfaction.

The case study phase of the methodology sought to explore the potential use of performance measurements as an 'early warning system', and an indicator of the service level at which customer dissatisfaction results if exceeded, so that a greater level of predictability in managing service performance can be achieved.

In accordance with the above, the case study comprised three distinct parts

1. A semi-structured telephone interview that enabled the answers given the questionnaire to be explored in greater depth, but which took into account the geographical spread of the potential population.
2. A practical case study evaluation of the role and use of performance assessment of soft FM services.
3. An analysis of a number existing performance assessment regimes, including evaluating the potential for cross sector comparisons.

As is accepted practice, this part of the case study evaluated the same research questions as those comprising the other methods, ie the questionnaire and telephone interviews, and was conducted, analysed and reported separately (Yin 2003).

It was intended that multiple case studies would be undertaken, the approach being to follow a multiple case embedded study method, with a deductive approach, whereby the initial case study format would form the basis for those following.

3.11.3 Case Study Population

Participation in a case study required a commitment from the participants to share data and detailed information of their soft FM service provision. It was therefore decided that to maximise participation, the initial survey would include a request for volunteers to take part within a semi structured interview (see Section 3.11.4) or a facilitated case study to evaluate one or more of their soft FM services using the selected performance assessment techniques within a practical setting.

For the first two sections of the case study (semi-structured interview and practical evaluation) in total 28 respondents indicated a willingness to take part in a case study. Of these 19 took part in the semi-structured interview and nine in the practical evaluation of a soft FM service using one of the selected performance assessment techniques. The cross sector evaluation was based at organisational level.

Whilst it was acknowledged that the number of participants would be unlikely to provide a totally representative sample, this was balanced with the need to secure a meaningful practical comparison of the performance assessment techniques by

- a) including respondents who managed a particular service and therefore had an interest in maximising its performance, and
- b) providing sufficient numbers of participants who were familiar with the respective performance assessment technique, or at least willing to try out a new performance assessment technique as part of their service management process.

The semi-structured interview was conducted by telephone and involved individual interviews with 19 managers of soft FM services. Unfortunately, the geographical locations of the respondents made it impractical for this Group to meet in one location.

In order to undertake a practical evaluation of a performance assessment technique, it was decided that, at least for the first case study, it would be necessary for the selected group to be able to meet together. To this end, the practical evaluation case study group comprised nine facilities managers from local authorities within the same Chartered Institute of Public Finance and Accounting Nearest Neighbour group, which were developed

“... to aid local authorities in comparative and benchmarking exercises, specific family groups can be generated based upon a wide range of socio-economic indicators” (Chartered Institute of Public Finance and Accounting 2009)

Hereinafter this group is referred to as the Nearest Neighbour Performance Group (NNPG). All members of the NNPG had completed part/all of the initial Questionnaire 1 (see Section 3.10) and had indicated an interest in taking part in a case study to evaluate the performance of their soft FM services. Furthermore, this meant that each group member had received the background information supplied with the initial questionnaire, which provided participants with a basic understanding of the scope and purpose of the research.

Whilst all members of the NNPG worked within a local authority, the same political party did not govern all of the authorities. However, all had adopted a Cabinet structure, with a Portfolio Holder for whom at least part of their brief was overseeing the provision and management of the FM services. In line with Government policy, all were committed to evaluating the performance of their services under the value for money regime.

In order to select groups with whom to undertake further case studies, and to potentially extend participation beyond those who had expressed an interest in taking part in a case study, an analysis of the results of the initial questionnaire was also undertaken to determine those

- a) respondents that had used a particular assessment technique within the management of their soft FM services,
- b) respondents that had not used an assessment technique as part of their service management process but were familiar with the technique.

This allowed a matrix to be drawn up which highlighted up to six FMs who managed the same soft FM service. Where possible the identified groups were in a location that would enable at least some meetings to take place and, included FMs with either an awareness or use of one of the selected performance assessment techniques, preferably within the management of soft FM services. At the appropriate time, these FMs could be invited to take part in an exercise, via telephone contact or a personalised email.

3.11.4 Semi-Structured Interview (Questionnaire 2: Performance Assessment, Value for Money, Accountability and Customer Service)

In accordance with the functionalist position, and using a questionnaire as a general framework, it was decided that a semi structured interview would

- support a closer examination of the reasons why FMs undertook performance assessment of their soft FM services support a more in-depth discussion of the concepts surrounding the use of performance assessment and value for money,
- enable all respondents to be asked the same questions, in order to provide a consistent approach.
- the interviews would be conducted by the same person, which would help ensure that questions were asked in the same way, which would reduce the potential for interviewer bias.

However, this approach also enabled, where appropriate for the purposes of clarification, the 'participants' voice' (Creswell 2007) to be heard and individual views gathered to enrich the subsequent analysis.

The questions included within the semi-structured interview are detailed below,

1. What is the most important reason for using performance assessment as part of your service management process;
 - Cost?
 - Ensure customer satisfaction?
 - Determine best practice?

What does value for money mean in respect of soft FM service provision?

2. How do you ensure and demonstrate that your soft FM services are providing Value for Money to stakeholders?
3. With which organisations do you compare the performance of your soft FM services?
4. What level of organisational support is demonstrated for undertaking Performance Assessment of soft FM services from
 - Senior management?
 - Council members?

Moreover, how, if at all, does this influence the approach taken to performance assessment of soft FM services?

5. If you measure your service performance, what do you do with the results of the assessment?
6. Where the performance of for soft FM services, is not assessed, why is this? (The questions within this section of the interview expanded on the findings from Behn and Triantafillou's studies (Behn 2002) (Triantafillou 2007).

3.11.5 Evaluation and Validation of the factors affecting Performance Assessment

Prior to undertaking the assessment of one of the soft FM services, and in order to provide a broader understanding of the factors which shaped the views on and influenced the usage by soft FMS of performance assessment techniques, a discussion of the independent variables proposed within the theoretical model was held. The discussion was intended to determine whether and how these variables may affect the achievement of meaningful and quantifiable outcomes. Within the initial case study, this discussion took place with the NNPG. For ease of reference the theoretical model is detailed at Figure 3.11-2.

In facilitating the discussion, the NNPG were advised that as part of the practical evaluation of the performance assessment, and in order for the researcher to get a deeper understanding of their views on this subject than the questionnaire they had all completed in stage 1 had provided, a discussion would initially be held. This covered the following topics.

- what role FM had within local authorities, their organisation, and as a service (ie front line, support, etc),
- what was the influence of the political structure FM services and their performance.
- what role performance assessment had within their organisation, both overall and in respect of soft FM service, the influence of senior management and council members on this process within the organisation and at a service level,
- who are the key soft FM service stakeholders and how did they influence service performance assessment , if at all in terms of which services the FMs chose to assess; which methods they used to do so, who they reported results to, etc.
- what or who stopped them from undertaking these activities,
- who they compared their service provision with, and what, if anything they did as a result of the exercise,
- what training they had received in performance assessment,
- where the FMs looked for soft FM service comparison data, or case studies on the use of different performance assessment techniques,

In order to provide a structure to the discussions the researcher who was facilitating the case study prepared a checklist of the factors to be introduced into the discussion and notes were taken of the responses given.

Factors Affecting the Effective Use of Performance Assessment

Environment
Understanding of:

- Public Sector Context
- The role and position of Facilities Management in local government
- Role service has in organisation ie front of house or support,
- Influence of Political Makeup/Governance/Policy Framework;
- The Role and Application of Performance Assessment in the Public Sector and within FM

Knowledge/Information Management
Understanding of:

- Key Stakeholders
- Stakeholder Expectations
- Managing/processing information
- Relative Importance of internal vs external customers
- Key Service Comparison Partners
- Knowledge databases, case studies

Awareness/Education
Understanding of:

- Capabilities and Capacities
- The nature/role of services within an organisation
- Key Service Characteristics
- Characteristics of Performance Assessment Techniques
- Application of technique & Interpretation & Application of Results



Leading To

Outcome

- Demonstrable Accountability
- Services that deliver best value /Value for money
- Enhanced Stakeholder Understanding/Satisfaction
- Services that Meet or Exceed Customer Expectations

Figure 3.11-2 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context

3.11.6 Practical Evaluation of Performance Assessment – A Four Step Approach

This part of the case study comprised a practical evaluation of performance assessment within the management soft FM services.

The objective of the case study was to

- evaluate and validate the theoretical model proposed at Section 2.8, in order to assess whether practising managers of soft FM services considered that the independent variables highlighted within the theoretical model had an impact required outcomes of performance assessment when undertaken as part of the FM service management process (see Section 3.11.5),
- evaluate the key research questions;
- validate the key service characteristics matrix developed as part of the research (see Section 3.11.8),
- evaluate and validate the Performance Assessment Technique Selection template (see Section 3.11.9),
- evaluate the relevant service specific performance assessment templates (see Section 3.11.10).

This section proposes a consistent approach for undertaking performance assessment of a selected soft FM service, using one of the performance assessment techniques under evaluation. It is intended that such an approach will support managers of soft FM services in collecting meaningful data/information from the appropriate application of an performance assessment technique, in order to meet the required outcomes of the performance assessment process. Principally, the ability to demonstrate accountability for the resources employed with the provision of soft FM services, ensure services provide value for money/give best value, enhance customer satisfaction with the services provided, and deliver services that meet or exceed the customer/stakeholder expectations. Furthermore, this approach will ensure consistency in evaluating the services and performance assessment techniques as the research progresses.

- Step 1 - Select the service to be evaluated
- Step 2 - Determine its key service characteristics
- Step 3 - Select appropriate performance assessment technique
- Step 4 - Use the information gathered from steps 1 and 2 above, to assess the service using the selected technique.

3.11.7 Step 1 - Selection of Service to be Evaluated

In order to ensure that case study evaluation of the service would be both achievable and meaningful to the case study group (NNPG in the first instance), a matrix was drawn up of the services that each group member managed. The numbers were totalled and the most frequently managed service selected for evaluation. In order to maximise participation and retain interest in the practical evaluation, in the event of two services achieving equal scores the case study group would decide which service they wish to evaluate first, potentially based on available data/ease of collecting data. It was hoped that this approach would also encourage participants to take part in additional case studies as the research moved forward, as it would maximise the potential for any benefits from the process to be realised at any early stage.

3.11.8 Step 2 - Key Service Characteristics Matrix

In order to make an objective decision on the best performance assessment technique with which to assess a service, it is necessary to understand the key characteristics that comprise the service and how and if these match a particular performance assessment technique. Therefore, once the service has been selected, its service profile is determined using the key service characteristics matrix.

The key service characteristics under review were determined from the literature and are detailed below (also see Sections 2.4 and 2.5),

- Customer/stakeholder base - internal only, external only or mixed,
- Direct interface with customers: no direct customer interface (Schmenner 1995, Fitzsimmons and Fitzsimmons 2010),
- Front office service: back office function (Hope and Muhleman 1997),
- Service production is customer driven: driven by organisational requirements,
- Service is provided at time to suit customer: provided at set times.
- Service is tailored to customer requirements: all customers receive the same service (Lovelock 1983, Gremler, Bitner et al. 1995, Fitzsimmons and Fitzsimmons 2010),
- High level of customer participation in service delivery (Hope and Muhleman 1997, Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010),

- Predictability of service process: service is unpredictable in nature (Hope and Muhleman 1997, Fitzsimmons and Fitzsimmons 2010),
- Professional service: practical skills based,
- Technical knowledge required: no technical knowledge needed (Hope and Muhleman 1997),
- Routine: non routine in nature (Hope and Muhleman 1997),
- Proactive: reactive,
- Service process includes a 'facilitating product' as part of the output: no 'facilitating product' is produced (Zeithaml and Bitner 2000, Fitzsimmons and Fitzsimmons 2010),
- Continuous need for service: occasional need (Lovelock 1983, Fitzsimmons and Fitzsimmons 2010),
- Criticality of service failure to the business,
- Outsourced: in house service provision,
- Reliance on contractors: in house

In using the matrix, each service was rated for the possession or absence of the particular characteristic across a ratio scale of 0:100, ie 'completely absent' to 'totally present'. For ease, the predominance of a characteristic was broken down into three levels – high 100% to 60% present, medium 59%-40% present and low 39% to 0% absent. A key service matrix for all of the services, and providing category definitions for each of the characteristics is provided at Appendix C.

As highlighted within Section 3.4, the soft FM services selected within this research were;

- Administration (including room bookings)
- Caretaking/Porterage
- Catering
- Cleaning
- ISD telephones and computer
- IT Helpdesk Support
- Landscape maintenance
- Post Room
- Reception
- Print & Reprographics (P&R)

- Surveying
- Switchboard

Using the matrix, a key service characteristic profile was developed for each of the services, which highlighted the extent to which the range of high-level characteristics are present or absent within in each of the fourteen services under review within the research.

The key service characteristics matrix is not intended as a stand-alone tool, but as a checklist, which enables FMs to better understand the nature of their services. It forms part of the process in objectively selecting an appropriate technique with which to assess service performance. The rationale being that once a service is broken down to the level of its key characteristics, the FM could use the characteristics to inform the choice of metrics with which to assess the service. It was recognised that for managers to use the matrix as part of their service management process, it had to be intuitive, comprehensive and easy to use.

The different service criteria will provide different management and service delivery challenges, and may affect how service performance is assessed. For example, services with low customer interaction and low levels of customisation, such as portage and mail room, - those of a 'service factory' as classified by (Schmenner 1995) (see Section 2.4) might have more standardised operational procedures, which may assist in defining performance targets and overall performance assessment. For services that have a higher degree of customisation, - those of a Professional Service - such as switchboard, and some aspects of catering it is harder to manage quality of service provision, because of the degree of customer involvement within the process (Schmenner 1995).

The service profile derived from the matrix can subsequently be used in conjunction with the Performance Assessment Technique Selection Matrix (PATSeT) which is detailed in Section 3.11-9, to select an appropriate performance assessment technique with which to assess the selected service.

Accordingly, having selected their service for evaluation the NNPG reviewed and noted its key service characteristics.

3.11.9 Step 3 – Selecting an Appropriate Performance Assessment Technique

Step 3 details the derivation and use of the Performance Assessment Selection Technique (PATSeT).

The key service characteristics matrix was developed to help managers of soft FM services better understand their service profile, so that this knowledge could form a reference point for selecting an appropriate service performance assessment technique. In subsequently developing a technique selection matrix, consideration was given to whether any of the chosen performance assessment techniques provided a 'best fit' to one or more of the soft FM services under review, or whether different techniques may provide a better fit when considering certain aspects of performance. For example, if any technique provided results in a format more suited to explain service performance, and potential improvements to a particular stakeholder group. The matrix developed was based on the FABRIC framework, (National Audit Office, Audit Commission, Cabinet Office, Office for National Statistics and HM Treasury 2001) along with other criteria determine from the literature review (see Section 2.6.3), areas explored within the questionnaire, etc. (See Sections 4.3.2 and Section 4.3.3 for further details).

The Audit Commission et al. (2001) indicate that the criteria highlighted within FABRIC characterise a good performance measurement system and measures. Therefore, as expected, in compiling the matrices, it was determined that the criteria proposed went some way to matching the techniques under investigation. Nevertheless, in making the comparison, it was apparent that other criteria not included within the FABRIC framework also have relevance both to the soft FM services highlighted within this research and within a wider context. Therefore, further criteria have been incorporated and evaluated. It is acknowledged that this expanded framework may still not prove exhaustive and other criteria may develop from undertaking additional case studies.

Within this research the FABRIC framework has been interpreted as comprising two distinct areas; one which provides a 'sense check' against which the FM can cross check their reasons for undertaking performance assessment, and the second where the elements act a prompt for selecting a performance assessment technique. This is detailed in Figure 3.11-3 below.

Figure 3.11-3 Performance Assessment Characteristics (FABRIC and Additional Criteria)

Technique Selection	'Sense Check'
<p>Focused on the organisation's aims and objectives. Within this research this is related to whether the technique is an organisation-wide, at service level, customer [C] or process [P] focus.</p>	<p>Balanced – giving a picture of what the organisation is doing and covering all significant areas of work. In this research, use of techniques is also considered at service level.</p>
<p>Appropriate - The information collected should be appropriate to and useful for, the stakeholders who are likely to use it eg service provider, manager, customer, etc</p>	<p>Integrated into the organisation (service delivery), being part of the business planning and management processes, ie how the data is to be utilised rather than merely data collection.</p>
<p>Robust - able to withstand changes in personnel or organisational changes and should not be dependent on the knowledge, skills or influence of a single individual, nor on a single way of producing a service.</p>	<p>Cost effective, balancing the benefits of the information against cost – linked to what usage the information gained from using the technique will have.</p>
<p>Timely - producing data regularly enough to track progress and quickly enough for the data still to be useful. – ie short, medium, or long term for reviewing/reusing the technique. For example, allowing continuous data collection or collection on a monthly, quarterly, etc. basis, etc</p>	<p>Relevant to what the organisation (service) is aiming to achieve</p>
<p>Comparable with either past periods or similar programmes in other organisations or sectors, ie it is suitable for cross sector comparisons.</p>	<p>Able to Avoid Perverse incentives – not encourage unwanted or wasteful behaviour; (ie behaviour that exists to meet a target but not to help drive service improvements or meet a customer need).</p>
<p>Assess capacity – does the technique allow for an assessment of the capacity of the service to meet organisational</p>	<p>Attributable -the activity measured must be capable of being influenced by actions which can be attributed to the</p>

Technique Selection	'Sense Check'
need (eg the influence of changing service providers on overall service)	organisation, and it should be clear where accountability lies.
Assess capability - does the technique allow for an assessment of the capability of the service to meet organisational needs?	Well defined with clear, unambiguous definition so that data will be collected consistently, and the measure is easy to understand
Is the model Qualitative or Quantitative in its approach, or does it involve both assessments.	Reliable – accurate enough for its intended use and responsive to change.
	Verifiable with clear documentation behind it, so that the processes, which produce the measures, can be validated

The next step was to match the selected performance assessment techniques to the service characteristics and the performance assessment technique characteristics, with the intention of forming a template – the Performance Assessment Technique Selection Template (PATSeT) - that would enable FMs to select an appropriate performance assessment technique with which to assess the performance of a particular service. This detailed in Figure 3.11-4 below. The ticked boxes within the PATSeT illustrate the characteristics of the technique. These were determined from the literature review (see Section 2.6), and the analysis of Questionnaire 1 (see Section 4.3).

**Figure 3.11-4
Performance
Assessment
Technique
Selection
Template
(PATSeT)**

	Benchmarking	Data Envelopment Analysis	Performance Dashboard	Statistical Process Control	Balanced Scorecard	Performance Prism	Six Sigma
Focus							
Encompasses All FM services in portfolio					✓	✓	
Single Service	✓	✓	✓	✓			
Customer Focus	✓					✓	
Focus on Process	✓	✓	✓	✓	✓		
Appropriate to Stakeholders - internal, external or mixed groups.							
Internal							
Service Provider	✓		✓	✓			
Service Manager	✓	✓	✓	✓		✓	
Senior Manager	✓	✓	✓	✓	✓	✓	
Councillor	✓		✓				
External							
Public (Customers)	✓		✓	✓			
Other public bodies	✓	✓	✓	✓	✓	✓	
Local business	✓		✓	✓			
Contractor							

	Benchmarking	Data Envelopment Analysis	Performance Dashboard	Statistical Process Control	Balanced Scorecard	Performance Prism	Six Sigma
Balanced Service and Stakeholder Needs – rationale for data collection ie for presentation to stakeholder group, or for on-going service assessment.							
Data Collection Period							
Daily or shorter		✓	✓	✓			
Weekly		✓					
Monthly	✓	✓					
Quarterly	✓	✓					
Six Monthly	✓						
Annual							
Data Type							
Qualitative data							
Quantitative data							
Both					✓	✓	
Presentation Format							
Graphics/ Charts			✓	✓			
Written report							
Both	✓	✓			✓	✓	

	Benchmarking	Data Envelopment Analysis	Performance Dashboard	Statistical Process Control	Balanced Scorecard	Performance Prism	Six Sigma
Robust Nature of Technique - ability to withstand organisational/personnel change, and can be used for continuous performance assessment/ comparison							
Ease of Use 1 to 5 (1 = easy, 5 =)							
Ease of Data Collection							
Ease of Interpretation 1 to 5 (1 = easy, 5 = complex)							
Specialist Training to use it 1 to 5 (1 = little, 5 = requirement)							
Service Comparisons							
Stand alone					✓	✓	
With other service providers							
Integrated							
Capability							
Capacity							

3.11.10 Step 4 - Assessing the Service Using The Identified Technique

The fourth and final step comprises using the performance assessment technique identified from the PATSeT for the particular service, to undertake a service assessment.

In order to maximise the time available for the case studies, and given that benchmarking was the most frequently used performance assessment technique used within local authorities, a baseline service specific benchmarking template was developed for each of the seven most frequently, as identified from the analysis of Questionnaire 1 (see Section 4.3.1) and sample template at Appendix D). The intention being that if benchmarking was selected via use of the PATSet, the case study group, in the first instance the NNPG, could review and amend the template as required, prior to use.

Each service specific template contained measures based on

- the key characteristics of the particular service, determined as detailed in section 3.11.8 above,
- those areas of performance assessment that respondents had indicated were important for their undertaking performance assessment of their service management process, ie cost, customer service and determining best practice (see Section 3.11 and Sections 2.1, 2.2 and 2.6).

The templates, were initially pilot tested on NNPG members (see Section 3.11.3) to ensure that they were comprehensive, clear, unambiguous, and collected information on the issues that were important to service managers. Refinements were made, where necessary, in preparation for wider circulation to those identified within the case study matrixes.

3.11.11 Cross Sector Case Study Population

The following details the groups under review as part of the cross sector evaluation.

Education Sector

Comparisons within this sector, were made with higher education institutions and further education colleges. This was because it was felt that the nature and size of these organisations was more comparable with local authority organisations than schools. Accordingly, contact established via,

The Association of University Directors of Estates (AUDE)

The Association of University Directors of Estates (AUDE) – a group to which all University UK institutions are eligible for membership, and for which part of the remit is to promote

“excellence in the strategic planning and management, administration, operation and development of the University Estate and Facilities”

and whose activities include

- “providing opportunities for discussion, consultation, the exchange of knowledge and good practice
- helping members share expertise and take action to address common concerns”.

(AUDE 2011)

Contact with members was made via the Membership Secretary, by way of an email explaining the context of the research and asking if members would be prepared to

- confirm which techniques were used, for which service(s) and how useful these have proven, if at all.
- if performance assessment was not used as part of the overall service management process, reasoning for this, and
- asking for volunteers willing to take part in a case study, and sharing data, etc that you will be able to use in managing and/or reviewing your own service provision. No data or information provided would be released in an identifiable form without prior permission.

As with the local authority study participants, data collection templates were to be provided, relevant data comparison partners identified and a facilitated case study approach adopted.

Service Specific Associations

The initial questionnaire circulated to FMs within local authorities identified that cleaning and catering services were two of the most frequently managed soft FM

services managed by FMs within a local authority context. Therefore to increase potential levels of participation for each service area under review direct contact was made with two service specific associations within the HE and FE sectors namely;

1. the College and University Business Officers group (CUBO) a

“professional association for senior managers in higher education whose responsibilities include the strategic planning, management, administration and development of the university's residential portfolio, catering and retail operations...’,. It is also noted that CUBO members have responsibilities in other facilities management areas, which included some of those included within the research, including (but not limited to) Security, Printing, cleaning, customer services, and maintenance (CUBO website 2011), and

the British Association of Cleaning in Higher Education (BACHE) a forum providing ‘support for building cleaning and associated services within the Further and Higher Education sector’. In part, BACHE helps

“further and higher education bodies and institutions in the UK and Ireland to network and share best practices and cleaning processes thereby achieving the ultimate aim of improving cleaning standards and professionalism across campuses” BACHE website 2011

Initial contact was made with the Chair of each of the above organisations and following a discussion in which the rationale and purpose of the research was explained, it was agreed that a flyer could be forwarded to both organisation’s forthcoming conferences for circulation to members. The flyers provided details of the research and sought volunteer participants willing to discuss the role of performance assessment in the management of their own services, and to take part in a facilitated case study.

Sheffield Hallam University’s Higher Education Forum

Given the work undertaken by Sheffield Hallam University’, Centre for Facilities Management Development, in respect of public sector FM networks, contact was established with the manager of the Higher Education Facilities Management

Network. A presentation on the initial findings of the questionnaire undertaken within phase one of the research was given and discussions held with members of the forum. Members were also asked if they would be willing to share their own experiences of performance assessment within the management of soft facilities services, and specifically the seven most frequently managed services within a local authority context. Again such case studies were to be undertaken on a facilitated basis as indicated above.

Health Sector (National Health Service acute hospital trusts)

The second sector was health, and specifically National Health Service and acute hospital trusts. In this case contact was made with two different bodies; the National Performance Advisory Group and Sheffield Hallam's' NHS FM Network

The National Performance Advisory Group (NPAG)

The National Performance Advisory Group, or NPAG, was set up to services managers within the NHS continuously improving their services. The organisation runs a number of groups/clubs, which benchmark a range of different service areas provided within the NHS. FM is one of these service areas with groups in both the north and south of England.

The groups have the aim of improving and developing their services. The services included within the remit of this research, which are included for review by the NPAG groups, are Porter Tracking, Telecommunications (switchboard rostering), security, and cleaning. (National Performance Advisory Group 2011).

Initial contact with NPAG was made with the co-ordinator of a regional group of NPAG to determine the most appropriate way to progress a case study with NPAG members. Accordingly, contact was established with a Regional Facilitator and then a Director of a National Performance Advisory Group within the South East. The reason, rationale, and aims of the research and the potential for further collaboration were discussed and an interest expressed in progressing with the project.

Attendance at a Regional meeting followed, where contact was established with a number of NHS FMs who indicated they would be prepared to take part in a case study for a number of the services for which they had management

responsibility. Follow up conversations with these members was then undertaken to discuss their views on the role of performance assessment and their willingness to take part in a facilitated cross sector case study on one of the seven services under assessment.

Sheffield Hallam University's Health Service FM Network

Given the successful contact with Higher Education Forum, similar contact was made with the NHS forum. Specifically contact was made with members who had who had presented papers to the forum relating to best practice within the FM service areas under consideration within this research.

In order to establish the suitability of the service assessment templates that had been devised for the seven most frequently managed services, for both the above groups, templates were provided for the selected services and the members were asked to advise on their suitability for the service provided within their own organisational context. As part of this process, members were asked to complete the template and invited to take part in a facilitated cross sector service comparison.

Local Authority Performance Assessment Organisation

In order to maximise potential candidates for the case studies contact was also made with the Association of Public Service Excellence, as an organisation who work with local authorities in England to promote excellence. A presentation, summarising the initial findings of the questionnaire, was made to the APSE conference and discussions held with FMs working in the areas of cleaning and catering. Those indicating an interest were asked to evaluate a service specific performance assessment template and to take part in a facilitated case study.

3.11.12 Cross Sector Evaluation of Performance Assessment

The on-going importance within the public sector of ensuring and demonstrating value for money in service provision, when compared with other potential service providers has long been recognised (see Section 2.2). Accordingly, this part of the research was intended to review existing performance assessment groups/initiatives to determine the extent to which they undertook performance assessment of soft FM services. This part of the evaluation comprised a cross

sector approach, reviewing not only local government but also higher and further education and the National Health Service. The purpose being to determine whether there was a potential for cross sector evaluation of soft FM services and whether cross sector comparisons yield equal or greater benefits than same sector comparisons, specifically Key Research Questions 6 and 7, and was intended to determine whether when assessing the performance of soft FM services, providers achieve results that are more useful

- 6) When assessing the performance of soft FM services, can service providers achieve more useful results
 - a) undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or
 - b) from making comparisons only with 'own sector' peers? and,
- 7) If cross sector comparisons yield more benefit,
 - a) who are the most appropriate comparison partners?
 - b) for which single services, or groups of services with similar characteristics, does this apply?

The PATSeT developed as part of the Section 3.11-9 suggested that two techniques are particularly suitable for cross sector performance comparison, namely benchmarking (Camp 1989, Codling 1998, Coers, Gardner et al. 2001) and data envelopment analysis (Norman and Stoker 1991, Avkiran 2002), and therefore the potential use of these techniques was highlighted for further exploration.

Consideration was also given to whether organisations tended to use metric or process benchmarking, any variation within sectors and again the potential advantages or disadvantages of each with respect to the services under consideration. This stage of the research will evaluate the importance of the comparison of metrics and processes within the performance management process, and the determination of key inputs and outputs of the service process.

In order to assess the use of benchmarking within this sector, and to maximise evaluation and usage, a two-phased approach was followed. Initially, a template

was provided which enabled the manager to collect a range of data against a list of predetermined metrics (template provided at Appendix D). This was to be followed by participation in a cross sector benchmarking exercise, allowing participants to determine how services in other organisations differed, so that they may be able to adapt and or adopt such processes within their own service provision.

In order to ensure comparability (see Section 2.6) definitions of the services and key metrics were provided as part of this process. To maximise participation and hence results, all data remained unattributed to a particular authority.

3.12 Summary

This chapter described the research methodology. Initially indicating the epistemological position and methodological approach, it moved on to outline the research hypothesis and key research questions. The subsequent sections described and explained the methods used within the research, and the assumptions, principles and procedures of how the research was undertaken. (Kaplan 1964, Schwandt 2001).

The approach adopted was

- an initial questionnaire,
- a semi-structured interview, and
- facilitated case studies.

The research adopts a functionalist paradigm, seeking to gain a deeper understanding of the role and usage of performance assessment within the management of soft FM services, in a local authority context. The requirement for local authorities to both ensure and demonstrate accountability, customer satisfaction and value for money within their service provision, highlights a practical 'real world' context for the research, in terms of its ontological stance, and seeks to generate knowledge that can be applied within an organisational context, thereby generating a practical solution to a practical problem.

The functionalist paradigm is characterised by a predominantly positivist approach. However, it is recognised that the semi structure interviews, within

the case study element of the research have a more interpretivist stance, being more qualitative in nature in order to provide a deeper exploration of the reasoning behind the use of performance assessment within this specific context.

Characterised by the use of a questionnaire and case studies, the methodological approach adopted within this research is primarily nomothetic, and is characterised by the use of surveys, questionnaires, and other 'standardised research instruments', specifically case studies. (Burrell and Morgan 1979)

The research looked to evaluate fourteen soft FM services, which cross the tangibility/intangibility continuum, namely

1. Administration
2. Room Bookings (space allocation and deployment)
3. Caretaking
4. Porterage
5. Catering
6. Hospitality
7. Cleaning
8. IT Support
9. Landscaping and landscape maintenance
10. Post Room
11. Printing/Reprographics
12. Reception
13. Surveying (technical advice)
14. Telephony (Switchboard)

In addition, the potential use of seven performance assessment techniques, which cross the ranges of operational to strategic and traditional to contemporary namely,

- Benchmarking (Camp 1989, Codling 1998, Coers, Gardner et al. 2001).
- Balanced Scorecard (Norton and Kaplan 1996).
- Control charts/statistical process control (Owen and Morgan 2000, Stapenhurst 2005).
- Data Envelopment Analysis (Norman and Stoker 1991, Avkiran 2002).
- Performance dashboards (Eckerson 2010).
- Performance Prism (Neely, Adams et al. 2002).

- Six Sigma (George 2003, Cygi, DeCarlo et al. 2005, Giménez 2005).

The methodology was divided into three broad sections,

Questionnaire

An initial questionnaire, which sought to

1. gain an understanding of the nature FM services within a local authority context; exploring the demographic profile of FMS within this context; reviewing which from a selection of 14 soft FM services were most frequently managed, and how FMs within this context rated the importance of these services to the organisation.
2. evaluate the usage of seven performance assessment techniques within the performance management of soft FM services, in a local authority context. This included
 - a) reviewing the role of performance assessment with soft FM services;
 - b) assessing familiarity and usage of the selected performance assessment techniques for soft FM services;
 - c) the criteria used to select a performance assessment technique;
 - d) reason for not undertaking performance assessment of soft FM services.

Local Authority Case Studies

Comprised a semi structured telephone interview which explored

1. Whether the most important reason for using performance assessment as part of your service management process was to control;
 - a. Cost?
 - b. Ensure customer satisfaction?
 - c. Determine best practice?
 - d. What does value for money mean in respect of soft FM service provision?

2. How do you ensure and demonstrate that your soft FM services are providing Value for Money to stakeholders?
3. With which organisations do you compare the performance of your soft FM services?
4. What level of organisational support is demonstrated for undertaking Performance Assessment of soft FM services from
 - a. Senior management?
 - b. Council members? And
 - c. how, if at all, does this influence the approach taken to performance assessment of soft FM services?
5. If you measure your service performance, what do you do with the results of the assessment?
6. Where the performance of for soft FM services, is not assessed, why is this?.

This section of the research also incorporated the practical evaluation of performance assessment techniques as part of the management of soft FM services. Meetings were held with a group of 10 managers of soft FM services (NNPG), in order to evaluate

- the nature and role of soft FM within the local authority context
- the NNPG's knowledge, role and use of performance assessment within a local authority, and the factors believed to affect this usage (including political structure, key stakeholders' views, etc)
- a brief definition of the service, including the use of a key service characteristics matrix and how information gained can be used to better inform the performance assessment process.
- the performance assessment techniques selection template
- the use of a function specific performance assessment template.

Cross Sector Evaluation

The final part of the research reviewed the value if any of cross sector service performance comparisons, of the same soft FM services.

Taking the format of organisational case studies, they followed the same facilitated structure as those undertaken with local authority participants. However, in addition to local authority participants, included soft FM service managers working within the higher/further education sectors and National Health Service, acute hospital trust. In addition to managing the service under consideration, participants were also required to have used, or have a willingness to assess, initially, benchmarking within cross sector group.

The service specific templates produced for the practical evaluation of soft FM services within a local authority context were utilised, modified, where appropriate, in light of consultation with managers within each sector.

With respect to the services being assessed and the performance assessment techniques, the case study was also intended to determine whether when assessing the performance of soft FM services, providers achieve results that are more useful

- a) undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or
- b) from making comparisons only with 'own sector' peers? and,

If cross sector comparisons yield more benefit,

- a) who are the most appropriate comparison partners?
- b) for which single services, or groups of services with similar characteristics, does this apply?

The following chapter details the Results of the activities described within Research Methodology.

4 Chapter 4 - Results

4.1 Introduction

The previous chapter detailed the research methodology adopted, namely a questionnaire, semi-structured telephone interview and number of facilitated organisational case studies to evaluate

- the nature and role of FM within a local authority context,
- the role of performance assessment within the management of soft FM services,
- best value, value for money, accountability and customer satisfaction in FM services, and
- the use of the seven performance assessment techniques, in assessing the performance of fourteen soft FM services under review within this research.

This chapter details the findings of the research activities and seeks to determine whether performance assessment of soft FM services within a local authority context is able to deliver meaningful and measurable outcomes, as proposed under the theoretical model proposed in Section 2.8, in respect of the ability of the FM to

- demonstrate accountability of service provision
- provide services that deliver best value/value for money for the resources allocated for their provision
- enhance customer/stakeholder satisfaction
- provide services that meet or exceed customer expectations.

In order to evaluate the research hypothesis and key research questions (see Section 3.3), and validate the proposed model (see Section 2.8), the methodology encompassed

- a questionnaire (see Section 3.10),
- semi-structured interview (see Section 3.11.4), and
- facilitated case studies (see Sections 3.11.6 to 3.11.12).

The rationale for selection of the methodological approach

- Initial questionnaire – to gain an overview of the position and role of soft FM services and performance assessment within the local government sector (see Section 4.3)
- Semi structured interview – to provide a more in depth exploration of some of the areas assessed with the initial questionnaire. To evaluate the key reasons why FMs undertake performance assessment, how and with whom this is undertaken, why performance assessment may not be undertaken, the influence of senior management and council member support within the process; what value for money means in relation to these services, and how this is ensured and is demonstrated to service stakeholders (see Section 4.5).
- Case Study – a practical evaluation in order to drill down further into the concepts explored in the above exercises. Specifically reviewing the affect of the environment, the FMs knowledge/information, and their education/ awareness (the independent variables) on achieving the effective use of performance assessment as part of the FM management process, in order to deliver meaningful and measurable outcomes, namely accountability, value for money, customer satisfaction and the required service level. This was followed by a practical assessment of a selected performance assessment technique within a service setting. The case study followed a four step approach of selecting the service for evaluation (step 1), evaluating its key service characteristics (step 2), selecting an appropriate performance assessment technique with which to assess a service (step 3) and assessing the service with the selected technique (step 4), (see Section 4.7).
- Cross Sector Evaluation – detailing an evaluation of a number of existing performance assessment regimes, within the local government sector, but also within the higher and further education sectors and the National Health Service. This provided an evaluation of the assessment of soft FM services within these areas and also an opportunity to determine whether service assessment templates developed within this research had a place within these sectors. It further considered the potential for cross sector assessment of soft FM services between local authorities, the education sector and the National Health Service.

4.2 Questionnaire Response and Analysis

As described within Section 3.8 Selection of Sample Population for Questionnaire, the questionnaire took a self-administered format, being distributed to 348 Facilities Managers working within local authorities within England and Wales. The questionnaire was distributed via a website link included within an explanatory email and comprised a range of open, closed nominal and ordinal questions. In order to maximise the response rate achieved, in addition to the initial email, two follow up emails were sent at monthly intervals. This resulted in an overall response rate of 115, ie 33.1%. Of these respondents, 108 completed all or some of the questions and the following analysis is based on their responses.

Whilst a number of measures were undertaken to increase the response rate (see Section 3.10 Questionnaire 1), unfortunately, at 33.1%, the response rate was lower than hoped for. Potential reasons for this are discussed below.

1. Length of Questionnaire

Including demographic information the questionnaire comprised nineteen questions. Whilst it is recognised that this may have deterred some respondents, there is a balance to be drawn in order to gain the required information without causing respondent fatigue. In order to minimise fatigue, the questions were funnelled, meaning respondents could skip questions that were not relevant to them. The pilot group generally felt the questionnaire was long but manageable, given the ability to come back to it, given the web-based format. To increase response, it may have been prudent to remove the questions on use of techniques and the services they were used for, and if respondents indicated they had used a technique to follow this up with a telephone discussion.

2. Selected Questionnaire Format

The questionnaire was web-based. Whilst this enables potential respondents to come back and finish the questionnaire at a later date, this may mean that the person starts the questionnaire and doesn't actually go back to complete it. However, a paper questionnaire may also be misplaced. The web link was included within an email. Again, it is recognised that respondents may get a lot

of emails and there is the potential to overlook something that does not demand their immediate attention.

Whilst this is changing, some people are not so familiar with technology and may be reluctant to follow web-based links. Organisations may block some web-links.

Whilst the email containing the web link explained the purpose for the research and the fact that the researcher also worked within FM, this may not have provided enough encouragement for some people to complete it. However, in order to establish a contact with the potential respondent, unless only a generic email address was given all emails were sent to a named recipient and the senders name and contact details were provided. Recipients were also advised that a paper copy of the survey would be available on request (as mixed mode offer of questionnaire format can increase response (Millar and Dillman 2011)).

3. Consultation Fatigue

Over the past years, local authorities have undertaken a range of consultation activities with both residents and staff. Likewise, at certain times of the year a larger number of questionnaires may arrive from students/organisations undertaking research. Therefore, if the questionnaire arrived with or shortly after others, consultation fatigue may prevent some respondents answering.

4. Perceived Lack Of Confidentiality

When sending the questionnaire all respondents were advised that their knowledge and opinions were paramount. There was no right or wrong answer, responses would be anonymised, etc. Some people may not feel comfortable with providing their views despite this.

5. Questionnaire Follow Up

The initial email enclosing the questionnaire was followed up by two subsequent emails to non-respondents reminding them of the deadline and asking for their assistance in completing the questionnaire. Following up the email with a telephone call, and going through the questionnaire on the telephone with the respondent may have increased the response rate in some

cases, as it may have been easier for a respondent to ignore an email contact rather than a personal contact.

6. Lack of Knowledge or Interest

The questionnaire was distributed to FMs in local authorities to determine their knowledge and usage of performance assessment techniques. Given that local authorities have a legislative requirement to assess the performance of their services, in order to demonstrate accountability and value for money, it would appear reasonable to assume that knowledge and views within this sector, would be reasonably high and therefore a questionnaire sent to them on the subject could be completed quite easily. In analysing the questionnaires, it appears that this may not be the case, ie knowledge and use of performance assessment techniques is not that high. Therefore, it may be that response to the questionnaire was relatively low because the respondents did not have the knowledge/views to share. The fact that questions concerning which services were managed, which were considered most important as part of the overall FM portfolio and which performance assessment techniques were the respondents familiar with gained a relatively higher response than those which questioned knowledge based on use, may support this supposition.

It is also possible that some of the respondents felt the survey was not relevant to them. Groves et al., term this 'leverage-salience theory' (Groves, Singer et al. 2000) confirming that the respondents aptitude to completing the survey, and which they may perceive as a multi-factor decision, related to the topic, concerns regarding privacy, the respondent's environment, all of which may make it more or less likely for a person to complete the questionnaire. The importance of any of the factors will vary with the participant.

7. Lack Of An Incentive To Complete Questionnaire

The link between incentives being provided in return for participants completing questionnaires is recognised (Church 1993, Singer and Bossarte 2006, Millar and Dillman 2011). The questionnaire offered no direct incentive for taking part, other than helping another FM working in local government, and who was undertaking the research, the results of which would be shared with respondents and FMs within the sector, with the intention of simplifying and adding meaning to the performance assessment process for soft FM services. However, this suggests that the drive to respond will be altruistic Completion

of the questionnaire did not offer a more tangible reward such as entry into a prize draw, etc, and this may have affected the outcome. However, it is acknowledged that within public bodies, such an offer of an incentive/reward for a undertaking a task can lead to issues of conflict of interest.

In reviewing the above reasons, it is recognised that, unfortunately, the relatively low response rate has implications for the validity of the results, and to verify the results the questionnaire may need to be repeated, taking into account some of the issues raised, in order to increase the response rate. However, it is also noted that the issues raised within the questionnaire were also questioned within the semi-structured interview and the case study, which although again consisted of small respondent numbers, did support some of the findings from the questionnaire.

4.3 Analysis of Questionnaire 1: Facilities Management Facilities Management and Performance Assessment

The initial questionnaire considered the role of FM within a local authority and the role of performance assessment within the management of soft FM services within this context.

4.3.1 Facilities Management Services Within a Local Authority Context

The question evaluated Key Research Question 1

“What is the structure and role of soft FM services within a local authority context?”

Accordingly, the initial questions within the questionnaire were formulated to explore this question and the analysis of these questions is given below.

As discussed in Section 2.3, FM has a broad scope (Chotipanich 2004) and therefore fourteen services, crossing the continuum of intangible to having a tangible product as part of the service process were selected for assessment. The selection was made in order to reflect the diverse nature of FM services, but ensure that the research remained manageable. All services fall under the soft service category of FM services.

To this end, the initial questions within the survey focussed on which, if any, of the fourteen soft FM services are most frequently managed by FMs in the UK

Local Government context. Furthermore, whether some services are always included in the remit and some always excluded, if there are any particular groupings, and if so whether these groupings have common service characteristics, which may influence the choice of performance assessment technique selected for the management.

Table 4.3-1 summarises the number of respondents managing each of the fourteen FM services. It is apparent that seven of the fourteen listed services are most frequently managed within the sector, and fall into the generic category of providing operational support to the front line services. This group of services is followed by those services associated with the maintenance and upkeep of the physical asset, ie the buildings, for example surveying services and landscaping. Interestingly, and somewhat surprisingly, those services characterised as providing direct customer support/contact, namely switchboard, reception and IT support tend to fall outside of the remit of the majority of FMs working within this context.

In addition to the fourteen services, and in order to develop a comprehensive picture of the FM remit within the sector, respondents were given the option to detail other services that they managed. Accordingly, 69 (63.8%) respondents indicated that they managed services other than those within the given list. 26.9% managed services associated with building maintenance, 7.5% health and safety, 9.5% car parking, and one respondent indicated they managed emergency planning. There did not appear to be a link between the services managed and the type of Council, eg County, Borough or District, which may have suggested that either larger or smaller councils had a broader or narrower remit. It is noted that these 'other' services cross Barrett and Baldry's localised sites model (Barrett and Baldry 2003) of Premises, Offices Services, and Central Services and support the varied picture of the FM service remit within this sector (See Section 2.3).

Table 4.3-1 FM Services for Which Survey Respondents Have Management Responsibility

Service Managed	Response Count	Percentage of total
Cleaning	90	83.3%
Caretaking	85	78.7%
Porterage	78	72.2%
Room booking administration	69	63.9%
Catering/Hospitality	65	60.2%
Mail Room	50	46.3%
Surveying (technical advice)	46	42.6%
Landscaping and landscape maintenance	44	40.7%
Reception	32	29.6%
Reprographics	28	25.9%
Switchboard	21	19.4%
IT Support	10	9.3%
Other (please specify)	69	63.9%
N=108		

Historically, the four services with the lowest score in Table 4.3-1 above, namely IT Support, Switchboard, Reprographics and Reception, have fallen under the FM remit within the public and private sectors (Chotipanich 2004). However, within local authorities these four services, with the highest external customer interface, namely switchboard and reception, and those incorporating a higher technological input, IT Support and Reprographics, are now less commonly managed under the FM service remit, have been redesignated under the 'call centre'/'one stop shop' service, initiatives and reflecting the changes under the e-government initiative.

Having reviewed frequency of individual services managed, consideration was then given to particular of groupings in order to determine any particular trends and whether there was a tendency for a service remit to include services with similar characteristics.

Table 4.3-2 below, details the results of the management of each individual service when compared to each other service. With respect to the most frequently managed services, cleaning and caretaking, it is noted that the remit of 77 of the respondents (71.3%,) included both these services within their FM service portfolio.

Service	Administrative Support	Room Booking Administration	Caretaking (including Security)	Porterage	Catering/Hospitality	Cleaning	Landscaping and landscape maintenance	Reprographics	Mail Room	IT Support	Switchboard	Reception	Surveying (technical advice)
Administrative Support		38	40	36	30	43	22	17	30	5	8	17	17
Room Booking Administration	38		57	57	50	62	27	27	44	7	17	29	18
Caretaking	40	57		68	55	77	35	25	43	9	20	26	33
Porterage	36	57	68		55	70	33	24	41	7	17	17	38
Catering/Hospitality	30	50	55	55		61	28	19	36	3	12	22	23
Cleaning	43	62	77	70	61		40	26	45	8	19	29	36
Landscaping and landscape maintenance	22	27	35	33	28	40		11	18	3	8	11	24
Reprographics	17	27	25	24	19	26	11		26	7	12	13	8
Mail Room	30	44	43	41	36	45	18	26		6	14	22	10
IT Support	5	7	9	7	3	8	3	7	6		6	6	4
Switchboard	8	17	20	17	12	19	8	12	14	6		16	10
Reception	17	29	26	17	22	29	11	13	22	6	16		7
Surveying (technical advice)	17	18	33	38	23	36	24	8	10	4	10	7	

Table 4.3-2 Table Summarising Frequently Combined Service Combinations Managed by Survey Respondents. (N=90)

As highlighted above, cleaning was the service most frequently managed by respondent, and this was most frequently combined with caretaking. Therefore, the next evaluation sought to determine how many of the other services within the most frequently managed group, and combined with cleaning, formed part of a local authority FMs' remit. Table 4.3-3 indicates that in combination the actual number of soft FM services managed is comparatively low, with only approximately a quarter of respondents (26 people) managing six of the seven services, including cleaning.

Table 4.3-3 Table Indicating Number of Functions Managed within FM Remit including Cleaning Services (n=90)

Cleaning Plus				
2 other services	3 other services	4 other services	5 other services	6 other services
4.4%	13.3%%	15.6%	28.9%	14.4%

Given that cleaning plus five of the other most frequently managed services, gave the highest score, an analysis of which of the remaining six services were most frequently combined within cleaning within the remit was explored. Table 4.3-4 summarises, the most frequently occurring combination of services was cleaning plus room booking administration, caretaking, portorage, catering/hospitality, and mailroom.

The results indicated that the most frequently managed service combinations fall into the category of services that provide operational support to the front line, and relate to the smooth operation of the property infrastructure in providing a managed, safe and hygienic environment in which the customer can interact with the core business functions.

Table 4.3-4 Detailing the Service Combinations Most Frequently Managed by Respondents

							Number of Respondents managing this combination	Percentage managing combination
Cleaning	Administrative Support	Room Booking Administration	Caretaking	Porterage	Catering/Hospitality	Mail room	13	14%
Cleaning		Room Booking Administration	Caretaking	Porterage	Catering/Hospitality	Mail Room	8	9%
Cleaning	Administrative Support		Caretaking	Porterage	Catering/Hospitality	Mail Room	2	2%
Cleaning	Administrative Support	Room Booking Administration		Porterage	Catering/Hospitality	Mail Room	3	3%
Cleaning	Administrative Support	Room Booking Administration	Caretaking		Catering/Hospitality	Mail Room	2	2%
Cleaning	Administrative Support	Room Booking Administration	Caretaking	Porterage		Mail Room	6	6%
Cleaning	Administrative Support	Room Booking Administration	Caretaking	Porterage	Catering/Hospitality		5	7%

Further combinations are detailed at Appendix E, and determined that seven most frequently selected services were managed by at least 45% of the 108 respondents. However, only thirteen of the 108 respondents managed all seven services, and conversely, four respondents did not manage any of the seven selected services. As the most frequently managed FM services within local authorities, it is these seven services, ie cleaning, catering (restaurant and hospitality) caretaking (including security), administrative support, room booking administration, portage, and mailroom, which provide the focus for the following analysis.

These most frequently managed services, tend to fall under Schmenner's service factory classification, characterised by a low service throughput time and low degree of variation (the degree of customisation and customer interaction) (Schmenner 2004). These services are predominantly routine in nature and have relatively standardised delivery. Their management will focus on increased productivity to increase customer satisfaction. There is a minimal requirement for customer interaction, and the process revolves around ensuring customer satisfaction through increase productivity and consistency of service delivery. Whilst in the case of hospitality, where a greater capacity for some customisation may be anticipated, standardised menus – low service variation – and a low throughput time, ie improved productivity, along with costs that provide the customer with a sense of value for money, will likely be required for a service that is not part of the core business activities.

Service Portfolio Managed by Gender

Having reviewed the service profile of soft FM services managed, any gender differences within the services managed was then analysed. The results are detailed in Table 4.3-5, and suggest that more female FMs manage catering services (28.3% more) whilst more males manage landscaping and landscape maintenance (26.7% more). More males also manage IT services. Whilst the differences are limited, the different entry routes in to FM within this sector may explain some of the variation. Whilst responses to this question were low, female respondents were more likely have entered a career in FM via an administrative/office services background, with males tending to enter FM from a property services (surveying, engineering or architect) background (see Table 4.3-6).

Table 4.3-5: Services Managed by Gender of Respondent

Services Managed	Female (% response)	Male (% response)
Administrative support	60.0%	51.7%
Room booking administration	75.0%	69.0%
Caretaking	80.0%	79.3%
Porterage	65.0%	79.3%
Catering/Hospitality	80.0%	51.7%
Cleaning	80.0%	82.8%
Mail Room	60.0%	51.7%
Landscaping and landscape maintenance	25.0%	51.7%
Reprographics	25.0%	34.5%
IT Support	0.0%	13.8%
Switchboard	20.0%	20.7%
Reception	35.0%	24.1%
Surveying (technical advice)	35.0%	44.8%

Table 4.3-6 Table Indicating Occupational Route in FM of Respondents

n=19 female and 29 male respondents	Female % Response	Male % Response
Started work as an FM	5.3%	17.2%
Via an administrative/office services route	42.1%	6.9%
Surveyor	15.8%	24.1%
Architect	5.3%	0.0%
Engineer	5.3%	20.7%

In order to determine whether route into FM ie via an administrative/office

services route or qualified in another field, ie Surveyor, Architect, or Surveyor had an impact on the importance placed on the services within the overall FM an analysis was then undertaken. However, when asked to rate the importance of a given list of soft services within the overall FM service portfolio, comments made by a number of respondents a suggested that they felt uncomfortable in splitting the soft and hard services, and the management of softer services from the overall management of the asset.

How Soft FM Services are Rated Within Local Authorities

Having determined the FM services which are most commonly managed in local government, the next element of the research was to evaluate how important each of the fourteen services were rated within the portfolio, irrespective of whether or not the respondent managed the service under consideration. Table 4.3-7 provides a ranked assessment of the services, both by respondents as a group and, for comparison, by gender. Respondents were asked to rate each service on a scale of 1 (most important) to 14 (least important) within the portfolio. In undertaking the analysis, a weighting was given to each ranking, with a maximum of 14 points being awarded to a service rated most important within the portfolio, to a score of one for a service rated least important. The score was then multiplied by the percentage of respondents allocating the rating and a total score determined for each service.

Table 4.3-7 Service Ratings By Gender

Service	Percentage of Total Respondents	Importance In Portfolio	Service	Males	Females	Service
Caretaking	78.70%	781.757	Caretaking	226	170	Cleaning
Cleaning	83.30%	736.848	Reception	219	164	Caretaking
Reception	29.60%	691.52	Cleaning	218	164	Reception
Mail Room	46.30%	643.764	IT Support	210	144	Room Booking Administration
Porterage	72.20%	628.125	Porterage	207	131	Post Room
Room booking administration	63.90%	613.168	Post Room	202	130	Porterage
Switchboard	19.40%	579.762	Switchboard	192	122	IT Support
Catering/Hospitality	60.20%	402.17/522.65	Room Booking Administration	156	119	Catering - restaurant services
IT Support	9.30%	502.632	Catering - restaurant services	149	117	Switchboard
Administrative support	45.40%	455.049	Landscaping and Landscape maintenance	143	116	Hospitality
Surveying (technical advice)	42.60%	427.122	Administrative Support	132	100	Administrative Support
Reprographics	25.90%	387.27	Surveying Services (Technical Support)	130	91	Surveying Services (Technical Support)
landscape maintenance	40.70%	331.386	Reprographics	120	65	Reprographics
N=108			Hospitality	101	62	Landscaping and Landscape maintenance

It is evident that caretaking, cleaning and reception were the most highly rated services overall, with landscape services being rated as the least important across the service portfolio. It is interesting to note that whilst only 29.6% of respondents have management responsibility for the reception function, it is rated the most important functions within an overall FM soft service portfolio. At 24.7% caretaking, which is rated the most important service, was managed by 78.7% of respondents. In addition to the services listed, respondents were given the option to rate other services within the FM which they felt were important. A number of the respondents highlighted asset management and health and safety services as the most important overall within the portfolio. Likewise, maintenance services were rated as important as areas where customer complaints were received and relating to protection of the assets.

With respect to reception, it is likely that the importance afforded to this service is a result of the changing perception of customer service within the sector over the last decade. Services are characterised by interactions with customers and the perceptions of those services which have a higher degree of customer interface being rated as more important within the overall service portfolio, supports the shift not only within society towards a service based society, where the service is an integral part of the business. This also reflects the change in perception of local authorities in seeing the community as not only citizens, with the inherent elements of overall fairness and equality, but also customers of the service, whose individual perceptions are important even though the local authority may be the only service provider. This has been particularly apparent under the e-government agenda, which is focussed on providing customers with a range of means in which to contact and use the services provided. In respect of FM services, this will be a key facet of services provided to 'external' customers. In this way, the service element has become a key part of the service delivery, instead of just an ad hoc add-on (Fitzsimmons and Fitzsimmons 2010).

For female respondents the top five services were cleaning, caretaking, and reception, room booking administration and mailroom; for male respondents the top five services were caretaking, reception and cleaning, IT support and portering. From these results whilst it would appear that managing the service had slightly more influence on rating in females than males, in neither case did this appear to be a key influence on rating choice. However, overall there was little difference in the perception of importance of the different services by

gender. This supports the work of Brief et al. (1975) cited in (Rowe and Snizek 1995).

Given that the public sector estate is worth an estimated £280bn and costs £25bn a year to run (Local Government Chronicle 2010), it is unsurprising those services supporting its protection, such as caretaking (including security) are highly rated. This also explains the importance placed on other 'hard services' within the portfolio such as maintenance.

4.3.2 The Role of Performance Assessment within the Management of Soft FM Services

Having considered the structure and role of FM services within a local authority context, this section reviews the role of performance assessment within the management of soft FM services within this context. Specifically, Key Research Question 2 asked,

“What Role Does Performance Assessment Have Within the Management Of Soft FM Services in a local authority context?”

Table 4.3-8 details the response to Question 12 of Questionnaire 1, in which the role of performance assessment within the management of soft FM services is explored. Respondents were asked to indicate the strength of their agreement, (from strongly agree through to strongly disagree) to a number of statements relating to the role of performance assessment within the management of soft FM services. The statements reviewed the role of performance measurement plays in

- a) the management and delivery of soft FM services (see Section 2.6) including its use in
 - in helping to fix, shift or expand service boundaries, and
 - determining whether respondents would use one or more assessment techniques as part of their soft FM service management process.
- b) evaluating customer satisfaction (see Section 2.5), and
- c) demonstrating accountable service provision (see Section 2.2)
- d) their usage of performance assessment and the number of techniques they would consider using simultaneously as part of this process.

Overall, thirty-seven (34.3%) respondents answered this question and more detailed analysis of each area follows, and which refers to the Table.

Key Role

Whilst the number of respondents to this question was relatively low, of those that responded 80% indicated that they felt performance assessment plays a key role in the management of FM services. However, despite expressing strong support for use of performance assessment, only 60.6% of those who either agreed or strongly agreed with this proposition had undertaken performance assessment of their FM services. This result supports those of Behn (2002) who found that verbal support for the concept of performance assessment was high within the public sector, even where this was not used in practice, (see also Section 4.3.4).

Customer Satisfaction

Given the importance of customer satisfaction within local government, as highlighted within the chapters on the public sector context and performance assessment (Section 2.2, and Section 2.6), it was unsurprising that 94.4% of respondents either agreed or strongly agreed at the value of performance measurement in this context. However, once again, this was not backed up by actual working practice, and when evaluated in the context of those that had used performance assessment as part of their service management processes, those who either agreed or fully agreed that performance measurement helps to provide services which achieve higher levels of customer satisfaction fell to 63.6% of respondents.

An important part of ensuring customer satisfaction is demonstrated by the FM's ability to explain and demonstrate service performance to a range of stakeholders in a meaningful way. (See also Section 2.5 and Section 4.5).

Responses	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly Agree
Performance measurement plays a key role in the management and delivery of facilities management services	0.0%	8.6%	11.4%	57.1%	22.9%
Performance measurement can help managers to provide services, which achieve higher levels of customer satisfaction.	0.0%	0.0%	5.6%	61.1%	33.3%
Performance measurement helps in demonstrating accountability in service provision.	0.0%	2.7%	21.6%	48.6%	27.0%
Performance measurement helps to fix service boundaries.	0.0%	10.8%	56.8%	29.7%	2.7%
Performance measurement helps to shift and expand service boundaries.	0.0%	14.3%	54.3%	28.6%	2.9%
I would only use one technique to measure performance across all FM services.	8.1%	40.5%	24.3%	21.6%	5.4%
I use a range of performance measurement techniques, some for short term operational performance checks and some for longer term strategic measurement	0.0%	23.5%	20.6%	50.0%	5.9%

Table 4.3-8: Table Detailing the Role that Respondent Perceive Performance Assessment Plays in the Management of FM Services

Accountability

In Section 2.2 the importance of service providers within the public sector being able to demonstrate accountability of their service provision was detailed. Therefore, in considering the role of performance assessment within the management of soft FM services within a local authority context, respondent's views on its role in ensuring and demonstrating accountability of their service provision was explored.

As can be seen from Table 4.3-8, 75.6% of respondents overall agreed or strongly agreed that performance measurement can help them to achieve this requirement, this number falling to 51.5% for those who had used performance assessment within the management of their FM services.

Service Boundaries

With respect to the use of performance measurement to help fix service boundaries, ie confirm the current scope of service provision, respondents were a lot less sure of this, with 36.4% saying they neither agreed nor disagreed, and only 21.2% agreeing with this purpose for performance assessment. This trend was reflected in whether the process helped to shift or expand service boundaries, for example by adapting or adopting alternative methods of service delivery because of service comparison, with 25.8% neither agreeing nor disagreeing and 29% either agreeing or strongly agreeing with this comment.

Use of Techniques

In considering the use of performance assessment techniques with which to assess their service, more than half of the respondents disagreed with the statement that they would use only one performance assessment technique with which to assess their service, this despite their being a reported lack of knowledge of the range of techniques under assessment. Moreover, just over half of respondents said that they used a range of performance measurement techniques, some for short term operational performance checks and some for longer term strategic measurement in respect of their performance assessment. However, this was not borne out by the findings of the questionnaire overall.

In reviewing these statements it is noted that there were only a small sample of respondents and further investigation would be needed in order to validate these findings.

4.3.3 The Criteria Used by FMs to Select a Performance Assessment Technique

Having reviewed the role of performance assessment within the management of soft FM services, this section considers the criteria used by service managers when selecting a performance assessment technique is analysed. Specifically, Key Research Question 4 asked,

“What Criteria Do Managers Of Soft Facilities Services Use When Selecting A Performance Assessment Technique, As Part Of The Service Management Process?”

Particular reference was given to the seven performance assessment techniques under evaluation within the research, specifically,

- Benchmarking
- Balanced Scorecard
- Data Envelopment Analysis
- Performance Dashboard
- Performance Prism
- Six Sigma, and
- Statistical Process Control

Accordingly, respondents were asked to indicate which from a number of given criteria was the most important to them when selecting a performance assessment technique. The results are detailed in Table 4.3-9.

From the Table it is evident that ease of collecting and analysing data and overall ease of use are the key criteria in selecting a performance assessment technique. For all three criteria, benchmarking, in its various formats, received a higher rating than the other techniques. Interestingly, benchmarking was also fairly highly rated in respect of requiring little or no training to use it and allowing meaningful comparisons with other service providers.

Of the respondents, 26 rating the top 3 criteria, ie ease of use, ease of collection and of interpretation, as very important or important, used performance assessment as part of their FM service management. All had entered FM from a professional background, e.g. general management or property professional and

50% had at least a first degree and/or management qualification. This group also gave higher ratings to selection criteria such as applicable to a range of services (57%); supports meaningful comparisons (76.9%), and wide public sector use (61.5%). This indicates that 'ease' and 'one size fits all' has more influence selection than background and experience. This would potentially suggest that usage of benchmarking would be widespread and well developed within the service management of soft FM services within this context.

Selection Criteria	Respondents Rating Criteria Important or Very Important	Internal Benchmarking	Competitive Benchmarking	Non Competitive Benchmarking	Functional Benchmarking	Cross Sector Benchmarking	Balanced scorecard	Performance Prism	Performance Dashboard	Statistical Process Control (Shewart's or Control Charts)	Data Envelopment Analysis	Six Sigma
Overall Ease of use	52	24	10	15	7	8	11	2	6	2	2	0
Ease of data collection	55	24	11	11	7	7	6	2	4	2	1	0
Ease of interpreting data	52	27	10	15	9	7	8	1	6	3	3	1
Applicable to a range of services	30	28	19	23	12	12	12	3	7	2	2	5
Requires little/no training specialist knowledge to use it	39	21	6	8	7	5	3	0	4	2	1	0
Allows meaningful comparisons with other service providers	41	19	17	20	14	14	2	1	5	1	3	1
Is widely used in the public sector	26	16	8	14	3	2	7	1	5	0	1	0
Is used by both the public and private sector	16	11	8	8	4	4	2	2	4	4	4	2

Table 4.3-9 Evaluation Criteria by Performance Assessment Technique

4.3.4 The Use and Awareness of Performance Assessment Techniques

The focus of this Section is the use and awareness of the seven performance assessment techniques detailed below and addresses Key Research Question 4

“Which If Any Of The Performance Assessment Techniques Outlined Are Used And Provide The Most Benefit As Part Of The Service Management Process Within The Management Of Soft FM Services?”

The seven performance assessment techniques under evaluation within the research, were

- Benchmarking
- Balanced Scorecard
- Data Envelopment Analysis
- Performance Dashboard
- Performance Prism
- Six Sigma, and
- Statistical Process Control

As highlighted within Section 3.5, the selected assessment techniques were chosen because they cross the range of operational to strategic assessment techniques, which matched the characteristics of the selected services.

Survey respondents were advised that the questionnaire was concerned with performance assessment within FM within the public sector, and designed to gain a clearer understanding of the awareness and use of performance assessment techniques within the management of the fourteen listed soft FM services. The questions related to seven performance measurement techniques. Moreover, respondents were advised that in answering the questions, there was no right or wrong answer. The purpose was to assess respondent’s views on performance assessment, their knowledge of a range of assessment techniques that may be applied as part of this process, and determine whether they applied any of these techniques as part of their FM services management process.

Respondents to the questionnaire were asked to indicate, within a matrix, which of the listed performance assessment techniques they

- were familiar with,
- were familiar with but not used,

- had used for FM services,
- did not feel was suitable for FM,
- had used it but not for FM services,
- was not used within their organisation,

for assessing FM or non-FM services either currently or within the past. In order to ensure respondents had a common understanding of each technique a brief definition of each technique was provided.

Table 4.3-10 summarises the results. The number of respondents to this section of the questionnaire was 57 (49.6%) of the total sample. This may suggest that either awareness or use is very low meaning respondents were therefore unable to answer the question. Conversely, which would seem unlikely, it could have been that respondents are familiar with and using the techniques but are reluctant to indicate that this is the case. It is noted that this was one of the early questions within in the survey, and respondents went on to answer subsequent questions.

Table 4.3-10 Familiarity and Use of Performance Assessment Techniques

Assessment Technique	Not familiar with	Familiar with but not used	Used for FM Services	Don't consider it suitable for FM Services	Used but not for FM Services	Not used in my organisation
Internal Benchmarking	1.8%	26.3%	47.4%	0.0%	19.3%	5.3%
Competitive Benchmarking	8.8%	26.3%	36.8%	7.0%	10.5%	8.8%
Non Competitive Benchmarking	12.3%	28.1%	42.1%	3.5%	12.3%	3.5%
Functional Benchmarking	22.8%	33.3%	22.8%	3.5%	5.3%	7.0%
Cross Sector Benchmarking	19.3%	35.1%	15.8%	5.3%	12.3%	12.3%
Balanced Scorecard	26.3%	33.3%	3.5%	7.0%	15.8%	7.0%
Performance Prism	64.9%	17.5%	0.0%	1.8%	0.0%	8.8%
Statistical Process Control (Shewart's Charts or Control Charts)	57.9%	15.8%	0.0%	5.3%	0.0%	12.3%
Data Envelopment Analysis	59.6%	14.0%	1.8%	3.5%	1.8%	10.5%
Performance dashboard	50.9%	15.8%	8.8%	1.8%	7.0%	10.5%
Six Sigma	59.6%	15.8%	1.8%	3.5%	0.0%	12.3%
<i>n = 57</i>						

Having considered familiarity and usage, consideration was also given to the reported use of the listed assessment techniques. For each service respondents were asked to identify which, if any, of the given performance assessment techniques they had used to assess their services and to rate the overall usefulness of the technique. Where they used more than one technique they were asked to highlight which alternative techniques had been used and how useful these had proven. The following analysis, detailed in Table 4.3-11 concentrates on the most frequently managed services.

Whilst response levels were low, it is evident that cleaning is the most frequently benchmarked soft FM services, possibly because it can be quantified by such measures as number of cleaners per square metre, ie more tangible measures. Furthermore, cleaning received had a greater perception of being benchmarking being useful or very useful in its assessment than the remaining services. It is acknowledged that a further more detailed study would be required to validate these responses.

Service Evaluated Using Benchmarking	Usefulness Rating					Number Rating Useful and above
	No Use	Limited Use	Useful	Very useful	Potential future use	
Cleaning	0	1	5	7	0	13
Mail Room	0	1	2	2	1	6
Caretaking	0	2	1	3	0	6
Porterage	1	2	3	0	1	6
Room Bookings	1	0	3	1	1	5
Administration	1	3	0	1	1	5
Catering (Restaurant Service)	0	0	3	2	0	5
Hospitality	0	0	0	4	0	4

Table 4.3-11 Perceived Usefulness of Benchmarking for Assessing Given Service

The potential influence of demographic factors on the soft FM services management remit was evaluated. Accordingly, demographic influence on the awareness and potential use of the performance assessment techniques is now analysed.

Gender

In order to see whether gender had an influence on familiarity and use of techniques the results were also analysed on this basis. It is noted that respondents seemed reluctant to indicate their gender, and therefore the response to this question fell to 28 males and 19 females. Differences between the genders in respect of familiarity, use, and perceived suitability of each of the techniques by gender were assessed, using Fisher's Exact and are detailed within Table 4.3-12.

Whilst there was no significant difference between the genders with respect to familiarity with internal, non-competitive and competitive benchmarking, (although females indicated a higher degree of familiarity with the latter than males), there was a significant difference in the level of familiarity with functional and cross sector benchmarking for males when compared to females.

Furthermore, whilst the reported usage was still low, the higher level of familiarity with competitive benchmarking in females was followed by a significantly higher number of this group using cross sector benchmarking in the assessment of their FM services.

Interestingly, whilst fewer female respondents were familiar with competitive benchmarking, significantly more of this group used the technique in the assessment of their FM services. Female respondents also saw a smaller but still significant difference in the usage of non-competitive benchmarking and its usage.

There was no significant difference between the genders when considering their usage of functional or cross sector benchmarking.

With respect to techniques other than benchmarking, for the balanced scorecard and six sigma there was no significant difference between the genders with respect to familiarity or usage of either technique. There was a significant difference between males and females in their familiarity with the performance

prism, statistical process control, data envelopment analysis, and the performance dashboard, with levels of familiarity in the female respondents being higher than that in the male respondents. However, such familiarity did not translate to a significant difference in the use of any of these techniques for assessing FM services, and for all of these techniques it is noted that familiarity and usage was very poor.

Whilst acknowledging the low levels of familiarity and usage, it is noted that very few respondents rated any of the techniques unsuitable for use within assessment of FM services, and whilst in the main this is likely to reflect the low overall familiarity and usage, there were no significant differences between the genders in respect of suitability assessment.

Methodology	Not Familiar - Male	Not Familiar Female	p	Used for FM Male	Used for FM Female	p	Don't consider it suitable for FM Male	Don't Consider it Suitable for FM - Female	p
Internal Benchmarking	0.0%	5.3%	ns (0.1058)	46.4 %	47.4 %	ns (0.500)	0.0%	0.0%	ns (0.502)
Competitive Benchmarking	10.7 %	5.3%	ns (0.096)	25.0 %	52.6 %	*** (0.00004)	10.7%	5.3%	ns (0.096)
Non Competitive Benchmarking	7.1%	10.5 %	ns (0.2297)	35.7 %	52.6 %	** (0.01128)	3.6%	5.3%	ns (0.512)
Functional Benchmarking	17.9 %	31.6 %	** (0.0165)	14.3 %	31.6 %	** (0.00198)	3.6%	5.3%	ns (0.512)
Cross Sector Benchmarking	14.3 %	26.3 %	** (0.0096)	21.4 %	15.8 %	ns (0.233)	7.1%	5.3%	ns (0.3836)
Balanced Scorecard	21.4 %	26.3 %	ns (0.252)	0.0%	5.3%	ns (0.105)	10.7%	5.3%	ns (0.096)
Performance Prism	71.4 %	52.6 %	** (0.00651)	0.0%	0.0%	ns (0.502)	0.0%	5.3%	ns (0.105)
Statistical Process Control	64.3 %	47.4 %	** 0.011	0.0%	0.0%	ns (0.502)	7.1%	5.3%	ns(0.2146)
Data Envelopment Analysis	71.4 %	42.1 %	***0.00045	0.0%	5.3%	ns (0.105)	3.6%	5.3%	ns (0.500)
Performance dashboard	50.0 %	36.8 %	** 0.043	10.7 %	5.3%	ns (0.095)	0.0%	5.3%	ns(0.1058)
Six Sigma	60.7 %	52.6 %	ns (0.158)	3.6%	0.0%	** (0.0235)	3.6%	5.3%	ns (0.500)
m = 28, f = 19									

Table 4.3-12 Table Detailing Familiarity, Use and Suitability Ratings by Methodology by Gender.

Consideration was then given to whether the route into FM or educational background had an impact on knowledge and use of the given assessment techniques. The following is a summary of the impact of entry route to FM on the familiarity with and use of FM for assessing the soft FM services (full results are given in Appendix F)

Educational Background

The influence of educational background varied with the technique under review. With respect to the different types of benchmarking familiarity and usage was higher for those respondents who had at least GCSE or equivalent level qualifications, increasing for those who had management or other professional qualifications.

However, with respect to statistical process control, data envelopment analysis and six sigma awareness and usage was very low regardless of educational background. This improved slightly for the performance prism, performance dashboards and balanced scorecard where there was a slight increase in reported familiarity and usage, for those with graduate or management/professional qualifications.

Route into Facilities Management

For internal, competitive and non-competitive benchmarking techniques awareness and highest usage was evident in those entering via an administrative or technical background. For functional benchmarking this was highest amongst those who had entered FM directly or via an administrative route.

For cross sector benchmarking, balanced scorecard, performance dashboard, performance prism, statistical process control, and six sigma, entry route into FM did not appear to have any influence on the familiarity with, or usage of, these techniques, which were very low across the board.

Reasons Why Performance Assessment May Not Be Used

Having evaluated the importance placed on performance assessment as a process, and the familiarity with and use of performance assessment techniques as part of the soft FM service management process, the question of failure to use performance assessment as part of the service management process was evaluated.

As a result, respondents were asked to consider six statements providing a potential reason, each of which gave a potential reason, these being drawn from discussion with FMs, and the literature (see Section 2.6).

Table 4.3-13 details the response to this question. Whilst at 22.2%, the response rate to this question was low, it was interesting that none of the respondents failed to use the technique because they felt it was a waste of time. The most frequently given response was that it was not a service priority, which was somewhat surprising given that respondents indicated that customer service was the most important reason for undertaking performance assessment as part of the service management process. To this end, this concept was explored in more depth within the case study (see Sections 4.4 and 4.6).

Table 4.3-13 – Response To Question: If You Do Not Use A Performance Assessment Methodology As Part Of Your Service Management Please Indicate Your Reasons Below?

Reason for Non-Usage	Percentage of Respondents
I am too busy.	20.8%
I think it is a waste of time.	0.0%
Results gained do not justify effort expended.	25.0%
Not a service priority.	33.3%
Not an organisational priority.	12.5%
Have never found a method that provides information that is relevant to my service area	16.7%
Other (please specify)	37.5%
Responses (n=24)	

To gain a comprehensive picture, respondents were also given the chance to provide their own reason for not undertaking performance assessment as part of their management process, and their comments are summarised below.

- This is not a corporate priority at this time – it has been in the past - doubtless will be in the future.
- Due to become part of the corporate plan next year.

- At present, the organisation does not centralise certain common functions and therefore parts are being duplicated by a number of departments across common boundaries of key FM functions such as Waste, Energy Management etc. Therefore, whilst I am instigating KPIs and benchmarking, this will require a gradual organisational change.
- We do use but it is patchy at the moment as the organisation has not had a proper FM structure previously.
- Difficulty of benchmarking with others - no one is set up the same.
- Performance Assessment will be introduced shortly to include FM. The basis on which information is collected and compared and the KPIs are yet to be decided.
- Due to two recent management restructures within FM, we do not currently use any official performance management methods. Implementing relevant performance monitoring tools is a priority this year.

It was interesting that the first comment did not seem to view performance as a continuous and on-going priority and that the process did not seem to be set up for FM services in other organisations. The lack of a consistent definition of FM services overall within organisations, supports the variation of services included under the remit of FM, highlighted within the chapter on FM (see Section 2.3) and the variation in services managed within the local authority context, was highlighted in (see Section 4.3.1)

Furthermore, the responses highlighted the lack of a generic FM service structure within the local government context, and given the importance placed on performance assessment within the local government context by successive Government regimes, a lack of commitment to performance management within this context.

4.3.5 Stakeholders

One of the potential outcomes of the performance assessment process is the ability to utilise the information gained from the process to explain service performance to a range of stakeholders. In Section 4.3.2 respondents to the questionnaire had indicated that one of the roles of performance assessment was that it can help managers to provide services, which achieve higher levels of customer satisfaction. In order to do this, FMs need to understand what it is their customers/stakeholders require from the service and have an objective means of assessing service performance within these areas, to determine

whether the service is meeting the requirements, and also to be able to demonstrate this to customers.

To this end, an exploration was made of which if any of performance assessment techniques respondents considered would provide the best fit in explaining their service performance to a particular stakeholder group. The groups included both internal and external stakeholders and included service providers, operational (service) managers, senior manager, strategic managers, and customers.

Accordingly, Table 4.3-14 details the results of the analysis. Only 37.3% (43) of respondents answered this question and from the table it is noted that the majority of these respondents felt that techniques would be more useful for explaining service performance to those within the organisation than external stakeholders. This may be a reflection in the confidence the FM feels in explaining their service to the various stakeholder groups. Even benchmarking, which was the most used and well known of the techniques, was little used to demonstrate performance to customers. Aside from benchmarking, the other techniques varied slightly according to which stakeholder was being considered. However, given that familiarity and use of other techniques was determined to be low overall this is hardly surprising.

Methodology	Service provider	Methodology	Operational manager
Internal Benchmarking	26	Internal Benchmarking	33
Competitive Benchmarking	19	Non Competitive Benchmarking	30
Non Competitive Benchmarking	16	Competitive Benchmarking	27
Functional Benchmarking	15	Functional Benchmarking	27
Cross Sector Benchmarking	13	Cross Sector Benchmarking	21
Balanced Scorecard	11	Balanced Scorecard	13
Performance Dashboard	9	Performance Dashboard	10
Data Envelopment Analysis	6	Data Envelopment Analysis	10
Statistical Process Control (Shewart's or Control Charts)	5	Six Sigma	5
Six Sigma	4	Statistical Process Control (Shewart's or Control Charts)	4
Performance Prism	1	Performance Prism	3
Methodology	Senior Manager (eg Head of Dept)	Methodology	Strategic Management (eg Directors)
Internal Benchmarking	32	Competitive Benchmarking	29
Competitive Benchmarking	31	Non Competitive Benchmarking	25
Non Competitive Benchmarking	30	Internal Benchmarking	22
Cross Sector Benchmarking	23	Cross Sector Benchmarking	21
Functional Benchmarking	21	Balanced Scorecard	18
Balanced Scorecard	17	Functional Benchmarking	13
Performance Dashboard	15	Performance Prism	8
Data Envelopment Analysis	10	Performance Dashboard	8
Performance Prism	8	Six Sigma	7
Six Sigma	8	Statistical Process Control	6
Statistical Process Control (Shewart's/ Control Charts)	5	Data Envelopment Analysis	6

Methodology	Customers
Competitive Benchmarking	18
Internal Benchmarking	15
Non Competitive Benchmarking	15
Cross Sector Benchmarking	8
Balanced Scorecard	6
Performance Dashboard	6
Data Envelopment Analysis	5
Functional Benchmarking	4
Performance Prism	1
Statistical Process Control (Shewart's or Control Charts)	1
Six Sigma	1

Table 4.3-14 Most Useful Methodology When Explaining Service Performance to A Stakeholder

4.3.6 Demographics of Facilities Managers within a Local Authority Context

In order to determine whether demographic factors had an influence on the knowledge or use of performance assessment techniques as part of the service management process, an initial assessment of the demographic profile of the questionnaire respondents was undertaken.

Whilst the number of respondents to demographic questions were relatively low, and therefore would require further exploration in order to ascertain their reliability, the analysis of responses by gender, age, entry route to FM and academic /professional qualifications, and their impact on the knowledge and use of performance assessment was now explored.

Table 4.3-15 Table Detailing the Demographics of FM Within Local Government Compared with Market Overall

	Local Government %	Whole economy %	In FM Sector %	Survey Respondents %
Age				
16-24	7	15	24	0
25-39	2	34	67	88
40-49	3	25		
50-59	2	19	27	12
60 plus	9	7		
Gender				
Male	29	51	59	66
Female	71	49	41	38
Level of highest qualification held				
NVQ Level 4 and above	38	35	60	66
NVQ Level 3	17	16		
NVQ Level 2	18	17	13	27
Below NVQ Level 2	12	13	28	5.4
No qualifications	6	7		

Table 4.3-15 indicates that the age profile of local government is slightly higher compared to the economy as a whole, and the FM sector in general. The age of respondents reflected matched this trend. Whilst overall more females than males work in local government, possibly reflecting the sector’s flexible working policies. However, within the FM sector there are slightly more males than females, a trend which was reflected within the respondent population. In respect of academic qualifications, these are slightly higher within the FM sector than in local government and the wider economy as a whole, which may reflect the migration of qualified workers from other sectors (engineers, surveyors, architects) into FM, and reflect the diverse backgrounds of FMs, as a comparatively new profession compared with other professions.

In order to determine whether route into FM ie via an administrative/office services route or qualified in another field, ie Surveyor, Architect, or Surveyor had an impact on the importance placed on the services within the overall FM an analysis was then undertaken. Table 4.3-16 provides an indication of the entry route into FM shows that more females enter FM via an office services route whereas for men this is via another property related discipline. Consideration was then given to the whether this difference had an impact on the way services were rated. Pearson’s Chi Squared test (see Appendix G) indicated no significant difference in the way services were rated. However, when asked to rate the importance of a given list of soft services within the overall FM service portfolio, comments made by a number of respondents a suggested that they felt uncomfortable in splitting the soft and hard services, and the management of softer services from the overall management of the asset.

Table 4.3-16 Table Indicating Occupational Route in FM of Respondents

	Female Respondents %	Male Respondents %
Started work as an FM	5.3%	17.2%
Via an administrative/office services route	42.1%	6.9%
Surveyor	15.8%	24.1%
Architect	5.3%	0.0%
Engineer	5.3%	20.7%

4.4 Case Study Response

Following the initial questionnaire undertaken to determine the awareness and frequency and usage of performance assessment within the management of soft FM services, this section details the second stage of the research which involved a more in depth evaluation of the role and use of performance assessment, and also reviewed the cross sector perspective. This stage incorporates a practical evaluation of a performance assessment technique in the management of a selected FM service, and a review of cross sector evaluation of performance assessment.

As highlighted within Section 3.11.3, involvement within a case study required a commitment from the participants to share data and detailed information of their service provision. Therefore, in order to maximise participation, the initial survey included a request for volunteers to take part within a case study to evaluate one or more of their soft FM services using the selected performance assessment techniques within a practical setting.

In total 28 respondents took part within a case study; of these 19 participated within a semi-structured interview, and the remaining nine, the NNPG, taking part in the facilitated case study to evaluate service specific performance assessment (see Sections 3.11.7 to 3.11.10). The review of the cross sector perspectives comprised an organisational perspective including discussions with individual FMs within these organisations.

As is accepted practice, this part of the case study evaluated the same research questions as those comprising the other methods, ie the questionnaire and telephone interviews, and was conducted, analysed and reported separately (Yin 2003).

The objective of the case study was to evaluate and validate

- the key research questions;
- the theoretical model
- the key service characteristics matrix developed as part of the research,
- the Performance Assessment Technique Selection template,
- the service specific performance assessment templates.
- review whether potential benefit could be gained from taking a cross sector perspective to soft FM service evaluation.

In reporting the findings of the semi-structured interview, practical evaluation and sector specific discussions, responses and comments made are included within the narrative, and highlighted by bulleted indentation and/or quotation marks. This format is chosen in order to provide greater cohesion than a question and answer format.

4.5 Semi Structured Interview

Having undertaken an initial exploration of the role of performance assessment in the management of soft FM service within the initial questionnaire, the semi-structured interview, in which 19 respondents participated, allowed a more in depth assessment to be undertaken of the reasons why FMs undertake performance assessment, and conversely why they may not.

The interviews set out to evaluate whether FMs believed that the performance assessment process was effective in helping them to deliver the desired outcomes of performance assessment, as proposed within the theoretical model. Explicitly, that the soft FM service provision should be accountable, deliver best value/value for money, and ensure customer satisfaction and meet customer requirements. In this respect an initial exploration was undertaken of

- the key drivers that FMs have for undertaking this process,
- what value for money meant to the FMs and how they ensured and delivered,
- how FMs undertook performance assessment in practice,
- the influence of senior management and councillors within this process

4.5.1 Key Reasons for Undertaking Service Performance Assessment

Accordingly, respondents were asked which of three criteria were most important in the decision to undertake performance assessment and why. The results are detailed in Table 4.5-1

Criteria	Not Important	Slightly Important	Neither Important or unimportant	Important	Most Important
Cost of Service Provision	0%	0%	0%	87.5%	12.5%
Customer Satisfaction	0%	0%	12.5%	12.5%	75.0%
Assessing the service process to test best practice	0%	37.5%	37.5%	12.5%	12.5%

Table 4.5-1 Table Reviewing The Key Drivers For Assessing Service Performance

In evaluating the criteria, consideration was initially given to the respondents' definitions of each.

Cost

All respondents agreed that the cost of service provision was an important or very important reason for undertaking performance assessment of their services. This was seen as the cost for providing 'satisfactory services' within an agreed budget or at limited cost, ie the use of financial resources in order to provide a required standard of service provision (Foss 1997). Discussions with respondents highlighted that by necessity when financial resources are a driver, service standards will tend towards satisfactory rather high quality. These views confirms the concept of risk and reasonableness proposed by Robledo (Robledo 2001) in respect of the organisation providing what the customer wants and how this can be practicably provided, or in some cases in managing the customer expectations in order to achieve satisfaction rather than service provision at a level at which the customer becomes dissatisfied. The following comments were made

- Cost is most important because potentially we could spend our entire budget on facilities maintenance. Therefore, we have to control our cost to budget and try to maximise customer satisfaction within that budget.

- increasing budget pressures - all customers are looking for reduction in cost but maintaining service levels

Customer Satisfaction

Although 87.5% of respondents indicated that customer satisfaction was important, this still fell behind cost as a reason to undertake performance assessment. In discussing customer satisfaction, the following comments were made,

- cost is no doubt important but customer satisfaction is most important.
- cost is important but if the service is not good and the customer is unhappy even if the cost is very competitive this is irrelevant.
- both cost and customer service are equally important. It is important to be cost effective but you cannot underestimate customer service. If customers are unhappy, they tell you.
- although cost is important, the service is being provided for the customer.
- the primary focus for FM services must be customer needs - building occupiers should have a seamless, worry free FM provision enabling them simply to get on with their jobs in a high quality working environment.

Reason for Not Using Performance Assessment	Don't agree	Slightly agree	Agree	Totally agree
Practical reasons - eg performance measurement does not work.	50.0%	44.4%	5.6%	0.0%
Political reasons - there is insufficient support for doing it because it is not a vote winner.	72.2%	16.7%	11.1%	0.0%
Managerial reasons - it is hard to do effectively as 'softer services' are difficult to define and therefore measure.	27.8%	44.4%	27.8%	0.0%
Psychological reasons - worried you might discover and provide a 'stick' for someone else to beat you with.	77.8%	16.7%	5.6%	0.0%
Competing pressures - consequences of failure on other tasks is greater than benefits to be gained from performance assessment.	26.3%	26.3%	31.6%	15.8%
Services may be called the same in different organisations, but organisational differences make comparisons meaningless.	5.6%	50.0%	38.9%	5.6%

Table 4.5-2 Table Showing Respondents Views On Reasons Given in Literature For Why Performance Assessment May Not be Used (n= 18)

When considering the above results it was interesting to note that there was approximately a 50:50 split between those slightly agreed and did not agree with the statement that performance measurement does not work.

When the reasoning behind the responses to the questions was explored, from a positive viewpoint, one participant suggested that performance assessment was

“very useful in helping a manager to understand their own organisation”

Another suggested that lack of uptake of performance assessment was linked to the fact that

“People who don't undertake performance measurement do not necessarily realise the benefits to be gained from doing so. How it is part of main stream business and the business plan.”

In questioning the perceived impact of defining the context of soft services in order to determine the relevant key performance indicators, the majority of respondents felt that the nature of the services complicated this process when compared to the 'hard' FM services. In the latter case, there were clearer definitions of the service that were easily understood by the majority of FMs, such as space and utility measurements and comparisons. This supported the findings of the literature review, which revealed a wider range of data and academic papers were available within this area (see Section 2.6 Performance Measurement and The Comparison of Techniques).

It was also noted that many of the participants said that performance assessment within the FM services was complicated by the fact that there did not appear to be a common definition of services that fell within the FM remit within local government. This hampered finding appropriate partners for comparison. This reinforced the findings of the initial survey and those within Section 2.3.

The main reasoning given by the case study participants for not undertaking performance measurement was conflicting resource pressures, particularly those of time and staff. One respondent summarised this by saying that with respect to FM services,

“... if there is a leaking toilet or lights are out these need fixing first - it is a needs must approach in that case. If resources were unlimited you would look at performance assessment as well but when resources are short you need to look at what needs to be done first within the available resources.”

Whilst the respondent focussed on harder FM works within her example, when questioned she said that she felt this held equally true for postal, print and cleaning services for which she also had responsibility. Furthermore, this point was put to other respondents and all agreed.

When questioned on whether the case study respondents agreed that 'psychological reasons' might prevent FMs from undertaking performance management, as it had been suggested that performance assessment could be seen as giving someone a 'stick to hit you with' or result in drawing attention to problems with performance that may otherwise go unnoticed. The majority (94.5%) of respondents did not agree that this was the case. This was encouraging but made it more difficult to understand why people may not undertake performance assessment.

4.5.2 Value for Money – What it Means, How It is Ensured and Demonstrated in Soft FM Services

For over three decades, the concept of value for money has been an integral part of successive Government's performance assessment initiatives. However, the Labour Government introduced the value for money regime in 2005 to formalise a process, which ensured that local government stakeholders were provided with efficient and effective services. However, in addition to measuring and comparing service costs, value for money was also intended to embody a mix of quality, resource usage, fitness for purpose, timeliness and convenience, which when taken together determine delivers a good value for the service customer or stakeholder and the organisation, for the resources allocated for its provision. Viewed in this way, value for money was seen as a measurement of good practice. (JISC 2006). This concept embeds the research in the context of the research-based framework (Section 2.1) which reviews the manner in which organisations use their resources to achieve and/or sustain a desired level of performance positions. This perspective considers organisational competence and capabilities in terms of the use of resources. (Foss 1997).

Initially respondents were asked to define what value for money meant to them in terms of their FM service delivery. The responses included

Value for money...

- means the right quality at the right price, and meeting all statutory obligations and user needs.
- equates to obtaining a suitable service level at a moderate cost that is delivered and received satisfactorily.
- is about providing an efficient service at the right time for the best price.
- is providing the best quality service for the budgets you have.
- is meeting required standards at a competitive price, which compares well with others.

- is a service, which works well and makes the least net impact on the bottom line.
- achieving satisfactory performance at least cost.
- being able to provide the services required by the customer at the best price.
- cost to customer satisfaction ratio – achieving an acceptable between the two.
- achieving customer satisfaction by providing the right service for each individual customer for the available budget.
- market testing. Knowing from testing the market that the services you provide are competitively priced when compared to those of other providers.
- It means economy, efficiency, effectiveness but also ethical service provision, to his definition.

When asked how they knew their soft FM service provided value for money to their customers, the respondents indicated that in order to know that the service was providing value for money it was necessary to have a point of comparison with other service providers. Potentially a benchmark for the respective service, standards against which the quality of the service quality could be met, and ensure that the service provided was actually fit for purpose in the eyes of the customers for whom it was provided. Whilst highlighting the importance of service process evaluation as a key element in providing what could be defined as a service that provided 'value for money', it was recognised that it was hard to define what a 'quality service' looked like. Furthermore, it was also noted that that differences in service provision within different organisations, and a lack of a clear definition of what a typical FM service in a local government context comprised, made comparison challenging and in some cases impossible. A number of participants also highlighted the fact that finding partners with which to compare service provision was sometimes in itself challenging.

A number of respondents indicated that in order to demonstrate that their services gave value for money, they assessed their customers' satisfaction with the services being provided, and regarded that good feedback demonstrated that the customers' perceived that the service was providing value for money. Specifically, a summary of responses is provided below.

- customer satisfaction is achieved by consistent service delivery; and is assessed through questionnaires, feedback forms, consultation.

- we are moving to customer satisfaction surveys. With better management of suppliers and better communication of success a rising trend of customer satisfaction along with stable or falling costs is used to demonstrate continuous improvement.

Given the duty on local authorities to provide value for money services, and having evaluated how respondents defined this concept within the context of their own service provision, the case study then moved on to consider how the responding FMs actually ensured they provide value for money within their own services. The responses generally fell into two categories; those who sought to ensure their services provided value for money from undertaking a form of performance assessment and those who achieved this through service procurement or a tendering route.

Performance Assessment and Value for Money

It was interesting to note that where respondents undertook performance assessment this was by benchmarking, which is the technique highlighted within a number of performance assessment regimes, within this sector, (see Section 2.6). The benchmarking undertaken was primarily to evaluate that their service costs were comparable with others rather than also considering the service process. Those who indicated that they used performance assessment in order to ensure value for money replied that they had undertaken

- service reviews conducted which included some benchmarking and the annual benchmarking of some costs.
- setting performance indicators to measure the service against, which are agreed with customers.
- value for money (VfM) reviews are periodically carried out. These are sometimes cross-functional reviews taking in other interrelated services. VfM is also measured through tight budgetary control using cost centre accounting processes.
- benchmarking on cost and quality with other organisations
- benchmarking and monitoring.
- consistently reviewing service delivery, listening to customers and responding to their views.
- benchmarking the service against best practice
- test the service provision through market research and testing. In addition through customer satisfaction surveys, levied against tight budgetary control.

- evaluating performance through service benchmarking.
- continuous contact with customer and assessment of services - also benchmarking with other suppliers - public sector and private.

Procurement and Tendering

In addition to performance assessment, a number of respondents indicated they ensured value for money by regularly tendering their services, or by other means of procurement. This approach places the use of performance assessment within this context into a resource based context (Foss 1997). It was interesting to note cleaning and catering were the predominant services referred to by the case study respondents and these services tended to be outsourced or within larger local authorities, provided by a Direct Labour Organisation.

The respondents made the following comments within the discussions on procurement and tendering as part of the value for money process.

- you can ensure you are providing value for money by tendering the service and specifying in the tender what you need and can afford.
- we aim to ensure a robust competitive tendering process where we see market rates for the activities we wish completed. We set performance standards for these services and via close contract management hold suppliers to account for their performance. We invoke penalties if standards are not met.
- continuous improvement and analysis of customers' requirements - along with procurement analysis of consumables.
- we ensure we provide value for money by following procurement procedures, using approved companies, and tendering procedures.
- we follow a tendering process to ensure that we are providing value for money.
- market testing and budget monitoring, enable us to ensure we are providing value for money.
- we undertake a contract review.
- we have undertaken a cost in use review of all of our facilities and we undertake regular procurement reviews.
- we use market testing of our services to ensure we are providing value for money.

Having discussed how the participants ensure they were providing value for money, the next area explored was how they demonstrated this to service users. Responses fell into three broad areas, finance and procurement, customer satisfaction and performance assessment.

Finance and Procurement

In respect of demonstrating value for money to customers, those who indicated that this was via finance and procurement highlighted financial savings, financial targets and again tendering. Specifically,

- by recording efficiency savings and comparing year on year.
- competitive tendering of services and financial monitoring throughout the life of the contract.
- through use of our procurement team for best price. Through budget management and through market testing.
- through the budget process.
- by contract monitoring and by tendering
- compare prices, test the market, and competitive tender.
- discussion of requirements with customers and clear and open pricing.

Where procurement was used to demonstrate value for money, respondents aimed to

‘ensure a robust competitive tendering process (*was undertaken*) where we see market rates for the activities we wish completed. We set performance standards for these services and via close contract management hold suppliers to account for their performance. We invoke penalties if standards are not met.’

4.5.3 Performance Assessment In Practice

Within the semi-structured interview participants were asked whether they compared their service performance with others, from where the comparison partners were sought and if they actively used the information from the comparison to improve the management and performance of their services. For ease of reference, results are summarised Table 4.5-3.

Discussing these results with respondents highlighted the following. Nearly half the respondents only compared their service performance against that of their

own service performance, and only acted on the results when the performance trend suggested that this was necessary. This backs the findings of Behn who found that within the public sector although managers supported the concept of performance assessment they did not always use this as thoroughly as they indicated (Behn 2002). Internal monitoring of service performance against an annual baseline, will likely assist in providing a consistent level of service management, help determine if there is a need for service refinement, and support fine tuning of resource allocation. However, it may also result in reinforcing a 'status quo' potentially lower than necessary level of performance and reinforces a wasteful use of resources. Indeed, such performance comparisons were what the compare and challenge elements of the best value regime (as highlighted within Section 2.2) set out to achieve. Interestingly, the respondents who undertook performance assessment in this way tended to indicate that if there were a problem with their service provision, their predominantly internal customers would let them know. Furthermore, the service managers indicated that they did not have the resources or potential comparison partners to extend activities to comparison with external partners, and in any event, managers and council members were happy with the approach taken.

Table 4.5-3 Table Detailing Whether, With Whom and How Respondents Compare the Service Performance

Do you compare the performance of your facilities services with other organisations?	
Responses provide	Percentage Response
a) Yes - I monitor the performance of my own services and compare this against other organisations (eg by benchmarking)	57.9%
b) No, I monitor the performance my own services but make comparisons against past performance of the service(s) within my own organisation (ie check for any trends in performance) rather than compare this with outside organisations.	42.1%
I do neither a) or b) above.	15.8%
How do you select with whom to compare?	
Response	Response Percentage
Local authorities within the same county	50.0%
Audit commission nearest neighbour groups	30.0%
Local organisations both public and private sector with comparable service provision.	30.0%
Other (detailed below)	
If you review your service performance within your own organisation only (eg to determine performance trends) do you.	
Response	Percentage Response
Review your service processes only if the trend suggests this is necessary.	70.0%
I check the responses but do not take any particular action as a result.	10.0%
Other (as discussed in case study)	30.0%

Of the respondents that compared their service performance with that of others, the majority used either a 'nearest neighbour group' as per the suggestion of the Audit Commission, or others with other local authorities within the same county, (see Section 2.2). In this case, respondents were assessing services to

determine best (or better) practice and amending their own service delivery where this appeared appropriate. Whilst comparison would enable FMs to compare service provision and the associated budgets and amend/adapt their own service provision if appropriate. Even when undertaking comparisons with other provides, the majority of respondents only reviewed service performance when trends in results suggested that this was necessary.

Furthermore, one respondent said that they did not undertake any action to demonstrate best value within their services as they outsourced their entire service, in which case performance assessment was perceived to be the contractors' responsibility.

4.5.4 Senior Management and Council Member Support

In order to determine the influence of senior personnel within the organisation respondents were asked about the support provided by senior management and members of the Council in respect of the performance assessment of the soft FM services.

88.2% of respondents felt that they had the support and encouragement of management for the process, specifically highlighting that

- this was demonstrated through internal customer focus of the assessment, financial performance and a performance culture
- this had started with daily performance reviews. Now much less frequent given that performance is on track. Have been able to re-invest some savings to bring in contract managers
- this was demonstrated through management encouragement and numerous cross partnership questionnaires.
- my Director is involved in assessment and encourages - with the Cabinet Member - marketing of services and supports any Cabinet paper actively
- It is part of the business planning process.
- It is neither encouraged nor discouraged.

Where support was lacking, there was generally less overall interest in performance of support services within the authority, or the manager showed little real interest even though there was a greater interest in some areas. One respondent said that performance assessment is done but at a rather superficial level with little real benefit in terms of outcomes

In terms of Council Members, 88.3% of respondents felt that Council members supported performance assessments initiatives with respect to soft FM services. Specifically, comments made were

- At the strategic level, Members will show interest in performance assessment. Not aware of much evidence of any interest at lower levels. Obviously, complaints (customer satisfaction) directed to members receive internal scrutiny and performance resulting from this is often critically appraised by Members.
- There is keen interest from senior Cabinet members in the ability of FM to support department plans and employee satisfaction.
- Members show their support for performance assessment of these services, as it is the process used for achievement and success of a trading organisation.

4.6 Case Study Evaluation

The second stage of the case study involved a practical evaluation of a soft FM service with at least one of the selected performance assessment techniques. This stage of the research was intended to building on the findings of Questionnaire 1 and the Semi Structured interview, as it supported a more in depth evaluation of the key research questions and the proposed theoretical model.

The case study group comprised nine managers of soft FM service, from a nearest neighbour performance group. This group is hereinafter referred to as the NNPG.

The case study takes the format of an initial discussion with the NNPG to assess whether their awareness and use of performance assessment as part of their service management process, delivers the desired outcomes of the process described and determined within the proposed theoretical model. Specifically that the effective use of performance assessment results in the ability to demonstrate service accountability, provide services that deliver value for money/best value, enhance customer/stakeholder satisfaction, and deliver a service that meets or exceeds the customer needs.

Following the discussion, and in order to determine the value of a standardised approach to performance, a practical evaluation of a performance assessment

technique is undertaken in the four-step evaluation process, outlined in the Sections 3.11.7-3.11.10 above. Specifically,

- selecting a service for evaluation,
- determining its key service characteristics,
- using these characteristics to select an appropriate performance assessment technique, and
- assessing the technique.

4.6.1 Evaluation and Validation of the factors affecting Performance Assessment

To provide a deeper context for the case study, an initial evaluation was undertaken of

- the environment in which the participants worked,
- the importance which FMs, their senior management and Councillors placed on the FM service provision overall and specifically the service under evaluation
- who the FMs considered the main stakeholders for the service to be, and the expectations the stakeholders had for the service provision.
- whom the FMs considered their key service comparison partners sources from which FMs obtained the information with which to assess their service performance, eg other local authorities, service specific databases, etc .
- whether the FMs felt performance assessment had a role to play within the management of soft FM services, and if so what this was.
- the reason(s) why they did not use performance assessment, if appropriate.
- which performance assessment techniques they were aware of or had used in order to evaluate their service in the past.
- whether they had previously undertaken a similar exercise, and if so with whom.

Validation of Model

The theoretical model proposed in Section 2.8 and detailed at Figure 4.6-1 highlighted the factors, which may influence the successful use of performance assessment in the management of soft FM services. Accordingly, the effective use of performance assessment should result in the following outcomes

- enabling the FM to demonstrate service accountability
- deliver services providing best value/value for money
- enhance customer/stakeholder satisfaction with the service provided, and which
- meet or exceed customer requirements.

In order to assess whether practising managers of soft FM services considered that the independent variables highlighted within the model had an impact on the outcome of performance assessment when undertaken as part of the service management process, these were incorporated within the discussions held, and the practical evaluation.

As with the questionnaire and the semi-structured interview, the key research questions were linked to the areas of the model. For ease of reference the questions are detailed below, and the associated number is included on the model adjacent to the relevant area.

1. What is the structure and function of facilities management within a local authority context?
2. What Role Does Performance Assessment have within the management of soft FM services in a local authority context?
3. What are the key criteria for managers of soft Facilities Services when selecting a performance assessment technique?
4. Which if any of the performance assessment techniques outlined provide the most benefit within the management of soft FM services
5. In assessing the performance soft FM services, are better results obtained from
 - a) single service/single assessment technique comparisons, or
 - b) using a combination of techniques to assess either single or groups of services having similar key service characteristics?
6. When assessing the performance of soft FM services, can service providers achieve more useful results

- a) undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service, and the education sector), or
 - b) from making comparisons only with 'own sector' peers?
7. If cross sector comparisons yield more benefit,
- a) who are the most appropriate comparison partners?
 - b) for which single services, or groups of services with similar characteristics, does this apply

Factors Affecting the Effective Use of Performance Assessment

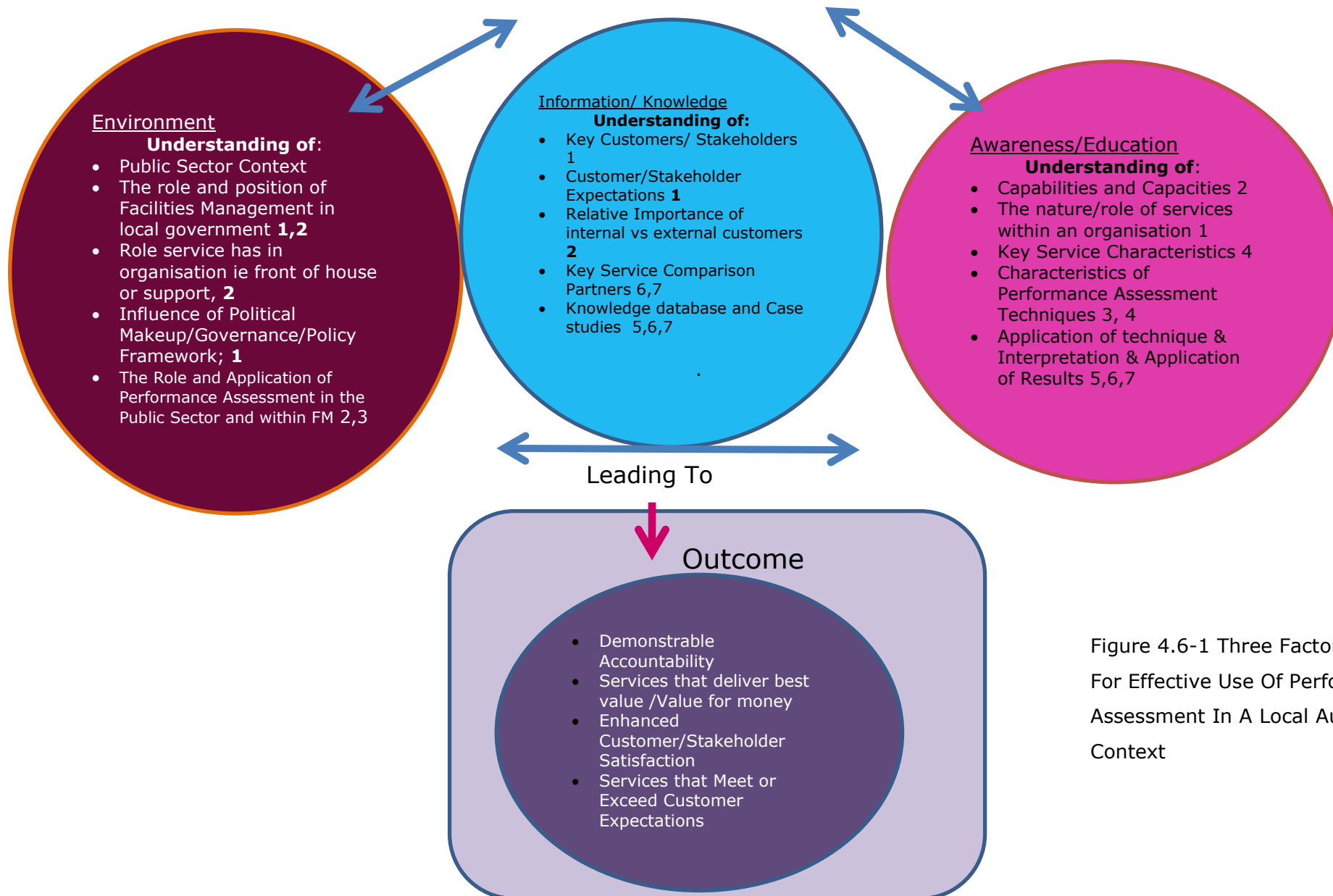


Figure 4.6-1 Three Factor Model For Effective Use Of Performance Assessment In A Local Authority Context

The case study group comprised nine facilities managers from local authorities within the same Chartered Institute of Public Finance and Accounting Nearest Neighbour group, which were developed

“... to aid local authorities in comparative and benchmarking exercises, specific family groups can be generated based upon a wide range of socio-economic indicators” (Chartered Institute of Public Finance and Accounting 2009)

Hereinafter this group is referred to as the Nearest Neighbour Performance Group (NNPG). All members of the NNPG had completed part/all of the Questionnaire 1 (see Section 3.10 Questionnaire 1) and had indicated an interest in taking part in a case study to evaluate the performance of their soft FM services. Furthermore, this meant that each group member had received the background information supplied with the initial questionnaire, which provided participants with a basic understanding of the scope and purpose of the research.

The Environment

Whilst all members of the NNPG worked within a local authority, the same political party did not govern all of the authorities. However, all had adopted a Cabinet structure, with a Portfolio Holder for whom at least part of their brief was overseeing the provision and management of the FM services. In line with Government policy, all stated that Members were committed to evaluating the performance of their services under the value for money regime.

Initially a discussion was held on what the FMs considered the perception of their soft FM services to be within their organisation. Most of the NNPG felt colleagues valued the service, although it was ‘largely invisible unless something went wrong’. Whilst recognition for a ‘job well done’ was always welcome, this ‘no news is good news’ response from customers, given that the services were ‘running in the background’ in order ‘to support the provision of the front line services’. The services were perceived as largely reactive in nature. One of the NNPG said they ran annual customer satisfaction surveys and generally received very positive feedback for the services provided. None of the other NNPG members undertook such surveys.

In terms of resource allocation for the service, it was generally agreed by the NNPG that although the service provided a large organisational overhead,

resource allocation in terms of both budgetary provision and staffing resources were always kept to a minimum, so that funds could be diverted to the front line services. It was agreed that whilst this made service provision difficult at times, such an approach was largely 'unavoidable'. FM services were in many respects seen as a 'Cinderella service'.

The NNPG felt that the back office element of the portfolio was essential; for example, processing post quickly and efficiently was important because failure to do so could provide a bad impression of the front line services. Security was seen as a key function, in order 'to protect the integrity of the Council's assets'. Whilst some of the FM services were outsourced, such as catering and cleaning, an in house team provided the majority. In respect of service stakeholders, this was perceived as broad. For example, for the

- cleaning service, was provided for all the building users, both internal and external (including members of the public visiting the offices, other service departments within the Council, Council Members, contractors, etc),
- mail room services were predominantly for in house staff in terms of mail collection and delivery (and incorporating portage), although it was agreed that in this instance, service failure would affect the public and others to whom the Council despatched mail.
- catering services predominantly provided for internal customers.
- security predominantly internal to protect the integrity of the Council's assets.

From discussions, it was determined that the level of interest in FM service performance within each organisation varied. This appeared to be related to which other services comprised the Cabinet member's portfolio, and his/her knowledge of FM services. Seven of the NNPG felt performance assessment of the soft FM services was well supported by the Portfolio holder and other Council members. Specific comments included that 'this forms part of the business planning process' which was overseen by Members; 'there is interest at a strategic level, but less at the lower operational level'; the 'Cabinet Member shows an interest in the ability of FM to support department plans and employee satisfaction'. When asked about how interest compared with that in asset management as a process, given the requirement for local authorities to prepare

and monitor an asset management plan, all reported there was a keen interest in this area of the remit.

With respect to Senior Management support, eight of the NNPG felt that Senior Managers demonstrated a good level of support towards performance assessment of FM services, which was confirmed, in some cases, by the fact that the FMs attended the NNPG. Some members of the Group were the Senior Manager. Specific comments included that performance assessment 'formed part of the business planning process', 'part of the Senior manager's service review process', that there was 'a requirement to set PIs and formally report on these to the Senior Manager and in some cases the Cabinet'.

Overall, the organisations represented by the NNPG members did have a culture, which valued the use of performance assessment for at least some the services provided by the authority. The Government's value for money and best value regimes reinforced this approach, and in all cases, the selected technique was benchmarking. The predominant focus was in respect of the higher profile 'front line' services [for example housing, housing benefits and environment (waste, recycling and planning)], for which national performance indicators were in place. In half of the NNPG authorities, there was also a (varying) requirement for the FM to assess and report on their services performance. In respect of how the information was gathered and used, there were two different approaches

- a) the majority measured and compared their own service performance year on year and if the results and ratios were broadly similar, no action was taken to make changes in the service provision, or to undertake wider comparisons outside of the organisation.
- b) one FM reported participating in a cleaning benchmarking exercise with other local authorities in the District in which they worked. The FM reported that he had found the comparison very useful in determining particularly how his service costs compared with those of others. He did not go beyond the service cost comparison as these were broadly in line with those of his comparison partners. He therefore assumed that his costs were 'reasonable' and providing his customers 'good value for money'.

The benefits to be obtained from comparing service costs alone were discussed. Overall, the NNPG felt that comparison of cost metrics provided a useful baseline

for determining if services were providing 'value for money'. Furthermore, the NNPG felt that on-going resource constraints meant the FMS did not feel that 'they had time to take the process to the "next level" and review the processes' behind the service provision of other local authorities/service providers. It was however, acknowledged that to do so may enable them to adopt or adapt 'best practice', in order to enhance their own service provision, or provide this information to assist managers in other organisations. The basis of this view was that as the NNPG considered that financial resources were a key consideration, which underpinned all activities undertaken in local authorities, they concluded that financial metrics were 'the most important comparators with which to assess their service'. Furthermore, whilst the NNPG readily acknowledged that 'customer satisfaction' was of equal concern to FMs they felt that this could be assessed by 'talking to people' and 'monitoring the level of complaints regarding service provision'. Anything further was a 'nice to do if you have time'. When questioned whether the NNPG felt that their current approach to performance assessment added real value to their service provision, the consensus was 'to an extent', given what they had said about the importance of financial resources. 'You can always do more, but our services tend to be reactive to customer needs and that's what you'll really be judged on', was the view of one FM.

Taking this further, the NNPG were then asked whether they considered that the view that performance assessment within a local authority was a 'tick box' exercise was a fair perception. The NNPG agreed that 'there was some truth in it', mainly because results tended to form the basis on which a local authority was judged, particularly in terms of league tables, etc. Likewise, the on-going imposition of assessment regimes, meant that authorities were 'obliged to do it', rather than do it because it was the 'right thing to do for the service'. In addition to this, the constantly changing/tweaking of the Government regimes meant that services managers within the NNPG felt that 'just when you get used to one it's changed, and a different emphasis put on what you are doing. The lack of consistency is demotivating'.

In view of this, the NNPG were asked whether members felt that if they had a regular regime in place with which to assess their own service performance, this would be beneficial both for themselves as service managers, and provide service stakeholders with potential benefits? Moreover, whether such data could be used to fulfil the requirements of whichever regime happened to be in place

at the time? The response was mixed. Few of the NNPG had regularly gathered performance data or undertaken performance assessment of their services over a number of years and therefore did not have an available service dataset. This meant that each exercise necessitated a 'start from scratch' approach. This in itself made the process demotivating. However, the NNPG also felt that this was compounded by the fact that unlike for the available asset management benchmarking services, service definitions that underpinned data collection for the soft FM services were 'just not available'. This made it more difficult if you wanted to be sure you were comparing 'like with like'. Nor, as in the case of asset management were there available database with which FMs could compare their own service performance, or case studies, which could be used to determine how and for which soft FM services others, had used performance assessment techniques, as part of their service management process. The benefit of such information being to highlight successes and failures and avoid time and ultimately resources being wasted through lack of prior knowledge. Asked if such resources would encourage NNPG members to undertake regular performance assessment exercises, the consensus was 'it would definitely be a step in the right direction'.

When Group members were asked if they felt that they would objectively be able to demonstrate the accountability of their soft FM service provision and the effective use of the resources allocated to its provision, replies included

- 'yes, because my manager understands my service provision',
- 'I know that I am using my resources effectively. I have been doing this (managing soft FM services) for a long time. But objectively? Probably not so easy, and anyway in reality resources for these services are always kept as low as possible. It is less what you need and more what you are given. I also think that the lack of real interest/emphasis on performance assessment for support services like FM, by (Council) members, makes it is questionable whether it's a good use of my time to put a lot of effort into undertaking the exercise', and
- 'some of our services are regularly tendered – cleaning, catering, maintenance. Market testing is key to demonstrating value for money is being provided, even though we are obliged to accept the lowest tender unless there is a very good reason not to'.

With respect to which technique the NNPG felt would prove useful to explain service performance to a range of stakeholders, given their knowledge of benchmarking the majority felt that this was the most appropriate technique with which to demonstrate their performance. Over half of the NNPG felt that data gained from performance assessment of their service would be most useful for explaining service performance to Service Managers, Senior Management and Strategic Managers. Only one member of the NNPG felt that benchmarking useful to demonstrate service performance to the service provider, as it would be suitable for providing charts or reports, and showing how service provision compared year on year. Another FM felt it useful for highlighting performance to internal customers who understood benchmarking. However, this was not followed through in practice. When discussing all the techniques and their characteristics, the NNPG agreed that, whilst they had not done so, they could see the potential benefit of using Statistical Process Control and Performance Dashboards, which could provide a pictorial representation of performance, and could therefore be useful for demonstrating performance to service providers and customers. Whilst none of the NNPG had used Data Envelopment Analysis for assessing FM services, it was felt that this could be useful for services such as mail room in order to assess the relative efficiency of the mail room function. It was agreed that the mail room service would be the subject of the second case study, and that the four-step process detailed in Section 4.7.1 would be used to determine the most suitable technique with which to evaluate it. (At this stage the researcher was keen to ensure that whilst benchmarking may prove to be suitable, an different technique be used, in order to demonstrate an alternative means of service evaluation, rather than to repeat the process with the technique with which the NNPG was most familiar). Unfortunately, the NNPG did not feel it practicable to undertake more than one comparison at a time and to ensure their co-operation this possibility was not forced.

In discussing the basis on which the NNPG would select a technique, the key criteria were felt to be that it was ease of use, ease of data collection and interpretation of data. It was also felt that the results achieved should be easy to apply to current service management practice. The NNPG were split over whether a technique should require specialist training to use the technique effectively, and only two of the NNPG felt it important that the selected technique should support meaningful comparisons with others. Whilst it was accepted by the NNPG that comparisons with others may help in demonstrating accountability, ensuring that service were providing value for money, ensuring

that services met or supported and customer need, and that customers were satisfied with the service provided, none of the NNPG were able to provide a practical examples of their commitment to achieving this.

In summary, the discussion with the NNPG was intended to determine whether their understanding and approach to performance was liable to lead to desired outcomes of effective performance assessment, described within the theoretical model.

It was also intended to determine whether the organisational structure, both in terms of the FM service, management and political and organisational framework supported this process in order to provide the desired outcomes.

For those undertaking performance assessment, as part of their service management process, benchmarking was the most regularly selected technique. Different members of the NNPG had made limited usage of benchmarking in assessing catering (hospitality), cleaning, mailroom, switchboard and reception, IT helpdesk, surveying services. Perceived usefulness ranged from useful to very useful. All had compared metrics, predominantly cost, and had compared their own results (internal comparison). Of the few that had undertaken comparisons external to their own organisation, this was predominantly with other local authorities within the same District. None had reviewed the processes behind the results, or undertaken comparisons with partners outside of their own sector, such as education or the National Health Service. The question was then posed as to why they had not considered such comparisons, and, if, on reflection they considered that there might be merit in doing so, for services such as portering, postal services, security, cleaning. One of the NNPG said that given the nature of the soft FM services under consideration and the nature of local authority service provision, he 'did not consider competitive benchmarking, cross sector benchmarking, or the balanced scorecard suitable for FM services'. However, the overall consensus of the NNPG was that although they could see the merits in comparing such services with these organisations, given that the facilities services were relatively generic, for example 'a postal service largely comprised receiving, sorting, delivering, collecting, franking and despatching mail', the nature of local authorities might make comparisons with others less meaningful. Particularly because of 'different governance structures' and Government led 'performance assessment regimes', and there was no generic FM remit with the local authority sector which complicated attempts to find partners for meaningful comparisons. However, the NNPG did acknowledge that

the various organisations were 'all working to serve the local community' and that such an approach may be worthy of further exploration/consideration. It was explained that the research was also working with these other areas of the public sector, and if sufficient interest was shown from representatives from the various sectors to provide meaningful comparisons, then facilitated case studies could be taken forward. Some of the NNPG agreed that participation in such an exercise might be of interest at a future date.

Given the NNPG's awareness of benchmarking, a brief discussion was held regarding the other techniques under review within the research. The majority had little or no knowledge of the remainder, namely balanced scorecard, performance prism, statistical process control, data envelopment analysis, performance dashboard and six sigma. One had used the balanced scorecard 'but not for the assessment of FM services'. One of the NNPG said that given the nature of the soft FM services under consideration and the nature of local authority service provision, he 'did not consider competitive benchmarking, cross sector benchmarking, or the balanced scorecard suitable for FM services'. Furthermore, he felt that six sigma 'was too complicated and resource intensive to be of practical use within a local authority context'. Whilst several of the NNPG had undertaken FM or general management qualifications, none had had any specific training on the use of performance assessment techniques. Knowledge of techniques had been gained either via reading management texts, journals, or 'on the job training'. It was agreed that it might be helpful to have training in the techniques available to get a better idea of what was appropriate. However, one member of the NNPG who had read about a range of techniques and felt that if interested in finding out more 'information was available without formal FM training and allowed time for training in other areas, such as health and safety and of which an up to date knowledge was crucial'. The variety of entry routes into FM were felt to be a hindrance in this respect, and different from other property related disciplines such as surveying, engineering, etc where although there was variation in type, for example building surveyor, quantity surveyor, etc these roles 'were more clearly defined and mandatory training was more clearly defined than for FM'.

Having considered the reasons for undertaking performance assessment of soft FM services, the reasons why not FMs did not use this were then discussed. The outcomes that could potentially be achieved by the effective use of performance assessment were broadly agreed upon by the NNPG. The main reasons for its largely ineffective uptake was agreed by the NNPG to be available time and

resource constraints. The discussion considered whether any other reasons influenced their perception. To facilitate the discussion, a modified version of the reasons proposed in Behn's 2002 study (see Sections 2.6.19, 4.3.2 and 5.3) considered. The NNPG agreed that the lack of performance assessment of soft FM services was compounded by the intangible nature of the services, competing service pressures and the consequences of failure on other tasks being greater than the benefits to be gained from undertaking performance assessment. This was because the NNPG felt that the lack of a clear service definition could make comparisons potentially meaningless ('comparing apples and oranges'). The proposed psychological reasons – causing concern that the manager was highlighting problems with their service that may give managers/councillors/members of the public a 'stick to beat you with' was largely dismissed by the majority of the NNPG. They felt that such an assertion indicated a 'blame culture' within their organisation, and they did not feel this was a problem within their respective organisations. However, when later asked if within a benchmarking exercise comparing, say, utilisation rate of rooms, where their authority's results appeared to be particularly low when compared with to either a group of national benchmark, NNPG members may be tempted to 'modify their results towards what they considered to be a more acceptable figure' the consensus was 'probably yes'. This was even though the NNPG accepted that to obtain the maximum benefit from the use of performance assessment technique, to establish the reason behind the actual result was more important than assuming a different result was an incorrect result. (This finding was consistent with discussions with groups of FMs within other sectors. For example in the education sector, where room utilisation was an annually collected benchmark FMs confirmed that they had 'moderated' their result towards the norm on occasion, rather than look behind it to find out why it differed).

With respect to which technique the NNPG felt would prove useful to explain service performance to a range of stakeholders, given their knowledge of benchmarking the majority felt that this was the most appropriate technique with which to demonstrate their performance. Over half of the NNPG felt that data gained from performance assessment of their service would be most useful for explaining service performance to Service Managers, Senior Management and Strategic Managers. Only one member of the NNPG felt that benchmarking useful to demonstrate service performance to the service provider, as it would be suitable for providing charts or reports, and showing how service provision

compared year on year. When discussing all the techniques and their characteristics, the NNPG agreed that, whilst they had not done so, they could see the potential benefit of using Statistical Process Control and Performance Dashboards, which could provide a pictorial representation of performance, and could therefore be useful for demonstrating performance to service providers and customers. Whilst none of the NNPG had used Data Envelopment Analysis for assessing FM services, it was felt that this could be useful for services such as mail room in order to assess the relative efficiency of the mail room function.

The NNPG were split over whether a technique should require specialist training to use the technique effectively, and only two of the NNPG felt it important that the selected technique should support meaningful comparisons with others.

Whilst several of the NNPG had undertaken FM or general management qualifications, none had had any specific training on the use of performance assessment techniques.

The reasons why not FMs did not use performance assessment were then discussed. The NNPG agreed that the lack of performance assessment of soft FM services was compounded by the intangible nature of the services, competing service pressures and the consequences of failure on other tasks being greater than the benefits to be gained from undertaking performance assessment. This was because the NNPG felt that the lack of a clear service definition could make comparisons potentially meaningless ('comparing apples and oranges'). The proposed psychological reasons – causing concern that the manager was highlighting problems with their service that may give managers/councillors/members of the public a 'stick to beat you with' was largely dismissed by the majority of the NNPG. This was even though the NNPG accepted that to obtain the maximum benefit from the use of performance assessment technique, to establish the reason behind the actual result was more important than assuming a different result was an incorrect result.

4.7 Practical Evaluation of Performance Assessment – A Four Step Approach

Having reviewed the NNPG's views on performance assessment, the next stage of the case study involved a practical evaluation of service using one or more of the of the performance assessment techniques under evaluation within the

research. This section provides a standardised approach to performance assessment, which it is intended will support managers of soft FM services in gaining meaningful information/data from the service assessment process, in order to ensure that they meet the required outcomes of the performance assessment process. Principally, the ability to demonstrate accountability for the resources employed with the provision of soft FM services, ensure services provide value for money/give best value, enhance customer satisfaction with the services provided, and deliver services that meet or exceed the customer/stakeholder expectations. The evaluation will consider whether this can best be undertaken by utilising one performance assessment technique to measure all services across the service portfolio, ie a one-size fits all approach, or from the use of a range of methods for groups of services. Specifically addressing key research question 5,

With respect to the management of soft FM services, which provides the most value to the Service Manager?

- a) a single assessment technique to assess services across a service portfolio?
- b) using a combination of techniques across the service portfolio?

The literature review Section 2.2 detailed how successive governments had implemented a range of initiatives to encourage, or mandate, local authority service providers to manage the performance of their stakeholders – not least, so that stakeholders of the services could ensure that they were receiving value for money for the resources allocated for their provision.

Furthermore, the previous sections highlighted the views of FMs on the role of performance assessment in respect of service provision, which techniques they are aware of and in Section 4.3.5 Table 4.3-14 highlighted the assessment techniques that service providers believed would help them explain their service performance to a range of stakeholders, in order to help ensure customer satisfaction, and demonstrate accountable service delivery.

In order to ensure that meaningful outcomes are achieved from the assessment process, and, given that there is a range of assessment technique available, the FM will need to determine which technique(s) provide(s) the best fit for assessing a single service or all of the services within his/her remit. To do this objectively, the FM will need a means of determining the key service characteristics of a particular service and of the techniques to ensure that the

best match is found, and the effort expended in its application yields meaningful results, that provide the overall outcomes required from effective performance assessment.

To this end key service characteristic and performance assessment characteristics matrices have been developed, which are detailed in Section 4.7.1.

It is noted that in the context of this research, benefit is taken to be the advantage that can be gained by use of the technique.

4.7.1 Four Step Process

This exercise fell into four distinct steps

- ✓ Step 1 - Selecting the service for assessment
- ✓ Step 2 - Determine its key service characteristics
- ✓ Step 3 - Selecting an appropriate performance assessment technique
- ✓ Step 4 - Assessing the service using the identified technique

Given the geographical proximity of the local authorities within the NNPG, it was practicable for the Group to meet in order to discuss and evaluate their service performance. At the first meeting, the aims and objectives of the researcher and participants were discussed and agreed namely

- the service to be assessed would be selected by the NNPG.
- the NNPG would define what they hoped to achieve from the exercise.
- whilst more than one service would be evaluated by the NNPG, using more than one assessment technique, only one service would be assessed at a time.
- as facilitator, the researcher would advise on the use of the selected technique, collate, analyse and provide a report on the outcome of the exercise.
- the case study report would be included within the research in an anonymised format with each authority identified by an agreed code, known only to group members and the researcher. Results would be similarly anonymised in the NNPG report. Each member of the NNPG

would only identify their own results in discussions with management or others.

- to maximise the potential benefits from the case study, all participants committed to attend as many meetings as possible. Any member who did not regularly attend the meetings or contribute data would not receive a copy of the final report.

4.7.2 Step 1 – Select the Service for Assessment

In order to ensure the study was meaningful for those taking part, an initial determination was made of the services managed by NNPG members (See Table 4.7-1)

All members of the NNPG had management responsibility for caretaking and cleaning services. Following a discussion, the Group decided to undertake the initial assessment of the cleaning service. In all but one authority, the service was outsourced rather than provided by an in-house team. A discussion regarding what participants were seeking from the case study determined

- gain a clear picture of how the service was performing, either stand-alone or when compared with others within the NNPG.
- to gain information that could be used to senior managers, and potentially Council Members, that the FM could demonstrate accountability for resources allocated for its provision, and demonstrate value for money/best value in its provision.
- it was noted that the NNPG's primary interest at this early stage was in metrics, such as how their service provision compared on cost, staffing levels, tasks undertaken per full time equivalent, etc. At this initial stage, ensuring customer satisfaction or that the service was a secondary consideration.

Authority	Admin support	Caretaking	Catering / Hospitality	Cleaning	IT Support	Grounds	Mail Room	Porterage	Reprographics	Reception	Room booking admin	Surveying (tech advice)	Switchboard
A1		x		x	x		x	x	x		x		
A2		x		x		x		x				x	
A3	x	x		x		x	x	x		x	x		x
A4		x		x								x	x
A5		x	x	x		x		x			x		
A6	x	x		x			x	x	x		x		
A7		x	x	x			x	x	x	x	x		x
A8		x	x	x			x	x	x		x	x	
A9	x	x	x	x		x	x					x	
Total	3	9	4	9	1	4	6	7	4	2	6	4	3

Table 4.7-1 Table detailing services managed by the NNPG

4.7.3 Step 2 - Key Service Characteristics Matrix

Having selected the service, the key service characteristics matrix was utilised in order to confirm its profile.

It was explained that the selection matrix was not intended as a stand-alone tool, but had been developed to assist the FM in determining the key service characteristics, as part of the process of selecting an appropriate technique with which to assess service performance. The NNPG agreed that the rating of relative strength of each of the characteristics within the matrix provided a broad and comprehensible basis with which to assess the soft FM services, and offered a technique which an FM could use as part of a standardised performance assessment process. Once a service had been broken down to the level of its key characteristics, the FM could use the characteristics to inform the choice of metrics with which to assess the service. The NNPG agreed that for managers to use the matrix as part of their service management process, it had to be intuitive, comprehensive and easy to use. They considered that it was.

From the matrix detailed at Figure 4.7-1, it can be seen that the characteristics of the cleaning services are

- a) Its customer base predominantly internal
- b) Direct interface with customers of the service is low.
- c) Service provided at time to suit customer – although in line with organisational requirement /constraints.
- d) All customers receive same service
- e) There is a continuous need for the service
- f) Criticality Of Total Service Failure – the impact would depend length of failure
- g) Service provision is mixed but largely front of house
- h) It is a manual operation
- i) There is no facilitating product
- j) Outsourced –in the main
- k) Service demand is largely predictable, although with an unpredictable element based customer demand, eg spillages.
- l) Elements of the service can be proactive, as with (k) above.
- m) Reliance On Contractors – although not necessarily provided by outside contractors
- n) Service provision is largely routine
- o) There is little technical knowledge required for its provision.

Criteria Range	Continuum Detailing Presence of Characteristics		
	100:60	59:40	39:00
Customer Base Predominantly Internal: Customer Base Predominantly External	Cleaning		
Direct Interface With Customers Of Service:			Cleaning
Service Provided At Time To Suit Customer: Provided At Set Times (to suit organisational requirements)		Cleaning	
Tailored To Customer Requirements: All Customers Receive Same Service			Cleaning
Continuous Need For Service: Occasional Need	Cleaning		
Criticality Of Total Service Failure: Not Critical		Cleaning	
Back Office: Front of House Service Provision			Cleaning
Manual: Non Manual	Cleaning		
Output includes facilitating product: no facilitating product			Cleaning
Outsourced: In House	Cleaning		
Predictable: Non Predictable Service Delivery	Cleaning		
Proactive: Reactive Increased productivity – Schmenner’s service factory to increase productivity		Cleaning	
Reliance On Contractors: In House	Cleaning		
Routine: Non Routine	Cleaning		
Technical Knowledge Required: Non-Technical			Cleaning

Figure 4.7-1 Key Service Characteristics Matrix Highlighting Profile of Cleaning Service

4.7.4 Step 3 - Selecting An Appropriate Performance Assessment Technique

Having reviewed and confirmed the service profile, the NNPG then assessed the Performance Assessment Technique Selection Template (PATSeT). It was explained to the NNPG that the PATSeT had been developed to enable them consider the characteristics of each performance assessment technique and how the characteristics matched with what they were looking to gain from using a technique/how it fitted in with the service. (It is acknowledged that these are not the only performance assessment techniques available and the PATSeT format could be used to determine the key characteristics of the chosen technique). The PATSeT was based on a combination of service requirements a modified version of the FABRIC criteria (see Section 3.11.9).

The PATSeT at Figure 4.7-2 details consideration made by the NNPG in selecting an assessment technique with which to evaluate a cleaning service. The shaded areas of the template represent the criteria selected by the NNPG in determining which of the techniques, provided the best fit to what they were trying to achieve. It was explained that to maximise potential benefits, that it was important to keep an open mind and focus on the requirement rather than trying to use the PATSeT to justify the use of a particular technique

Review of PATSeT by NNPG for Cleaning Service Evaluation

Focus

- Cleaning is a single service.

Appropriate for Stakeholders

- In presenting information to the service stakeholders, it was decided the data collected should reflect both customer requirements (reflecting its customer base and the requirement for customer satisfaction) and the service process (to reflect how the service is provided, eg number of cleaners per square metre, time service is provide, etc).

Balanced Organisational Needs

Data Rationale for Selection

- In considering whom the data/analysis was to be provided for, the NNPG agreed internal to the organisation the Service Manager, Senior Management, and possibly the Portfolio Holder on the Cabinet; external stakeholders, the NNPG potentially the cleaning contractor.
- It was agreed that frequency of data collection would be monthly (for example number of days full staffed, monthly, quarterly, six monthly and annually (annual costs))

Data Type

- It was agreed that for this service, the data could be both qualitative and quantitative.

Presentation Format

- The NNPG felt that given the nature of the service it was likely that some data could be presented graphically/in chart format, and some in a written report.

Robust Nature of Technique

- The majority of the NNPG members did not have historical data available. The intention was to undertake a performance assessment exercise of their cleaning service within a three-month period (period allowed for the case study as a constraint of the research). It was agreed that the selected technique should support ease of data collection, ease of use, ease of interpretation and require little specialist training (it was recognised that the exercise was to be facilitated by the researcher).

Service Comparisons

- The exercise was intended to provide comparison of service performance with other members of the NNPG. (Ratings were to be determined by NNPG for each of the criteria).

Integrated

- The selected technique was intended to enable the NNPG to determine the capacity the contractor had to provide the service to the agreed service level, but not to assess the capability of those providing the service at this stage.

	Benchmarking	Data Envelopment Analysis	Performance Dashboard	Statistical Process Control	Balanced Scorecard	Performance Prism
Focus						
Encompasses All FM services in portfolio					✓	✓
Single Service	✓	✓	✓	✓		
Customer Focus	✓				✓	✓
Focus on Process	✓	✓	✓	✓	✓	
Appropriate to Stakeholders - internal, external or mixed groups.						
Internal						
Service Provider	✓	✓	✓	✓	✓	✓
Service Manager	✓	✓	✓	✓	✓	✓
Senior Manager	✓	✓	✓	✓	✓	✓
Councillor	✓		✓	✓	✓	
External						
Public (Customers)	✓		✓	✓		
Other public bodies	✓	✓	✓	✓	✓	✓
Local business	✓		✓	✓		
Contractor	✓		✓	✓		
Balanced Service and Stakeholder Needs – rationale for data collection ie for presentation to stakeholder group, or for on-going service assessment.						
Data Collection Period						
Daily or shorter		✓	✓	✓		
Weekly		✓				
Monthly	✓	✓				
Quarterly	✓	✓				
Six Monthly	✓					
Annual	✓					
Data Type						
Qualitative data						
Quantitative data		✓	✓	✓		
Both	✓				✓	✓

Presentation Format						
Graphics/ Charts			✓	✓		
Written report						
Both	✓	✓			✓	✓
Robust Nature of Technique - ability to withstand organisational/personnel change, and can be used for continuous performance assessment/ comparison						
Ease of Use 1 to 5 (1 = easy)	1	3	1	2	4	3
Ease of Data Collection	✓	✓	✓	✓		
Ease of Interpretation 1 to 5 (1 = easy, 5 = complex)	2	3	2	2	4	4
Specialist Training to use it 1 to 5 (1 = little, 5 = requirement)	1	4	1	2	4	4
Service Comparisons						
Stand alone	✓	✓	✓	✓	✓	✓
With other service providers	✓	✓				
Integrated						
Capability	✓	✓		✓		
Capacity	✓	✓	✓	✓		

Figure 4.7-2 PATSeT for Cleaning Service Review by NNPG

4.7.5 Step 4 - Assessing the Service Using The Identified Technique

Completion of the PATSeT highlighted two techniques, which appear suitable for assessing the cleaning service, specifically benchmarking and data envelopment analysis.

Having analysed the service and selected the appropriate performance assessment technique, the NNPG were in a position to undertake the benchmarking exercise. To facilitate the process a baseline cleaning service template was provided (See Appendix D. Following a discussion on its contents some modifications were made to ensure it incorporated the areas that the NNPG wished to assess. The NNPG were keen to include a range of financial metrics within the template, and in addition, others were selected to match the key service characteristics, that had been identified in Step 1 (See Section 4.7.3 above). For example asking

- whether all areas are cleaned at the same frequency to establish whether all customers receive the same service,
- what is cleaned again identifies whether all customers receive the same service. Comparisons can assist in identifying how often areas are cleaned, how they are cleaned (if the process is reviewed) and if there are opportunities to review the frequency that may lead to cost savings.
- times that cleaning is undertaken can inform capacity, flexibility of service provision and costings. This may also support a review of frequency of cleaning and the impact of direct interface with customers changing of which may affect capacity and costs.
- reviewing regular versus periodic cleaning identifies where and whether there is a continuous need for the service in some areas.
- the number of cleaning staff per square metre was reviewed, the hours worked and the supervisory arrangements. This template formed the initial basis for comparison, which could be followed up by looking at the processes behind the results.
- the costs, benefits and disbenefits of outsourcing can be reviewed.
- in times of resource constraint, recognising the levels of expertise, may enable managers to review who provides the cleaning service, and if they are able to undertake other tasks as part of the role.

In order to ensure a consistent approach was taken, and to avoid comparisons being undertaken which were ultimately meaningless, prior to completing the service specific template, a discussion was held to ensure that the metrics were clearly defined and understood by all members of the NNPG. This had been highlighted as a factor that influenced the motivation of FMs to undertake performance assessment.

Each of the FMs completed the templates and an analysis undertaken a report was produced for the NNPG. This report was intended to add greater depth and context to the results achieved, in order to take the process beyond the collection of metrics and a 'quick comparison'. In reviewing this report, the Group agreed that this approach provided them with material that was suitable to share with their agreed stakeholders, and took the process beyond a straight comparison of the metrics. They felt it would be helpful to analyse other services within their remit in the same way, and for different members of the NNPG to produce the report, to avoid overburdening the same person.

At this stage it was suggested that an analysis of the processes behind the metrics should be undertaken and following that the mail room service be analysed using a technique that was less familiar to the NNPG. It was intended that the same four-step process should be used to determine a suitable technique. Unfortunately the over half of the NNPG decided that at this stage, and given other work pressures that they needed a break from the process, given conflicting work pressures. Whilst another meeting was set up this fell outside of the timescale for the research and therefore it was not possible to include any further evaluation and analysis within the research.

It is noted that sample-benchmarking templates were prepared for each of the seven most frequently managed services. All were prepared following the same process as detailed within this chapter.

Having completed this exercise, the results were analysed and a report produced.

4.8 Cross Sector Evaluation

This Section reviews the cross section evaluation of performance assessment and specifically reviews key research questions 6 and 7,

- 6) When assessing the performance of soft FM services, can service managers achieve more benefit from
- a. making comparisons only with 'own sector' peers
 - b. undertaking comparisons with peer groups selected from another sector (ie local authorities, the National Health Service or
- 7) If cross sector comparisons yield more benefit
- c. who are the most appropriate comparison partners?
 - d. for which single services or groups of services within similar characteristics does this apply?

Accordingly, the section presents the analysis of service performance assessment, comprising the practical assessment of the performance assessment techniques under evaluation, and including usage within the local government, and other public body organisations, specifically the National Health Service and Further and Higher Education. Evaluation partners include;

- Those who have participated within the survey of local government facilities managers undertaken in the first stage of the research and have agreed to take part in a case study.
- NNPG
- Members of performance networks run by the Association For Public Sector Excellence (APSE).
- Facilities Managers within acute trusts within the National Health Service.
- Facilities Managers within higher education managers (via Sheffield Hallam's higher education forum, CUBO and BACHE).

This section address the question of whether the service manager can obtain more benefits from assessing their service performance against that of a same sector peer, or by making comparison with others who manage the same service within a different sector.

In this context, benefit is the identification, measurement and evaluation (Business Dictionary 2011) of

- enhanced service management and delivery,
- higher level of customer satisfaction, and
- accountability in the use of resources (financial and others) allocated to service provision.

that can be achieved by the usage of performance assessment techniques as part of the service management process, both from own peer or cross sector comparisons, rather than from undertaking a performance 'trend' based analysis i.e. year on year comparisons of service performance within an organisation.

4.8.1 An Evaluation of Existing Regimes

The literature review (see Section 2.2, 2.7.3, 4.3.4 and 4.8.1), highlighted that benchmarking was likely to be the most well-known and used of the techniques under evaluation within this sector. It follows that, if soft FMs within this sector were going to use one of the techniques as part of their service evaluation process this tended to be the technique of choice.

The following details the results of the evaluation.

Association of Public Sector Excellence

Follow up discussions with a number of the respondents during the semi structured interview, highlighted a subscription based performance network called the Association of Public Sector Excellence (APSE), which members reported provided a successful forum for benchmarking a number of their FM services.

Therefore, contact was made with the APSE to discuss the services the association benchmarked, the type of benchmarking undertaken and whether APSE would support circulation of the service specific benchmarking templates to their members. It was felt that those already subscribing to a benchmarking service may have a greater interest in performance assessment and hence taking part either in a case study using a different technique or on a cross sector basis.

From their website and initial discussions, it was apparent that their remit included a wide range of local authority services, including some of those within the research, specifically

- Building Cleaning (*Cleaning*)
- Civic, Cultural and Community Venues, Civic and Commercial (*Room Booking Administration*).

APSE work on the basis of two reporting deadlines for performance information per annum and provide reports at the end of the process on an annual basis.

Comparison indicated that there were some areas of overlap between benchmarks proposed within the research and APSE's benchmarks, but APSE's performance indicators centred on cost (staffing, materials, equipment of service per front line staff member), area cleaned and staff absences. As part of the research, discussions were held with APSE staff regarding templates developed for soft facilities services. Templates were reviewed, and the preliminary research findings presented to an APSE National FM Services Seminar. The possibility of APSE incorporating benchmarking of services outside their current portfolio was discussed and the service specific templates evaluated.

At the seminar the opportunity was taken to establish contact with members and ask if they would be prepared to take part in a case study for the other techniques under assessment, or within cross sector benchmarking case studies. However, whilst members expressed initial interest, and the value of benchmarking in soft services recognised, in practice take up was poor.

Benchmarking Within the Education and Health Sectors

Within the health service and education sectors there are established benchmarking groups, specifically the Estate Management Data Exchange (eMandate) for the further education sector, and Estate Management Service (EMS) for Higher Education, the Estates Returns Information Collection (ERIC). As their names suggest, the key focus for these three benchmarking services is estates, and incorporating 'hard' Facilities Management data (see Section 2.7.3). The key metrics and ratios are predominantly finance based (including cost of services, and other element), space (areas and suitability and age of the estate), energy consumption

and sustainability, staffing costs and numbers (full time equivalents), patient and or student numbers and ratios as appropriate. It is noted that despite the similarities of the metrics gathered there was little evidence of cross sector comparison.

As part of the case study, FMs within the National Health Service and Education sectors were contacted in order to determine whether the templates for assessing soft FM services within local government had any relevance within these sectors, either as stand-alone templates or as part of a cross sector initiative.

The following analysis discusses the results.

National Health Service

In undertaking an evaluation of performance assessment within the National Health Service contact was made, on a similar basis to that of APSE described above, with the

- Sheffield Hallam's NHS Performance Network, and
- National Performance Advisory Group (NPAG), which has regional groups for benchmarking of a range of services, including facilities services, across the country.

As a result, contact was made and discussions held with individual members of the performance network, and the NPAG group. These discussions included the place of benchmarking of soft FM services within this sector, with particular reference to the seven most frequently managed services within the local authority context. The use of any other assessment techniques used as part of the service management process was also discussed.

From the above, three respondents were willing to discuss the questions in more detail. Whilst it is recognised that as only limited feedback was achieved, it is difficult to draw any meaningful conclusions from the case studies, in terms of the wider NHS context, the following summarises the key findings from the conversations;

- Returns to ERIC are compulsory, and a reporting tool is provided for health service FMs which summarises the results and is intended to facilitate use and sharing of data.
- An FM who took part in a discussion on this part of the case study was a Porterage Services Manager (PSM) for a large acute hospital. Benchmarking was undertaken internally on an annual comparison basis and results shared with the NPAG group and Senior Management.
- Participants reviewed the porterage, cleaning and switchboard service specific templates for use in an own sector assessment. Participants agreed that with some minor amendments these could be suitable for use within the management of soft FM services within this sector.

Education Sector

The final comparison group for the purposes of this research was the education sector and comprised discussions with both the higher and further education sectors.

Unfortunately, as with the health service, participation was low, and therefore further discussions/case studies would need to be held in order to verify the comments on a wider scale. However, the conversations did provide some interesting information, and provided a forum in which to test the validity of the service specific assessment techniques, both for use within the sector and as part of a cross sector exercise.

The following summarises the outcome of those discussions with FMs within the Further and Higher Education sectors,

- The remit of the participants was similar to that of the local authority FMs in respect of managing the seven most frequently managed services.
- Discussions yielded some useful information, detailing how the services are operated. These seemed comparable in nature to those within local government and the health service.
- Templates were sent, but unfortunately, the respondent's workload increased and whilst he had indicated a willingness to help and be involved within the project, he was unable to do so.
- One case study participant, a Director of Facilities at a large university, reviewed the templates for the seven most frequently managed services over a number of

meetings agreeing which would be suitable for the services provided as they stood and where minor amendments may be necessary to provide a better fit for the educational sector context.

Following this review, the templates were forwarded to a wider regional Directors' benchmarking group that he belonged to for discussion and subsequent validation by the group. However, despite the Director chasing these up on my behalf, responses were very slow, and fell outside of the time available for undertaking the research.

A presentation was given to a group of Facilities Managers who belong to a Higher Education Performance Network, hosted by Sheffield Hallam. This outlined the initial findings from Questionnaire 1 and included a discussion with group members to establish their views and usage of performance assessment for soft FM services within this sector. The findings are summarised below.

- As with local authorities, there was a mixed awareness of the performance assessment techniques other than benchmarking. Statistical process control, Data Envelopment Analysis and the Performance Prism being the least well known.
- Some Network Members felt that for the soft services under review the best test of how well the service was doing was how customers reacted. Customers tended to complain if they were unhappy and therefore the fewer the complaints, customers were felt to be satisfied. This was linked to the partially reactive nature of the services. Customers were more interested in lights or toilet seats replaced than looking at performance data.
- One delegate made the comment that there was little point in comparing the services provided with external organisations as they worked within a different context and therefore there would be little to learn from or share between them.

Unfortunately, whilst a number of approaches were made to FMS within the Further Education Sector and an initial interest was expressed in taking a study further, this did not follow through in practice.

4.8.2 The Potential For Cross Sector Service Comparisons

From the

- matrices developed and evaluated within both the practical evaluation with the NNPG (See Sections 4.7 above),
- discussions with various sector groups detailed within this Section, the researcher's knowledge of performance assessment within the local authority sector, and
- the review of the literature

it is apparent that other performance assessment techniques provide a good fit to some of the services under review. Therefore these may provide more useful results either used alone to assess a service or in conjunction with another technique, say benchmarking.

When holding discussions with FMs within local authorities, the National Health Service and Education Sectors, the FMs were asked for which of their soft FM services they felt that it would be possible to undertake meaningful performance comparisons with another public sector organisation.

The following provides a summary of the responses.

- Overall respondents in all three sectors (local government, Higher and Further Education and National Health Service) felt that cleaning, mailroom and portering would be suitable for comparison.
- Local government and education respondents felt that catering may also be suitable, but National Health Service respondents felt this would be less suitable for comparison unless the comparison partner had residential clients, particularly given the specialist nature of some dietary provision within a health service context.
- The PSM within the National Health Service felt that a number of the soft FM services might lend themselves to comparison with service providers in local government and the education sector. He suggested mailroom, portering and cleaning, and switchboard services. He felt that for catering, comparisons would probably only be suitable, where the benchmarking partner managed residential accommodation. However, given the specialist nature of hospital catering this was doubtful.

- Soft FMs within the Higher Education sector suggested that further education or local authority FM services would provide useful comparisons.
- One manager within Higher Education felt that it would only be worthwhile benchmarking services with the private sector if real improvements/changes in practice were to be determined and potentially adopted. This respondent had undertaken benchmarking comparisons with organisations within the local area and these had proven successful.

4.9 Overall Summary of Results

Chapter 4 detailed the analysis and results of the activities undertaken in respect of the research activities outlined within the Chapter 3. This section provides an overall summary of the findings within Chapter 4.

4.9.1 Rationale for the Selection of Methodological Approach

The results chapter fell into three broad categories of activity

- an initial questionnaire,
- a semi-structured interview, and
- facilitated case studies.

The rationale for selecting this format is detailed below.

- Initial questionnaire – overview of the function and role of soft FM services and performance assessment these services within a local authority context (see Section 4.3)
- Semi structured interview – they provide a more in depth exploration of some of the areas explored with the initial questionnaire. To evaluate the key reasons why FMs undertake performance assessment, how they do so and with whom, the influence of senior management and council member support within the process; why performance assessment may not be undertaken; what value for money means in relation to these services, and how this is ensured and demonstrated to service stakeholders (see Section 4.5).
- Case Study – Practical evaluations in order to drill down further into the concepts explored in the above exercises, and investigate whether the independent variables highlighted within the proposed theoretical model, affect the achievement of meaningful and quantifiable outcomes to the

performance assessment process. This included an evaluation of the factors affecting the effective use of performance assessment within the management of soft FM services and a practical evaluation of the process within a service setting. In order to provide consistency of approach, the case study followed a four-step method of selecting the service for evaluation (step 1), evaluating its key service characteristics (step 2), selecting an appropriate performance assessment technique with which to assess a service (step 3) and assessing the service with the selected technique (step 4), (see Section 4.7)

- Cross Sector Evaluation – detailing an evaluation of a number of existing performance assessment regimes, within the local government sector, but also within the higher and further education sectors and the National Health Service. This provided an evaluation of the assessment of soft FM services within these areas and also an opportunity to determine whether service assessment templates developed within this research had a place within these sectors. It further considered the potential for cross sector assessment of soft FM services between local authorities, the education sector and the National Health Service.

4.9.2 Questionnaire 1 – Facilities Management Services Within A Local Authority Context

Questionnaire 1 (see Section 3.10) was circulated to 348 FMs within the local authority sector. The response rate to the questionnaires was 115, ie 33.1% response. The response rate was lower than hoped for, despite sending follow up emails at regular intervals. This may have resulted from

- the length of the questionnaire (it comprised 19 questions including demographic information),
- format of questionnaire (on line),
- no change of follow up method (ie telephone conversation),
- a perceived lack of confidentiality,
- the FMs lack of awareness and/or use of performance assessment within the sector, meaning they lacked the knowledge to complete it,
- a lack of interest in the subject of the questionnaire,
- consultation fatigue,
- the lack of a tangible incentive for completion

See Section 4.2 for a more detailed discussion of the above.

Areas explored within Questionnaire 1 (see Section 4.3) comprised

- FM services within a local authority context (Section 4.3.1)
- The role of performance assessment within the management of soft FM services (Section 4.3.2)
- The criteria used by FMs to select a performance assessment technique (Section 4.3.3)
- The use and awareness of performance assessment techniques (Section 4.3.4)
- Stakeholders (Section 4.3.4)
- Demographics of facilities managers within a local authority context (Section 4.3.5)

4.9.3 Facilities Management Services Within a Local Authority Context

Initially the structure and role of FM services within authorities was evaluated, outlining the structure of FM within local authorities, variability in the service profile, and reviewing which of the fourteen services under assessment within this research were managed. This evaluated Key Research Question 1, namely

“What is the structure and function of FM within a local authority context?”

It began by considering the wide scope of FM services, and specifically considered the management of the following fourteen soft FM services within the local authority sector.

- Administration
- Catering/Hospitality
- Mailroom
- Porterage
- Room Booking Administration
- Caretaking
- Cleaning
- IT Support
- Landscaping

- Reception
- Reprographics
- Surveying
- Switchboard

The above services were selected because they crossed the continuum of having a tangible product as part of their service to being intangible. Furthermore, the selection was intended to reflect the diverse nature of FM services, whilst ensuring the research remained manageable. Of the above group of services, the first seven in the list were more frequently managed than the remainder. These services provided operational support to the front line or, in the case of cleaning and caretaking, which were managed by the highest number of respondents, were concerned with the maintenance and upkeep of the physical asset, ie the buildings. Interestingly, and somewhat surprisingly, those services characterised as providing direct customer support/contact, namely switchboard, reception and IT support tend to fall outside of the remit of the majority of FMs working within this context. The majority of respondents manage cleaning and caretaking, with 77 respondents managing both. Only one respondent (0.93%) managed all services within the list. IT Support was the least managed; 45% of the respondents' remit included the seven most frequently managed services, although only thirteen (1.03%) of the 108 managed all seven. Conversely, four respondents (3.7%) did not manage any of the seven.

This section also reviewed demographic influences on the management of soft FM services within the local authority sector. Females were more likely to manage catering, with more males managing landscaping. Furthermore, whilst responses to this question were low, female respondents were more likely have entered a career in FM via an administrative/office services background, with males tending to enter FM from a property services (surveying, engineering or architect) background.

The perceived importance of each of the fourteen services under review was evaluated, with ratings requested irrespective of whether or not the respondent actually managed the service. Caretaking, cleaning and reception were the most highly rated services overall, with landscape services being rated as the least important across the service portfolio. The high-perceived importance rating of

reception was interesting given that only 29.6% of respondents have management responsibility for this function. In addition to the services listed, respondents were given the option to rate other services within the FM which they felt were important. A number of the respondents highlighted asset management and health and safety services as the most important overall within the portfolio. Likewise, maintenance services were rated as important in respect of protection of the assets, and an area where service failures lead to customers' dissatisfaction.

The seven most frequently managed services, indicates that within local authorities FM services reflect the protection of the assets, safety, and hygiene service.

In reviewing the perception of the importance of services within the overall soft FM portfolio, cleaning, caretaking and reception were viewed most highly, irrespective of whether the respondent managed the service or not. Demographically, there was a slight difference in the perception of services between the genders.

4.9.4 Role of Performance Assessment

This section reviews the role of performance assessment within the management of soft FM services within this context. Specifically, Key Research Question 2 asked,

“What Role Does Performance Assessment Have Within the Management Of Soft FM Services in a local authority context?”

In question 12 of Questionnaire 1, respondents were asked to indicate the strength of their agreement, from strongly agree through to strongly disagree, to the following statements relating to the role of performance assessment within the management of soft FM services.

1. Performance measurement plays a key role in the management and delivery of FM services
2. Performance measurement can help managers to provide services, which achieve higher levels of customer satisfaction.
3. Performance measurement helps in demonstrating accountability in service provision.
4. Performance measurement helps to fix service boundaries.
5. Performance measurement helps to shift and expand service boundaries.

6. I would only use one technique to measure performance across all FM services.
7. I use a range of performance measurement techniques, some for short term operational performance checks and some for longer term strategic measurement

Overall, thirty-seven (34.3%) respondents answered this question, as follows (See section 4.3.2 for further details).

Key Role

80% indicated that they felt performance assessment plays a key role in the management of FM services. However, despite expressing strong support for use of performance assessment, only 60.6% of those who either agreed or strongly agreed with this proposition had undertaken performance assessment of their FM services.

Customer Satisfaction

Given the importance of customer satisfaction within local government, it was unsurprising that 94.4% of respondents either agreed or strongly agreed at the value of performance measurement in this context. However, once again, this was not backed up by actual working practice, and when evaluated in the context of those that had used performance assessment as part of their service management processes, those who either agreed or fully agreed that performance measurement helps to provide services which achieve higher levels of customer satisfaction fell to 63.6% of respondents.

Accountability

The importance of service providers within the public sector being able to demonstrate accountability of their service provision is recognised. 75.6% of respondents overall agreed or strongly agreed that performance measurement can help them to achieve this requirement, this number falling to 51.5% for those who had used performance assessment within the management of their FM services.

Service Boundaries

With respect to the use of performance measurement to help fix service boundaries, ie confirm the current scope of service provision, respondents were a lot less sure of this, with 36.4% saying they neither agreed nor disagreed, and only 21.2% agreeing

with this purpose for performance assessment. This trend was reflected in whether the process helped to shift or expand service boundaries, for example by adapting or adopting alternative methods of service delivery because of service comparison, with 25.8% neither agreeing nor disagreeing and 29% either agreeing or strongly agreeing with this comment.

Use of Techniques

In considering the use of performance assessment techniques with which to assess their service, more than half of the respondents disagreed with the statement that they would use only one performance assessment technique with which to assess their service, this despite their being a reported lack of knowledge of the range of techniques under assessment. Moreover, just over half of respondents said that they used a range of performance measurement techniques, some for short term operational performance checks and some for longer term strategic measurement in respect of their performance assessment. However, this was not borne out by the findings of the questionnaire overall.

In reviewing these statements it is noted that there were only a small sample of respondents and further investigation would be needed in order to validate these findings.

4.9.5 The Criteria Used by FMs to Select A Performance Assessment Technique

This section of the research evaluated Key Research Question 3

“What are the key criteria for managers of soft Facilities Services when selecting a performance assessment technique?”

The criteria proposed were

- Overall Ease of use
- Ease of data collection
- Ease of interpreting data
- Applicable to a range of services
- Requires little/no training specialist knowledge to use it
- Allows meaningful comparisons with other service providers
- Is widely used in the public sector
- Is used by both the public and private sector

In respect of the criteria used to select an assessment technique, ease of collecting and analysing data and overall ease of use were the most frequently selected, selecting a performance assessment technique. Furthermore, of the respondents, 26 rating the top 3 criteria, ie ease of use, ease of collection and of interpretation, as very important or important, used performance assessment as part of their FM service management.

For all three criteria, benchmarking, in its various formats, received a higher rating than the other techniques.

4.9.6 Use and Awareness of Performance Assessment Techniques

The seven performance assessment techniques under evaluation within the research, were

- Benchmarking
- Balanced Scorecard
- Data Envelopment Analysis
- Performance Dashboard
- Performance Prism
- Six Sigma, and
- Statistical Process Control

Respondents to the questionnaire were asked to indicate which of the listed performance assessment techniques they

- were familiar with.
- were familiar with but not used.
- had used for FM services.
- did not feel was suitable for FM.
- had used it but not for FM services.
- was not used within their organisation.

The purpose of the question was to assess respondent's views on performance assessment, their knowledge of a range of assessment techniques that may be applied as part of this process, and determine whether they applied any of these techniques as part of their FM services management process.

In order to ensure respondents had a common understanding of each technique a brief definition of each technique was provided.

The number of respondents to this section of the questionnaire was 57 (49.6%) of the total sample. This may suggest that either awareness or use was very low and respondents were therefore unable to answer the question. Conversely, which would seem unlikely, it could have been that respondents were familiar with and using the techniques but are reluctant to indicate that this is the case. Table 4.9-1 summarises familiarity with and usage of the selected performance assessment techniques.

Table 4.9-1 Summary of Familiarity and Usage of Performance Assessment Techniques

Assessment Technique	Familiar with Technique	Used for Assessing FM Services
Internal Benchmarking	98.20%	47.40%
Competitive Benchmarking	91.20%	36.80%
Non Competitive Benchmarking	87.70%	42.10%
Functional Benchmarking	77.20%	22.80%
Cross Sector Benchmarking	80.70%	15.80%
Balanced Scorecard	73.70%	3.50%
Performance Prism	35.10%	0.00%
Statistical Process Control(Shewart's Charts or Control Charts)	42.10%	0.00%
Data Envelopment Analysis	40.40%	1.80%
Performance dashboard	49.10%	8.80%
Six Sigma	40.40%	1.80%
N= 57		

With respect to gender differences within familiarity and usage, there was no significant difference between the genders with respect to familiarity with internal, non-competitive and competitive benchmarking, (although females indicated a higher degree of familiarity with the latter than males).

Whilst acknowledging the low levels of familiarity and usage, it is noted that very few respondents rated any of the techniques unsuitable for use within assessment of FM services, and whilst in the main this is likely to reflect the low overall familiarity and usage, there were no significant differences between the genders in respect of suitability assessment.

When reviewing techniques other than benchmarking, it was noted that there was a significant difference between males and females in their familiarity with the performance prism, statistical process control, data envelopment analysis, and the performance dashboard, with levels of familiarity in the female respondents being reported higher than that in the male respondents.

The influence of educational background varied with the technique under review, for benchmarking familiarity and usage was higher for those respondents who had at least level 1 or 2, or equivalent level qualifications, increasing for those who had management or other professional qualifications.

However, for cross sector benchmarking, balanced scorecard, performance dashboard, performance prism, statistical process control, and six sigma, entry route into FM did not appear to have any influence on the familiarity with, or usage of, these techniques, which were very low across the board.

Having reviewed use and awareness, reasons for non-usage were explored. Whilst at 22.2%, the response rate to this question was low, it was interesting that none of the respondents failed to use the technique because they felt it was a waste of time. The most frequently given response was that it was not a service priority,

4.9.7 Stakeholders

One of the potential outcomes of the performance assessment process is the ability to utilise the information gained from the process to explain service performance to a range of stakeholders. In order to do this, FMs need to understand what it is their customers/stakeholders require from the service and have an objective means of

assessing service performance within these areas, to determine whether the service is meeting the requirements, and also to be able to demonstrate this to customers.

To this end, an exploration was made of which if any of performance assessment techniques respondents considered would provide the best fit in explaining their service performance to a particular stakeholder group. Only 37.3% (43) of respondents answered this question and it is noted that the majority of these respondents felt that techniques would be more useful for explaining service performance to those within the organisation than external stakeholders.

Even benchmarking, which was the most used and well known of the techniques, was little used to demonstrate performance to customers. Aside from benchmarking, the other techniques varied slightly according to which stakeholder was being considered. However, given that familiarity and use of other techniques was determined to be low overall this is hardly surprising.

4.9.8 Demographics

The results of the analysis of the demographic composition of the sample population, indicates that the age profile of local government is slightly higher compared to the economy as a whole, and the FM sector in general. However, within the FM sector there are slightly more males than females, a trend which was reflected within the respondent population. In respect of academic qualifications, these are slightly higher within the FM sector than in local government and the wider economy as a whole, which may reflect the migration of qualified workers from other sectors (engineers, surveyors, architects) into FM, and reflect the diverse backgrounds of FMs, as a comparatively new profession compared with other professions.

In order to determine whether route into FM ie via an administrative/office services route or qualified in another field, ie Surveyor, Architect, or Surveyor had an impact on the importance placed on the services within the overall FM an analysis was then undertaken. The analysis of entry route into FM shows that more females enter FM via an office services route whereas for men this is via another property related discipline. Pearson's Chi Squared test indicated no significant difference in the way services were rated. However, when asked to rate the importance of a given list of soft services within the overall FM service portfolio, comments made by a number of

respondents a suggested that they felt uncomfortable in splitting the soft and hard services, and the management of softer services from the overall management of the asset

4.9.9 Case Study Response

Following the initial questionnaire undertaken to determine the awareness and frequency and usage of performance assessment within the management of soft FM services, this section details the second stage of the research which involved a more in depth evaluation of the role and use of performance assessment, and also reviewed the cross sector perspective. This stage incorporates a practical evaluation of a performance assessment technique in the management of a selected FM service, and a review of cross sector evaluation of performance assessment.

Taking part within a case study required a commitment from the participants to share data and detailed information of their service provision. Therefore, in order to maximise participation, the initial survey included a request for volunteers to take part within a case study to evaluate one or more of their soft FM services using the selected performance assessment techniques within a practical setting.

In total 28 respondents took part within a case study; of these 19 participated within a semi-structured interview, and the remaining nine, the NNPG, taking part in the facilitated case study to evaluate service specific performance assessment (see Section 3.11-7 to 3.11-10). The review of the cross sector perspectives comprised an organisational perspective including discussions with individual FMs within these organisations.

4.9.10 Semi Structured Interview

The semi- structured interview, in which 19 respondents participated, allowed a more in depth assessment to be undertaken of the reasons why and how FMs undertake performance assessment, and conversely why they may not.

4.9.11 Key Reasons for Undertaking Service Performance Assessment

This section initially evaluated the key reasons for undertaking performance assessment of soft FM service, and reviewed cost, customer service and to ascertain best practice.

Cost

All respondents agreed that the cost of service provision was an important or very important reason for undertaking performance assessment of their services. Discussions with respondents highlighted that by necessity when financial resources are a driver, service standards will tend towards satisfactory rather high quality. Comments made by respondents in this respect included

- Cost is most important because potentially we could spend our entire budget on facilities maintenance. Therefore, we have to control our cost to budget and try to maximise customer satisfaction within that budget.
- increasing budget pressures - all customers are looking for reduction in cost but maintaining service levels

Customer Satisfaction

Although 87.5% of respondents indicated that customer satisfaction was important, this still fell behind cost as a reason to undertake performance assessment. Comments made by respondents in this respect included.

- cost is important but if the service is not good and the customer is unhappy even if the cost is very competitive this is irrelevant.
- both cost and customer service are equally important. If customers are unhappy, they tell you.
- although cost is important, the service is being provided for the customer.
- the primary focus for FM services must be customer needs - building occupiers should have a seamless, worry free FM provision enabling them simply to get on with their jobs in a high quality working environment.

Service Process Evaluation

Out of the three criteria, assessing and testing best practice, was perceived least important with only 25% of respondents rating this as an 'important' or the 'most important' reason for undertaking performance assessment. The comments made in this area were that identifying best practice was important for an organisation

- to ensure that the service provided VFM relative to other service providers, and it was necessary to find a way of demonstrating this if the local authority was to be able to continue being the service provider.
- to measure catering, room hire, cleaning, which are benchmarked with others, you are looking at methods and timings, for example, the surfaces cleaned, in order to increase productivity. This helps you make, and demonstrate that your service is more competitive for the customer.
- to check the quality of service – you need to ensure you are meeting the predetermined standard, even if you are only checking against your own service year on year.
- to provide a service that is fit for purpose.
- to meet changing operational requirements/managerial demands. At top level you are constantly charged with doing more - or the same - with less. You need to look for innovation in your own processes and those of your suppliers in order to improve services and lower costs.
- because comparisons allow you to see what you can learn from others in terms of best practice, and this is particularly useful when you have a new team.

Moreover, and given the importance placed on performance assessment within the local government context by successive Government regimes, in some cases (27.8% of respondents) suggested that there was a lack of real commitment to performance management from management and Council members, towards performance measurement of soft FM services within this context.

- Practical reasons - eg performance measurement does not work - 50.00%. In questioning the perceived impact of defining the context of soft services in order

to determine the relevant key performance indicators, the majority of respondents felt that the nature of the services complicated this process when compared to the 'hard' FM services.

- Managerial reasons - it is hard to do effectively as 'softer services' are difficult to define and therefore measure - 72.2%.
- Psychological reasons - worried you might discover and provide a 'stick' for someone else to beat you with, ie you are drawing attention to problems with performance that may otherwise go unnoticed. - 22.3%
- Competing pressures – both of time and staffing resources and the consequences of failure on other tasks is greater than benefits to be gained from performance assessment - 73.7%
- Services may be called the same in different organisations, but organisational differences make comparisons meaningless - 94.50%

4.9.12 Value for Money

The Labour Government introduced the value for money regime in 2005 to formalise a process, which ensured that local government stakeholders were provided with efficient and effective services. Value for money was also intended to embody a mix of quality, resource usage, fitness for purpose, timeliness and convenience, which when taken together determine delivers a good value for the service customer or stakeholder and the organisation, for the resources allocated for its provision. Initially respondents were asked to define what value for money meant to them in terms of their FM service delivery. The responses included, value for money

- means the right quality at the right price, and meeting all statutory obligations and user needs.
- equates to obtaining a suitable service level at a moderate cost that is delivered and received satisfactorily.
- is about providing an efficient service at the right time for the best price.
- is providing the best quality service for the budgets you have.

- is meeting required standards at a competitive price, which compares well with others..
- achieving satisfactory performance at least cost.
- being able to provide the services required by the customer at the best price.
- cost to customer satisfaction ratio – achieving an acceptable between the two.

When asked how they knew their soft FM service provided value for money to their customers, the respondents indicated that in order to know that the service was providing value for money it was necessary to have a point of comparison with other service providers. Potentially a benchmark for the respective service, standards against which the quality of the service quality could be met, and ensure that the service provided was actually fit for purpose in the eyes of the customers for whom it was provided. Whilst highlighting the importance of service process evaluation as a key element in providing what could be defined as a service that provided 'value for money', it was recognised that it was hard to define what a 'quality service' looked like. Furthermore, it was also noted that that differences in service provision within different organisations, and a lack of a clear definition of what a typical FM service in a local government context comprised, made comparison challenging and in some cases impossible.

A number of respondents indicated that in order to demonstrate that their services gave value for money, they assessed their customers' satisfaction with the services being provided, and regarded that good feedback demonstrated that the customers' perceived that the service was providing value for money. With better management of suppliers and better communication of success a rising trend of customer satisfaction along with stable or falling costs is used to demonstrate continuous improvement.

Given the duty on local authorities to provide value for money services, and having evaluated how respondents defined this concept within the context of their own service provision, the case study then moved on to consider how the responding FMs actually ensured they provide value for money within their own services. those who sought to ensure their services provided value for money from undertaking a form of performance assessment and those who achieved this through service procurement or a tendering route.

Performance Assessment and Value for Money

It was interesting to note that where respondents undertook performance assessment this was by benchmarking, which is the technique highlighted within a number of performance assessment regimes, within this sector. The benchmarking undertaken was primarily to evaluate that their service costs were comparable with others rather than also considering the service process. Those who indicated that they used performance assessment in order to ensure value for money replied that they had undertaken

- service reviews conducted which included some benchmarking and the annual benchmarking of some costs.
- setting performance indicators to measure the service against, which are agreed with customers.
- value for money (VfM) reviews are periodically carried out. VfM is also measured through tight budgetary control using cost centre accounting processes.
- benchmarking on cost and quality with other organisations
- benchmarking and monitoring.
- benchmarking the service against best practice

Procurement and Tendering

In addition to performance assessment, a number of respondents indicated they ensured value for money by regularly tendering their services, or by other means of procurement. Cleaning and catering were the predominant services referred to by the case study respondents and these services tended to be outsourced or within larger local authorities, provided by a Direct Labour Organisation.

- you can ensure you are providing value for money by tendering the service and specifying in the tender what you need and can afford
- we aim to ensure a robust competitive tendering process where we see market rates for the activities we wish completed.
- we ensure we provide value for money by following procurement procedures, using approved companies, and tendering procedures.

4.9.13 Case Study Evaluation

The second stage of the case study involved a practical evaluation of a soft FM service with at least one of the selected performance assessment techniques. It was intended to build on the findings of Questionnaire 1 and the Semi Structured interview and evaluate the key research questions and proposed theoretical model.

The case study group comprised nine managers of soft FM service, from a nearest neighbour performance group (NNPG).

The case study takes the format of an initial discussion with the NNPG regarding the factors that affect the effective use of performance assessment as part of the service management process and the use of the four-step evaluation process. Specifically,

- selecting a service for evaluation,
- determining its key service characteristics,
- using these characteristics to select an appropriate performance assessment technique, and
- assessing the technique.

4.9.14 Evaluation and Validation of the factors affecting Performance Assessment

The discussions held with the FMs on the NNPG sought to evaluate the relevance, if any, of the FM having an understanding of a number of factors within the categories of Environment, Education/Awareness and Information/Knowledge.

All had adopted a Cabinet structure, with a Portfolio Holder for whom at least part of their brief was overseeing the provision and management of the FM services. In terms of resource allocation for the service, it was generally agreed by the NNPG that although the service provided a large organisational overhead, resource allocation in terms of both budgetary provision and staffing resources were always kept to a minimum, so that funds could be diverted to the front line services.

Most of the NNPG felt colleagues valued the soft FM service they provided, although it was 'largely invisible unless something went wrong'. Whilst recognition for a 'job well done' was always welcome, this 'no news is good news' response from customers, given that the services were 'running in the background' in order 'to support the provision of the front line services'.

The NNPG felt that the back office element of the portfolio was essential; for example, processing post quickly and efficiently was important because failure to do so could provide a bad impression of the front line services. Security was seen as a key function, in order 'to protect the integrity of the Council's assets'. Whilst some of the FM services were outsourced, such as catering and cleaning, an in house team provided the majority.

The level of interest in FM service performance within each organisation varied. This appeared to be related to which other services comprised the Cabinet member's portfolio, and his/her knowledge of FM services. Seven of the NNPG felt performance assessment of the soft FM services was well supported by the Portfolio holder and other Council members.

With respect to Senior Management support, eight of the NNPG felt that Senior Managers demonstrated a good level of support towards performance assessment of FM services, which was confirmed, in some cases, by the fact that the FMs attended the NNPG. Specific comments included that performance assessment 'formed part of the business planning process', 'part of the Senior manager's service review process', that there was 'a requirement to set PIs and formally report on these to the Senior Manager and in some cases the Cabinet'.

Overall, the organisations represented by the NNPG members did have a culture, which valued the use of performance assessment for at least some the services provided by the authority. In half of the NNPG authorities, there was also a (varying) requirement for the FM to assess and report on their services performance. In respect of how the information was gathered and used, there were two different approaches

The majority measured and compared their own service performance year on year and if the results and ratios were broadly similar, no action was taken to make changes in the service provision, or to undertake wider comparisons outside of the organisation. The FM reported that he had found the comparison very useful in determining particularly how his service costs compared with those of others.

The benefits to be obtained from comparing service costs alone were discussed. Overall, the NNPG felt that comparison of cost metrics provided a useful baseline for

determining if services were providing 'value for money'. Furthermore, the NNPG felt that on-going resource constraints meant the FMS did not feel that 'they had time to take the process to the "next level" and review the processes' behind the service provision of other local authorities/service providers. Furthermore, whilst the NNPG readily acknowledged that 'customer satisfaction' was of equal concern to FMs they felt that this could be assessed by 'talking to people' and 'monitoring the level of complaints regarding service provision'. When questioned whether the NNPG felt that their current approach to performance assessment added real value to their service provision, the consensus was 'to an extent', given what they had said about the importance of financial resources.

Taking this further, the NNPG were then asked whether they considered that the view that performance assessment within a local authority was a 'tick box' exercise was a fair perception. In addition to this, the constantly changing/tweaking of the Government regimes meant that services managers within the NNPG felt that 'just when you get used to one it's changed, and a different emphasis put on what you are doing.

In view of this, the NNPG were asked whether members felt that if they had a regular regime in place with which to assess their own service performance, this would be beneficial both for themselves as service managers, and provide service stakeholders with potential benefits? Few of the NNPG had regularly gathered performance data or undertaken performance assessment of their services over a number of years and therefore did not have an available service dataset. However, the NNPG also felt that this was compounded by the fact that unlike for the available asset management benchmarking services, service definitions that underpinned data collection for the soft FM services were 'just not available'. Nor, as in the case of asset management were there available database with which FMs could compare their own service performance, or case studies, which could be used to determine how and for which soft FM services others, had used performance assessment techniques, as part of their service management process

4.9.15 Practical Assessment of Performance - A Four-Step Approach

This exercise fell into four distinct steps (See Section 4.7 for further details)

- ✓ Step 1 - Selecting the service for assessment
- ✓ Step 2 - Determine its key service characteristics

- ✓ Step 3 - Selecting an appropriate performance assessment technique
- ✓ Step 4 - Assessing the service using the identified technique

Step 1 reviewed which services the NNPG members managed and were keen to assess. It was decided that cleaning was an appropriate service.

Step 2 -in order to provide a clear and common understanding of the cleaning service, it was evaluated using the key service characteristics matrix, and determined to be.

- a) Its customer base predominantly internal
- b) Direct interface with customers of the service is low.
- c) Service provided at time to suit customer – although in line with organisational requirement /constraints.
- d) All customers receive same service
- e) There is a continuous need for the service
- f) Criticality Of Total Service Failure – the impact would depend length of failure
- g) Service provision is mixed but largely front of house
- h) It is manual operation
- i) There is no facilitating product
- j) Outsourced –in the main
- k) Service demand is largely predictable, although with an unpredictable element based customer demand, eg spillages.
- l) Elements of the service can be proactive, as with (k) above.
- m) Reliance On Contractors – although not necessarily provided by outside contractors
- n) Service provision is largely routine
- o) There is little technical knowledge required for its provision.

Step 3- The group used the Performance Assessment Technique Selection Template in order to determine which of the seven techniques under review provided the 'best fit' for the cleaning service. The analysis determined that benchmarking and data envelopment analysis were the most suitable. (For further details see Section 4.7.4)

Step 4 – The NNPG assessed the service using the service specific template for cleaning.

4.9.16 Cross Sector Evaluation

This section of the research was based on the premises that in order to make an objective decision on the best performance assessment technique with which to assess a service, it is necessary to understand the key characteristics comprising the service and how and if these match a particular performance assessment technique.

Specifically addressing the question "With respect to the management of soft FM services, which provides the most value to the Service Manager;

- a single assessment technique to assess services across a service portfolio?
- using a combination of techniques across the service portfolio?

Association of Public Sector Excellence

Follow up discussions with a number of the respondents during the semi structured interview, highlighted a subscription based performance network called the Association of Public Sector Excellence (APSE), which members reported provided a successful forum for benchmarking a number of their FM services.

Therefore, contact was made with the APSE to discuss the services the association benchmarked, the type of benchmarking undertaken and whether APSE would support circulation of the service specific benchmarking templates to their members. It was felt that those already subscribing to a benchmarking service may have a greater interest in performance assessment and hence taking part either in a case study using a different technique or on a cross sector basis.

Comparison indicated that there were some areas of overlap between benchmarks proposed within the research and APSE's benchmarks, but APSE's performance indicators centred on cost (staffing, materials, equipment of service per front line staff member), area cleaned and staff absences. The possibility of APSE incorporating benchmarking of services outside their current portfolio was discussed and the service specific templates evaluated.

Benchmarking Within the Education and Health Sectors

Within the National Health Service and education sectors there are established benchmarking groups, specifically the Estate Management Data Exchange (eMandate) for the further education sector, and Estate Management Service (EMS) for Higher Education, the Estates Returns Information Collection (ERIC). Returns to ERIC are compulsory, and a reporting tool is provided for health service FMs which summarises the results and is intended to facilitate use and sharing of data.

As part of the case study, FMs within the National Health Service and Education sectors were contacted in order to determine whether the templates for assessing soft FM services within local government had any relevance within these sectors, either as stand-alone templates or as part of a cross sector initiative.

National Health Service

In undertaking an evaluation of performance assessment within the National Health Service contact was with two groups,

- Sheffield Hallam's NHS Performance Network, a professional development and networking group for Health Service FMs, and the
- National Performance Advisory Group (NPAG), which has regional groups for benchmarking of a range of services, including facilities services, across the country.

A presentation of the results from Questionnaire 1 was made to the Sheffield Hallam Group and their views sought the role of performance assessment within the management of their soft FM services. Some members felt that benchmarking was a useful tool, other felt that the best test of how well the service was performing was how customers reacted.

Contact with a small number of members from the NPAG, indicated that that the remit of the participants in the health sector was similar to that of the local authority

FMs in respect of managing the seven most frequently managed services. Discussions regarding the role of benchmarking of soft FM services within this sector, and including an evaluation of the service specific templates highlighted that with some adjustments, in some cases, the templates would be broadly suitable for use as part of the service management process. One service where this was not felt to be the case was catering, given the at times specialist nature of catering provision in this sector, to meet patient requirements. However, for routine hospitality there would be a potential for cross sector comparison.

Education Sector

The following summarises the outcome of discussions with FMs within the Further and Higher Education sectors,

- A presentation was made to Members of Sheffield Hallam's Higher Education Forum when the initial findings from Questionnaire 1 were presented and a discussion with group members to establish their views and usage of performance assessment for soft FM services within this sector.
 - Some Network Members felt that for the soft services under review the best test of how well the service was doing was how customers reacted.
 - One delegate made the comment that there was little point in comparing the services provided with external organisations as they worked within a different context and therefore there would be little to learn from or share between them.

Following contact with The Association of University Directors of Estates (AUDE), a Director of Facilities at a large university, reviewed the templates for the seven most frequently managed services, agreeing which would be suitable for the services provided as they stood and where minor amendments may be necessary to provide a better fit for the educational sector context. Following agreed amendments the Director agreed to circulate the templates to his colleagues for comment. Unfortunately, despite his making a number of attempts to achieve a response, this was not received within the time available for undertaking the evaluation.

With respect to the Further Education Sector, whilst a number of approaches were made to FMS within the Further Education Sector and an initial interest was expressed in taking a study further, this did not follow through in practice.

5 Chapter 5 - Discussion

5.1 Introduction and Context

The previous chapter presented an analysis of the results from the questionnaire, semi-structured interview and case studies. This chapter presents a discussion of the results, in the light of the findings from the literature review and the theoretical model proposed in Section 2.8.

Over the last 30 years, a range of performance management initiatives has been introduced by successive Governments with the intention of transferring the 'effectiveness, efficiency and legitimacy' (De Bruijn 2007) within the private sector to the public sector. It was also intended that by its introduction local authorities would be better able to demonstrate accountability in the use of resources, and that the service provision offers a comparable or superior level of service than another providers. These regimes, which are detailed below, have predominantly incorporated benchmarking, been mandatory in nature and, in the case of best value, encompassed within the legislative framework.

2009	Comprehensive Area Assessment (CAA)
2007	National Performance Indicators
2005	Key Lines of Enquiry and direction of travel
2003	Comprehensive Performance Assessment (District Councils)
2002	Comprehensive Performance Assessment County Councils
1999	Local Government Act
1997	Best Value Regime
1980	Compulsory Competitive Tendering

The introduction of a process intended to bring about a significant change within organisational processes, such as those of performance assessment in this context, is known as organisational transformation, and is defined in the Business Dictionary as

'a process of profound and radical change that orients an organization in a new direction and takes it to an entirely different level of effectiveness. Unlike 'turnaround' (which implies incremental progress on the same plane) transformation implies a basic change of character and little or no resemblance

with the past configuration or structure’.

(<http://www.businessdictionary.com/definition/transformation.html#ixzz2VjamHfue>)

Whilst it is acknowledged that organisational transformation initiatives extend beyond the use of performance assessment, given the focus of this research, and that the implementation of performance assessment within local authority sector was intended by successive Governments to deliver significant change, the discussion focusses on the use of performance assessment in order to transform FM services performance.

From the review of the literature, and the findings of this research, it would appear that despite Government’s intentions the anticipated level of transformation from the process has not been realised when considering FM services, and indeed use of performance assessment appears limited and largely ineffective within this context.

Nonetheless, performance assessment is only a tool (Ho 2006), and will only assist an FM if the process is undertaken in an effective manner. To this end, the review of the literature led to the development of a theoretical model, which proposed that there are three key independent variables affecting the FM’s ability to undertake performance assessment in a meaningful manner, ie one in which leads to a transformation of the service management process in order to deliver the following key outcomes.

The independent variables are

- environmental factors
- knowledge/information, and
- education/awareness of the FM

and the key outcomes the ability to

- demonstrate accountability of resource utilisation in service provision
- provide services that deliver best value/value for money to their customers and stakeholders
- enhance customer/stakeholder satisfaction with the services provided
- provide services that meet or exceed the needs of its customers/stakeholders.

The discussion seeks to inform the development of the theoretical model and to

review the importance of the independent variables in respect of delivering the key outcomes outlined above.

It is noted that the review of the literature review provided very little evidence from within the public sector, nor from within the management of soft FM services within this sector, as to the value of performance assessment in delivering meaningful and measurable outcomes, as outlined above, when used as part of the service management process. This is unexpected given that the public sector comprises an environment in which sustained and increasing financial constraints, increasing customer expectations, and where customers expect service providers to demonstrate what they are doing, why, how well and at what cost, ie demonstrate resource accountability as the norm. In order to achieve the key outcomes requires an objective means of assessing service performance, such as reliable performance data and appropriate performance management models (Neely, Adams et al. 2002). The approach must also provide a systematic approach to the management of resources. In the public sector where the emphasis tends of focus on financial control and performance than service performance overall, the process is referred to as managerialism (Pollitt 1990).

The above raises the question of why the performance assessment techniques appear not be used within this context, when the outcomes of performance assessment highlighted within the model, are clearly required by service managers, Council Members, customers and other service stakeholders? In considering this question the discussion focusses on the organisational transformation process and the importance of the three independent variables.

5.2 Organisational Transformation

The use of performance assessment to deliver significant improvements in the effective management of FM services, and leading to the delivery of the key process outcomes can be viewed as an example of organisational transformation. Fernandez and Rainey (2006) have highlighted eight factors that influence the success of organisational transformation. These are outlined below, and considered in greater depth in the relevant section of the wider discussion.

1. Ensure There is a need for change

In order for a change to be successfully implemented there must first be a clearly identified need for the change. This requirement has been satisfied within the context of performance assessment within local authorities, by the implementation of successive performance assessment initiatives by successive Governments and which encompass the need to use resources in an accountable manner, provide services that deliver value for money and customer satisfaction.

2. Provide a Plan

In order to ensure that change does not disintegrate into a

‘set of unrelated and confusing directives and activities’ (Kotter 1995 cited Fernandez and Rainey (2006)).

there needs to be a clear plan for its implementation, and the relevant goals, targets and a plan to achieve these detailed. This is not only a requirement under the requirement for local authorities to produce best value performance plans, but also a requirement of good management practice in general.

3. Build Internal Support For Change And Overcome Resistance

For staff to understand the need for the change and to ensure resistance is minimised, the process needs to be supported across the organisation. For example, by

- Council Members in order to generate enthusiasm for a corporate wide initiative that includes both front line and support services such as FM. Fernandez and Rainey (2006) suggest that positive reinforcement encourages participation, and citing Kotter (1995) suggest that a sense of urgency is sometimes needed to bring about transformation. In the case of Government regimes, with varying penalties for service failures, from loss of financial freedoms to outsourcing, this is clearly a requirement.

- Senior Management to ensure effective uptake of performance assessment and ensure that the FM can see the relevance of FM for the soft FM service provision and what can be achieved in terms of outcomes from the process,
- the FM and their team, in order to ensure that the service delivers as intended.

Within the public sector, frequent changes in political appointees and performance assessment regimes can lead to a resistance for change (Warwick 1975 cited in Fernandez and Rainey 2006) and was one of the reasons cited for lack of enthusiasm for the process within FMs (see Section 4.6.1).

4. Ensure Top Management Support and Commitment

In addition to the requirement to build internal support, Fernandez and Rainey (2006) suggest that a champion for the change at senior level can enhance the chances of success (see Section 4.6.1). This will help avoid FM services 'slipping under the radar' of the initiative and the FM only doing what is absolutely necessary rather than embedding the change as part of the service process. Such support helps create

'psychological ownership, promoting the dissemination of critical information, and encouraging employee feedback for fine-tuning the change during implementation' (Fernandez and Rainey 2006) p 170.

There is a clear link between this requirement and the effect of knowledge/information as part of the FM service management process (see Section 5.4).

5. Build External Support

In addition to senior management support, FMs must have the support of 'political overseers and key external stakeholders' Fernandez and Rainey (2006) p171 in order to give the process impetus, explain why the change (introduction of performance assessment) is necessary and the benefits to be gained from it. A key issue in this respect will be to ensure that performance assessment is recognised as an important component of the overall service management process, and is one that needs to be balanced along with operational priorities. In this way the FM will

perceive the process as integral to service delivery, rather than an 'either/or' activity as was highlighted within the case study (see Section 4.6.1).

6. Provide Resources

Successful change requires resources to support the process (Fernandez and Rainey 2006, (Boyne 2003).

For example, in the local authority context where there is significant competition for resources, to ensure that the process delivers the intended key outcomes, training may be needed where managers are unfamiliar with the use of a proposed performance assessment technique, etc. Failure to provide adequate resources will likely lead to

'feeble implementation efforts...' (Fernandez and Rainey 2006) p 172

and subsequently which will affect the successful delivery of the key outcomes. This factor may go some way to explaining the lack of awareness and use of performance assessment in a local authority context.

Accordingly, Council Members will have the greatest influence on the implementation of performance assessment within this context, given that the impact on the outcome of change initiatives

'stems in part from their ability to impose statutory changes and control the flow of vital resources to public organisations' (Fernandez and Rainey 2006) p 171.

7. Institutionalize Change

In order to ensure that a change, such as the implementation of service performance assessment is sustained it must become part of the service/organisational culture. Employees must make the process part of their everyday activities, as to achieve significant changes in organisational, or service, activities requires a change in behaviour (Fernandez and Rainey 2006). In respect of performance assessment, this means that collecting and utilising performance data must become the behavioural norm for the soft FM teams

8. Pursue Comprehensive Change

A final factor for implementing a successful fundamental change is to ensure that organisational sub systems are aligned with the desired outcome of the change process (Fernandez and Rainey 2006) p 173. However, Robertson and Seneviratne's (Robertson and Seneviratne 1995) study suggest that subsystem congruence may be more difficult to achieve in the public sector than private sector because 'change agents in the public sector exercise less discretion than their private counterparts' (p 173 Fernandez and Rainey). It is also important to ensure that change is handled in a manner than delivers consistent messages to those involved in respect of the new behaviours or activities that are required.

The above has discussed the factors that underpin a successful transformational change process. The effect of the independent variables identified within the model on the outcome of performance assessment will now be discussed.

5.3 Environment

In considering why performance assessment appears not be used within this context, the initial independent variable to be reviewed is the environment. This encompasses the influence on the use of performance assessment of

- the public sector context,
- the role and position of soft FM services within local government,
- role FM services have within the organisation ie front of house or support
- influence of Political Makeup/Governance/Policy Framework
- the Role and Application of Performance Assessment in the Public Sector and within FM

As highlighted above, successive Governments introduced performance assessment regimes in order to emulate the success reported within the private sector. For example, as highlighted within case studies presented in the literature by

- Camp (1989), and Codling (1998) for benchmarking
- Kaplan and Norton, the Balanced Scorecard (1996)

- Neely et al. (2001) The Performance Prism
- Avkiran (2002) Data Envelopment Analysis
- Eckerson (2006) Performance Dashboards
- Stapenhurst (2005) Statistical Process Control, and
- George (2003) and George (2003), Giménez (2005) Six Sigma

(See also Section 2.6)

However, it is recognised that the private and public sectors are different in nature, and therefore this raises the question of whether there is sufficient commonality between the two sectors for similar outcomes to be achieved. Wilson and Game (2006) noted that local authorities are

'semi-independent, politically decentralised, multifunctional body, created by and exercising responsibilities conferred by Parliament' (Wilson and Game 2006) p93.

Local authorities are regularly subject to changes imposed by Central Government or legislation. Customers or consumers of the service are seeking a quick delivery of results, which may mean that where outcomes take longer to achieve, or demonstrate, the timescale may exceed the time that consumers are prepared to wait. Such external pressure may result in Central Government making changes to policies or services, in order to respond to public demand rather than waiting for the outcomes to be delivered, which may risk loss of political or voter confidence/support in the shorter term.

Wilson and Game (2006) highlight the extent of change within this sector as follows

'What area of the private sector, they would ask, has had to come to terms with more change and upheaval on every front: privatisation and the contracting out of services; compulsory competitive tendering (CCT); Best Value and Comprehensive Performance Assessment (CPA); the introduction and almost instant abandonment of 'poll tax', followed by council tax and tax capping; neighbourhood offices, one-stop shops, enabling councils, beacon councils, private finance initiatives, area-based initiatives, strategic partnerships, inspectorates, e-government, performance indicators and league tables... all against a backdrop of continuous finance constraints and the

actual or threatened rearrangement of the whole local government structure' (Wilson and Game 2006) p6.

Whilst the above was noted in 2006, this trend appears to continue today. Indeed, one of the reasons that FMs gave for lack of a real commitment to performance assessment was on going regime changes which dampened their enthusiasm to participate in a process that will likely change shortly after implementation (see Section 4.6.1). The most recent example, lending support to this perception, is the Government's abolition of Comprehensive Area Assessment in 2010 in favour of local authorities working in an accountable and transparent way.

Local authorities are statutory service providers, who have limited choice over the services they provide and the customers to whom they target their services. The customer is predominantly their local community. Furthermore, their management, strategy and governance is determined by Central Government and at a local level by Council Members who are elected by the local community. Employees or officers of the local authority, are employed to interpret and deliver services which reflect the Council's priorities, and do so in context subject to changes

- in political leadership (both at a national and local level), as frequent shifts in political leadership and short tenures for political appointees can cause commitment for change to wane' (Fernandez and Rainey 2006) p 173
- in Cabinet ministers or legislation, resulting in a change in political priorities, governance and policies
- to the chosen service performance assessment regimes etc.
- at a local level, regular Council elections can result in a change of Councillor, or indeed political party, resulting in a change to the Cabinet Portfolio holder. Such changes can result in FM services being overseen by different Council members with varying knowledge of FM, performance assessment and the value of either or both compared to other services within the local authority context.

In practice it would appear that any or all of the above changes may have a negative influence on the FMs commitment and approach to the process overall (see Section 4.6). Behn reported similar findings in 2002, in the United States observing that

“Performance management is not politically useful. It does not win election or re-election for anyone. It does not get anyone defeated very often either. No one builds a campaign against an incumbent president, governor, or mayor on a platform promising to eliminate any form of performance management. No one campaigns against a U.S. representative, state legislator, or city council member by denouncing the incumbent for promoting performance management. In our frequent and various campaigns for public office, candidates, journalists, opinion leaders, and voters mostly ignore the performance of public agencies and the specifics of performance management. And if elected officials do not care about performance management, political or career managers will not either” (Behn 2002) p8.

In order to provide an environment where performance assessment is taken on board, Senior Managers and Council Members must take

participation seriously, commit time and effort to it and manage it properly. The failure to do so can be counterproductive, leading to wasted time, morale and resources (Fernandez and Rainey 2006)p 170).

In order to deliver the outcomes that performance assessment may offer, Senior Managers and Council Members need to create a vision for its use. Fernandez and Rainey (2006) suggest that

the process of convincing individuals of the need for change often begins with crafting a compelling vision for it. A vision presents a picture or image of the future that is easy to communicate and that organisational members find appealing (Kotter 1995), it provides overall direction for the change process and serves as a foundation from which to develop specific strategies for arriving at a future end state (Fernandez and Rainey 2006) p 196

This may suggest that at Central Government level whilst the intention has been to emulate the success of the private sector, the vision for undertaking such activities may not have communicated the value of performance assessment in providing a means of assisting managers’ ability to enhance the customers’ perception of the efficiency and effectiveness of the sector. Likewise, at a local level, the vision may

not have been translated, in terms of performance assessment providing FMs with a tool with which to

- assess and demonstrate the value of the service to the local community
- demonstrate accountability
- demonstrate value for money and customer satisfaction
- as a means of helping to objectively explain the resources required for service delivery and enhance the perceived value of all or aspects of the service.

Failure to convey such a vision may lead to FMs perceiving performance assessment as a threat/ task to be avoided if possible. Likewise as a means for management to justify reducing resources, outsourcing or removing the service provision, with negative consequences for missing targets, etc, rather than a potential learning opportunity, a mean of providing service data, which can guide FMS to service improvements.

The primary focus presented by management may be the use of performance assessment to provide the organisation with a means to achieve high ranking on a league table, in order to secure government resources and greater freedoms in their allocation (see Section 2.2). Undoubtedly, this is a real and obvious organisational benefit. However, failure to emphasise a 'secondary vision' of the potential benefits to the local community, and the service may prove a missed opportunity.

In terms of a means to demonstrate accountability, the vision therefore has to be one that

'public employees recognize how this accountability system works: "When they do something good, nothing happens. But when they screw up, all hell can break loose." Operationally, "accountability means punishment" (Behn, 2001, p. 3). As D. F. Kettl (personal communication, January 29, 2002) observes: "Performance measures are often a way for managers to paint bull's eyes on their backs and invite incoming fire" (Behn 2002 p 12).

If FMs perceive the above as the real outcome of performance assessment it is unsurprising that they avoid undertaking these activities, or that they select the measures that provide the 'right answer' rather than seeking those which have real meaning for FM service delivery, the customers and stakeholders (See Section

4.6.1). This can lead to an environment where FM performance is never properly challenged. The case study highlighted that FMs saw performance assessment and operational activities as competing rather than complementary activities (see Section 4.6.1). Given resource constraints within the sector, this either/or approach may not be tenable in respect of ensuring and demonstrating value for money in the longer term, and may compromise the FMs ability to effectively provide the service in the future. Within the semi-structured interview and case study, FMs acknowledge the need to assess service performance in order to ensure and show that their service performance is on track with customer expectation (see Sections 4.5.3 and 4.6.1). However, in some cases comparison was only undertaken between current and past service performance and overall the number of FMs making even internal service comparisons appeared to be very limited.

Having considered the local authority context, and political influence, the provision of soft FM services within the sector is discussed. FM has a broad based remit (Chotipanich 2004) (see also Chapter 2.3 Facilities Management) and therefore some variation in remit may be expected. Barrett and Baldry (2003) proposed a localised sites model, which classified FM services into three categories that are typical of organisations such as local authorities. However, a review of the literature highlighted that the existing body of knowledge was very limited in respect of any generic soft FM service profile including within the local authority sector. Whilst several reasons, noted below, suggest why it may be anticipated that a generic soft FM services profile would be seen within a local authority context,

- a) the broadly similar nature and function of local authority property assets,
- b) the provision of many local authority services, such as planning, electoral services, environmental services is statutory in nature and broadly similar across the sector, therefore support service requirements may be expected to be similar in nature,
- c) there appears to be a relatively generic profile with respect to other local government occupations, for example those associated with planning, environmental health, finance, and electoral registration services, etc, which may suggest that roles within local authorities tend to have generic profiles

As highlighted within Section 4.3.1, of the fourteen soft FM services under evaluation within the research, seven were more frequently managed than the

remainder. Of those seven, only one of the services – cleaning – appeared to feature regularly within the soft FM's role within this context, thus suggesting that a generic soft FM services profile is not found within this context. The potential consequence of this may

- a) lead to council members failing to understand the nature of the services, and any associated value that such services can deliver within the organisation, in respect of customer satisfaction and value for money/resources allocated for their provision
- b) at a strategic level, leading to a failure to fully assess impact that ownership and usage of assets has on the overall financial performance of the organisation, ensuring that these support the wider business objectives (Amaratunga and Baldry 2001)
- c) mean that the lack of generic role may make it more to define a job description and person specification (skill set) required for an FM with soft services skills, to ensure that the post holder has the appropriate skills to adequately support the front line services
- d) reduce the importance placed on performance assessment of the soft FM services, when compared to other services within the local authority which are better understood, and as a result potentially compromise the ability to deliver the key outcomes from the performance assessment process for FM services
- e) reduce likelihood of soft FM service managers finding service comparison partners with whom to undertake soft FM service performance assessment, and thus to deliver meaningful results from any such comparison. This was an issue raised by FMs within the case studies as a reason for not undertaking performance assessment of their services (see Section 4.7).

Therefore whilst the lack of a clearly defined profile for delivering soft FM services within a local authority may appear not to have substantial consequences, and there be a perception that soft FM services are predominantly concerned with emptying office bins, cleaning floors and replacing light bulbs, the potential ramifications are potentially more far reaching. FM as a function, and the FM manager has a much wider reach than this and failure to recognise this could reduce the full potential to support and maximise the asset and the front line service provision.

Aligned to the above, is the overall understanding of the role and value of support services, such as those found within soft FM. Whilst a focus on the front line services such as planning, housing, social services, etc. (Lindholm 2004), is understandable, an appreciation of the impact that the management of the back office support services can have on front line provision, the organisation's overall success and its ability to satisfy its external customers is essential.

The FM services under review within this research have varying degrees of front office and back office components. The back office services are (largely) invisible to the customer and are largely unaffected by the customer being present (Johnston and Clark 2008). However, it is vital for the FM, senior management and Council Members to realise that it is the back office element of the service which 'adds value' to the service behind the scenes. For example, the mail room service provides a good example of a back office service where the customer experience is minimal and there is a relatively small front office. Value is added to the service via the back office processes (Johnston and Clark 2008) in receiving the mail sorted, rather than sorting through a mail sack to find their own mail. Outgoing mail is returned to the mailroom for processing rather than the customer having to identify the correct postage rate, etc. The research identified that the seven most frequently managed FM services within a local authority are characterised by being predominantly 'back office' or support services. If senior managers and Council members do not have a comprehensive understanding and potential contribution of these services, seeing them only as an overhead to be reduced, the resources allocated may be reduced without an understanding of the subsequent impact on front line service provision of doing so. A recognition of the importance of assessing FM service performance as part of this process will mean this is also overlooked. This will be compounded if FMs do not have an inherent commitment to assessing their service performance, and therefore have no objective means of demonstrating the consequences of resource reduction, etc. This may lead to service provision being reduced and other service departments needing to fill service gaps, and ultimately result in dissatisfied customers/stakeholders and a waste of resources.

Having discussed the role and position of FM services within the local authority context, the focus of the discussion now moves to the role of performance assessment within the management of soft FM services.

The importance of the commitment of Senior Managers and Council Members to the process cannot be underestimated, as Moynihan argues,

“agency managers will look to (. . .) the degree of seriousness elected officials display toward implementation. If elected officials do not send signals that the reform is important to them, this creates a greater likelihood that managers will react with pro forma completion” (Moynihan 2005) p232.

The case study (see Section 4.6.1) highlighted that support from members for this process was inconsistent within FM services.

Furthermore, the existing body of literature indicated that performance assessment within the management of soft FM services is limited. For example, performance indicators for estates management services ie those ‘those costs involved in managing and maintaining the administrative and operational buildings used by the organisation’ defined by the Public Audit Forum (UK Public Sector Audit Agencies 2008) focussed on the estate and did not include the soft FM services, highlighted within this research (see Section 2.3.4).

Given the intention to manage and maintain, and reduce the costs associated with the administrative and operational running of the estate the lack of focus on the cost of the soft services is surprising to say the least.

The literature review highlighted the statutory requirement for local authorities to prepare asset management plans that are subject to regular external assessment (DETR 2000, ODPM 2003). Again, the focus is on the physical asset rather than the asset and its associated services. Whilst the most frequently managed FM services within the local authority would appear to focus on ensuring the integrity of the asset, the ability to ensure effective management of all the associated resources would be expected, and to be in a manner that meets changing operational objectives (Amaratunga and Baldry 2001). Viewing FM (both assets and soft FM service provision) at a strategic level will help identify and manage the impact that ownership and usage of assets has on the overall financial performance of the organisation, ensuring that these support the wider business objectives. This may highlight a lack of understanding of FM within this context.

There is little evidence from either the literature or the respondents to the survey of a strong awareness or use of performance assessment techniques within the management of soft FM services within the public sector. Within local authorities, this would seem to conflict with the requirement for assessment and suggest that the commitment from central government to the changing regimes is not being translated through to practitioner level for these soft FM services.

In viewing performance assessment as an example of organisational transformation, the above would suggest that in order to deliver the key outcomes from the process, Council Members, Senior Managers or the FM must clarify the vision for its usage, and translate this into meaningful activities at each level, to ensure that the process is embedded as part of the overall FM service management. If this is not achieved, questions may need to be asked as to the actual value performance assessment is adding to the soft FM service provision, and if this is insignificant whether such activities have a role to play within soft FM service provision in a local authority context.

5.3.1 Summary

Within this section of the discussion, consideration was given to

- the public sector context
- the role and position of FM within local government
- the FM has in the organisation – ie front of house or support
- the influence of the political make up/governance/policy framework
- the role and the role and application of performance assessment within the public sector and within FM

on the outcomes of performance assessment of soft FM services.

Central government has implemented a range of performance assessment regimes over the last three decades in order to 'encourage or constrain certain types of behaviors of bureaucratic organizations' such as local authorities (Wilson 1989 cited in (Franklin 2000).

This section has highlighted the impact that independent variables within the environment, both within and external to the local authority, may have on the uptake

and effective use of performance assessment within the management of soft FM services. Specifically

1. as evidenced in research by Franklin (Franklin 2000), on-going changes in performance assessment regimes, can lead to a lack of motivation by FMs to fully participate in such regimes, as they perceive that the regime will be changed before the full effects, and any benefits from the previous regime have had time to be determined and embedded (Franklin 2000).
2. pressure from external stakeholders to produce quick results, and Council Members desire to be responsive in order to secure re-election may impact on interest shown in respect of performance assessment, despite the requirement to achieve the key outcomes of the process (Behn 2002).
3. soft FM services do not feature within those identified by the UK Public Sector Audit Agencies (2008), as those for which the costs involved in managing and maintaining administrative and operational buildings need to be assessed. This potentially leading to a failure to assess the full impact that ownership and usage of assets has on the overall financial performance of the organisation, and ensuring that FM services support the wider business objectives.
4. there does not appear to be a generic role for FM services within the local authority sector. Nor a clearly identified route into FM, as in other professions. This may hamper understanding of FM service provision by Senior Management and Council Members, and have an impact on their ability to determine and understand the skillset required when recruiting FMs, and overseeing the management of FM services.
5. the role and importance of back office services such as FM and their impact on the front line service provision. If back office services, such as FM, are seen as an overhead to be minimised, the impact of reducing resources to FM service provision may be missed.
6. if Senior Managers and Council Members do not support performance assessment, FMs may see less of a need to participate in such activities and therefore an objective basis on which to base resource allocation may not exist. Subsequent resource reductions may have unanticipated impacts on front line service provision.

7. In order to bring out an organisational transformation from the implementation of performance assessment, it is essential that Council Members, Senior Management and FM set and translate a vision for the use of performance assessment. This must be meaningful to the participants at their respective level and deliver an outcome, which feeds into the overall need to meet the key objectives of performance assessment in relation to accountability, value for money and customer/stakeholder satisfaction with the service. If this is not achieved then the value of the process in this context may need to be questioned.

The influence of knowledge/information will now be discussed.

5.4 Knowledge/Information Management

The literature review indicated that knowledge is one of the capabilities that an organisation can exploit in order to provide competitive advantage. How the FM processes knowledge/information, ie its capture/acquisition, interpretation, dissemination (ie its distribution and sharing among employees) and utilisation (the practical use of acquired knowledge) – either within or between organisations which most closely characterise performance assessment techniques, and their usage in order to improve service performance (Mills and Smith 2011) (Gold, Malhotra et al. 2001, Jayasingam, Ansari et al. 2012).

In this section the following areas are discussed

- Managing and processing service information in order to improve service performance
- The understanding of the key stakeholders and their expectations
- The relative importance of internal vs external customers
- The key service comparison partners within the sector
- The use of knowledge/information management to bring about transformation of a service

Given the importance of the key outcomes of the performance assessment process, it would seem reasonable to assume that FMs will collect performance data, ie the raw facts, organise these facts in to information, and gain knowledge from the meaningful use of such information that they can apply as part of their service management process (Bhatt 2001). The research has highlighted that there are a

number of performance assessment techniques that the FM can use to assess and optimise the use of available resources. Vakkuri (2010) highlighted the point that a manager must ask himself or herself

“how do we know what the best thing to do is? How do we know the most efficient mechanism for organizing public service provision in society?” (Vakkuri 2010 p 1000)

If an FM does not utilise any objective means of assessing their service performance, or endeavour to determine best practice, they will have no way of ensuring that the service(s) they are providing are efficient and delivering accountability, customer satisfaction, and value for money. Furthermore, such an introspective approach is contrary to the findings of research by Askim, Johnsen et al. 2007 who highlighted that

“many contemporary improvement efforts are premised upon the belief that governmental organizations can and do learn from each other. (Askim, Johnsen et al. 2007) P302

If this is the case, it seems unlikely that learning opportunities would not be found by engaging in comparisons with other service providers, not least to reinforce the adequacy of the existing service provisions and as a means of reassuring stakeholders that the service provision has been challenged. Not to engage with other service providers in order to determine opportunities to develop and implement better or best practice would seem a missed opportunity for enhancing FM service performance. Despite this, the research highlighted that there was only limited use of performance assessment, and in some cases this comprised undertaking year on year performance comparisons of the FM’s own service. The inherent flaw in this approach is that if the service is making inefficient use of resources reliance on such comparisons may only serve to reinforce the inefficiency. Inter-organizational learning is important in facilitating improvement in public services.

Section 5.3 proposed that the lack of a generic FM service profile may make it difficult for FMs to seek and undertake meaningful service comparison. However, the research also highlighted that unlike for the hard FM services where there are established performance comparison regimes. For example, the APSE regime in local government, Estates Returns Information Collection within the National Health

Service, eMandate and EMS within the education sector - See Section 4.9.16) which offer definitions of performance metrics there is not a comparable system for soft FM services. This could either result from the fact that soft services are by nature intangible and therefore potentially more difficult to define, or suggests that there is little to be gained from assessing their performance. Given the resources expended on their provision, the latter would seem unlikely.

The review of the literature established that there is no soft FM service comparison database, or knowledge base of case studies that soft FMs can call on, in order to determine which performance assessment methods are appropriate for use, and from which FMs could gather details of techniques/best practice for assessing FM services. This was supported by the discussions with the NNPG as part of the case study, (see Section 4.6.1) which suggested that the paucity of available meaningful comparative service data, or case studies did not encourage the FMs to participate in the performance assessment process. Coupled with the environmental factors highlighted in Section 5.3 above, it is perhaps less surprising that FMs do not make effective use of performance assessment as part of their service management process. This poses the question as to what can be done to encourage usage and this is discussed within Section 5.5.

One use of performance assessment is to enable the FM to demonstrate performance to the relevant customers/stakeholders. As a process, performance assessment uses quantitative and qualitative indicators to measure and assess progress against the level of service performance that clients, customers or stakeholders expect (Broom et al. 1998; Hatry 1999 cited in (Ho 2006)). In order to do this the FM will need to understand who the key customers/ stakeholders of the service are and what they expect from the service. Failure to understand the stakeholders requirements could lead, at the extreme to inappropriate targeting of resources. Therefore, it will be key for the FM to have a clear understanding of who the service customers and stakeholders are, which performance indicators would help explain performance to these groups, the best method for presenting the information, etc and how to use the information obtained in order to improve or maintain the level of service provided.

Noordegraaf (2006) highlighted the range of stakeholders public bodies have is wide and that they tend to be subject to greater public scrutiny than private companies, and therefore put greater reliance on external stakeholders 'for their legitimacy'

Noordegraaf (2006). Outside influences such as the media, can also potentially influence the perceptions and value that stakeholder groups put on the service provision and this may influence the resources and autonomy afforded to the organisation (Meier 2000). Being in an environment where stakeholders justifiably demand transparency and accountability, but where the presentation of such information may be influenced by external factors such as media coverage may lead, according to Taylor, to a situation whereby

'officials within the agencies are likely to be concerned that they are being held accountable for results they believe they cannot control (Taylor 2011) p 1321

The presentation of information within this forum may also make it difficult for the public to differentiate the actual results from external influences, Kravchuck and Schack 1996 (cited in Taylor 2011 p 1321). The impact may be exacerbated if FMs do not have the objective service data/information, with which to refute inaccuracies, either to the media, or to stakeholders direct, if they believe that information provided by others is misleading.

Within the NNPG case study FMs observed that their role as a support service meant they tended to be viewed by the other service providers, and Council Members as the 'Cinderella' services when compared to the front line services to whom they provide support (see Section 4.6.1). A key factor in providing high quality internal, or support services, is that everyone in the organisation recognises the importance of these services and treats their internal customers, the service provision, and need to improve the quality of such services with the same importance that is placed on providing a service to external customers. Johnston and Clarke note this within their internal service rule specifically:

'the importance of internal service provision: the level of external customer service will never exceed the level of internal customer service' (Johnston and Clark 2008) p20.

Internal services can provide at least as good 'value for money' as an external alternative by adapting to the service need (Johnston and Clarke 2008). Accordingly, it is important for FMs to understand their customers and be able to

“... demonstrate their ability to tailor their offerings to the changing business needs in a way that external providers cannot” (Johnston and Clarke 2008)

and ensuring that that the customers’ needs are being addressed in the context of the organisation’s needs (Zeithaml, Parasuraman et al. 1990)

Where FMs provide the services within the same organisation as they are employed, ie where service provision is not outsourced, it might be reasonable to assume that this would be achieved. Particularly as the FMs have a clear understanding of the organisational context, the organisation’s customers, and the service’s own customer base, the latter being predominantly internal to the organisation and colleagues of FM service providers. Similarly, it would seem reasonable to assume that other service providers within the organisation would value soft FM service. However, given the competition for resources, this is not always the case and as Johnston and Clark (2008) observe

“Centrally funded services are frequently viewed with suspicion by local operating units and may not receive the co-operation required to carry out their tasks effectively.” (Johnston and Clark 2008) p20

In addition to providing a high quality support service, it would therefore seem paramount for managers of soft FM services to have the means to demonstrate accountability of service provision, to their customers (colleagues), Service Managers and Council Members, in order to secure adequate resourcing with which to provide soft FM service, which adequately support front line, service provision. If this information is not available and resources are limited a request for further resources, or indeed to justify service provision overall may prove indefensible.

Whilst further research would be needed in order to validate such a proposal, it would seem reasonable to suggest that in the practical setting of the work-based context, and when following the four step approach detailed within the research methodology (Sections 3.11.7-11), that soft FMs could practically apply the performance assessment techniques highlighted within this research as part of the service management process. Specifically

- to determine the key performance information required in relation to the service (based on its key service characteristics)

- use the PATSeT to select and apply one or more of the highlighted performance assessment techniques, with which to appropriately assess service performance
- embed this practice as part of their on-going service management process in order to providing a means of explaining service performance to a range of stakeholders, and demonstrate accountability for resources expended.

Furthermore, one of the customer groups of soft FM services are Council Members who are elected by the local community and have a duty to ensure and demonstrate that the services provided by the local authority are providing value for money to their local community (Nagel and Cilliers 1990, Gremler, Bitner et al. 1995). A failure to ensure and be able to demonstrate that resources allocated to support services, such as FM, which provide a significant overhead to the organisation, are being prudently allocated, could lead to concerns over Council Members having a conflict of interest in respect of those services which provide direct to support to them. In order for FMs to provide the information to Council Members that they need to demonstrate accountability, FMs need an objective means with which to assess their services. It is therefore surprising that the awareness and usage of performance assessment amongst FMs in local authorities appears to be so low (see Section 4.9.6), and, in some cases, to have little real support from either Senior Managers or Council Members.

Interestingly, the research highlighted that FMs within the sector recognised that performance assessment has an important role to play within the service management process, and that accountability, value for money and customer satisfaction were key outcomes of this process. However, despite this, it appears that FMs within local authorities have not fully developed or established a practice of undertaking performance assessment of soft FM services within their own sector. Whilst in part, and as highlighted within Section 5.3, this may be partly attributed to there not being sufficiently commonality of remit or service definitions available on which to build a comparison framework within their own sector within the local area, (see Sections 4.3, 4.5), FMs do not appear to look outside of their 'home' sector, in order to seek cross sector comparison partners from within FMs in other public sector bodies. Specifically within the National Health Service or Education (see Sections 4.8.1 and 4.9.16). It would also appear that FMs within the National Health Service or Education do not seek the opportunity to compare their service performance

across sector either. Whilst case study numbers were very small, and would need further evaluation in order to validate the findings, from the case studies undertaken with the NNPG, the education sector and the National Health Service FMs, there appeared to be a tentative agreement that at least some of the soft FM services provided within each of these sectors, for example cleaning and mail/portering, the services appeared were sufficiently similar to support meaningful comparison, of their performance, to review and perhaps determine best practice, etc. The service performance templates provided for review by the managers were considered suitable for use within each of these areas, as provided by the researcher or with minor modifications. It therefore appears unlikely that given that soft FM services are provided within all of these sectors, the respective FMs could learn nothing from each other in assessing any of the soft service provision. Nor that the provision of these FM services in each of these sectors is so different that no meaningful comparisons could be made, nor best practice determined. Indeed research by Askim, Johnsen et al. (2007), suggested that comparisons with groups, that are outside the manager's 'usual frames of reference' and with

'dissimilar reference points may be preferable because they may help blunt the affective consequence of comparison' (Askim, Johnsen et al. 2007) p311.

This would suggest that cross sector comparison may provide a good opportunity for learning, and makes the lack of such comparisons even more surprising, considering the on-going resource constraints within all of these sectors.

Whilst it is recognised that establishing performance assessment programmes may be time consuming, once these activities are embedded as part of the overall service management process, are undertaken using performance assessment techniques appropriate for the service under review, and using the data gained to monitor and either reduce, sustain or improve service delivery tasks or levels (Askim, Johnsen et al. 2007), there seems little reason to suspect that the results gained would not justify the effort expended. Nor that this process would not enhance the FMs ability to deliver the key outcomes of the performance assessment process in terms of accountability, value for money and customer satisfaction. However, it is recognised that further research would need to be undertaken to determine if this is the case.

In respect of organisational transformation, the appropriate use of performance assessment suggest an opportunity for significantly improving FM service

performance by making decisions based on facts (knowledge) rather than on instinct. Whilst not denying there is a place for instinct within service management, (especially as instinct will likely be honed by experience) an objective means of assessing and defending service performance may provide a sounder basis, and potentially carry more credence with Council Members and other stakeholders. The ability to provide information on how the service is performing will help to build support for changes in service provision as the FM can demonstrate what he/she wants to change or maintain and the implications of this, for example in respect of resource allocation, service level, etc.

Such information/knowledge may also help the FM to secure the support of the senior management as a service champion, for example in gaining support from Council Members, etc, because an objective stance will be easier to explain and defend.

In demonstrating to service providers and other stakeholders how performance assessment may assist in the overall management of the service delivery process, the performance assessment process may become as fully embedded within normal FM service delivery routines/process, as operational routines, and help the FM to successfully deliver the key service outcomes of accountability, value for money and customer satisfaction.

5.4.1 Summary

This section has reviewed how an FM can use one of its key resources, ie knowledge, in order to increase its competitive advantage. However, to gain such an advantage the FM must recognise the sources of information available and want to use the available data in order to improve the FM service performance (Moynihan and Pandey 2010). It is how the FM processes knowledge/information, ie its capture/acquisition, interpretation, dissemination (ie its distribution and sharing among employees) and utilisation (the practical use of acquired knowledge) – either within or between organisations which most closely characterise performance assessment techniques, and their usage in order to improve service performance (Mills and Smith 2011) (Gold, Malhotra et al. 2001, Jayasingam, Ansari et al. 2012).

This would appear to be particularly pertinent in respect of the soft(er) FM services under review as part of this research where the nature and degree of intangibility may make them harder to define and therefore assess (See Section 2.4 Services and Services Operations Management). However, lack of effective use of performance assessment within the public sector would appear to extend beyond the field of FM, as a number of studies highlight (Behn 2002), (Triantafillou 2007), (De Bruijn 2007), McAdam et al. 2005, Seddon 2008, Bowerman and Ball 2001; Galera, et al. 2008; Pollitt, et al. 2008). However, these studies highlight the important but simple fact that if performance assessment is going to be undertaken it must be worthwhile; undertaking it to tick a box is likely to generate little value for the resources expended.

The influence of education/awareness will now be discussed.

5.5 Awareness/Education

Having discussed the environmental and knowledge independent variables that may influence the effective use of performance assessment within the management of soft FM services, the influence that the FMs awareness of and education in their usage has is now discussed.

As previously highlighted, despite the introduction of successive performance assessment regimes by successive Governments, with the intention to bring about greater efficiency and effectiveness of service delivery, this research found little evidence to support its uptake within the management of FM services within the local authority context. Furthermore, even though there is range of performance assessment techniques available with which to assess services, the literature review found limited evidence of its their use within soft FM services. Even though there were examples of case studies within other industries/organisations as highlighted below.

- Camp with respect to benchmarking (1989)
- Kaplan and Norton, the Balanced Scorecard (1996)

- Neely et al. (2001) The Performance Prism
- Avkiran (2002) Data Envelopment Analysis
- Eckerson (2006) Performance Dashboards
- Stapenhurst (2005) Statistical Process Control, and
- George (2003) and George (2003), Giménez (2005) Six Sigma

In considering why uptake was so low, the research considered the criteria FMs used to select a suitable performance assessment technique and how and whether these criteria matched the techniques under evaluation within the research. The research highlighted overall ease of use, ease of data collection and ease of interpreting data, as the key factors that FMs rated as important. It is noted that FMs considered benchmarking provided the best fit in this respect (see Section 4.3.3) and this was also considered the most appropriate technique for demonstrating service performance to a range of stakeholders (see Section 4.3.5). However, despite this there was little evidence of its use by FMs in assessing soft FM service performance. This may suggest that other factors, such as those considered in Sections 5.3 and 5.4 are influencing the use of performance assessment techniques as part of the service management process.

The lack of awareness and support for participation within service performance assessment will affect the FM's ability to meet the requirement to transform the performance of their soft FM services to greater efficiency and effectiveness. Within local authorities the lack of awareness of performance assessment techniques apart from benchmarking (see Section 4.3.4), leads to a tendency to follow a 'one size fits all' approach rather than selecting a technique that matches the service characteristics. This approach is compounded by the intangible nature of FM services which can make metrics more difficult to define, compared to those that can be measured by 'per square metre' for example. This can result in FMs selecting metrics that are easy to measure, rather than assessing what is important to measure or that provide the 'right' answer rather than those which challenge service provision (see Section 5.4 above). For example, to assess the number of calls to a switchboard that are answered within four rings, or thirty seconds, whilst ignoring the quality and accuracy of the call handling once the call is answered. This process was described by the Sociologist Daniel Yankelovich (1972), as McNamara's Fallacy a four step process, namely

1. Measure what can be measured. This is fine as far as it goes.
2. Disregard that which can't be measured or give it an arbitrary quantitative value. This is arbitrary and misleading.
3. Presume that what can't be measured easily really isn't very important. This is blindness.
4. Say that which can't be easily measured really doesn't exist. This is madness.

In order to use performance assessment effectively, and deliver the intended outcomes from the process, FMs need to understand the key service characteristics and how these can be used to determine meaningful performance metrics and go on to select an appropriate performance assessment technique. The case study with the NNPG determined that whilst the FMs were reviewing cost metrics, they were not looking beyond this. Questionnaire 1 (see Section 4.3.4 and Section 4.6.1) determined that there was little real awareness or understanding of the use of performance assessment in the management of soft FM services in a local authority context. Nor relating to how to use the selected technique and evaluate and apply the information/data from its use. The overall approach of service performance assessment did not appear to be methodical in the approach of selecting the service to evaluate, the appropriate metrics and technique, but rather where performance assessment was used, the focus was predominantly on financial metrics. To address this lack of awareness, issue, the research developed a four step approach to performance assessment, which FMs could apply within a practical setting as part of their service management process in order to deliver the key process outcomes (see Sections 3.11.8, 4.5.3 and 4.7.1-5). The approach comprised a key service matrix to assist FMs to better understand the nature of their service by viewing them in terms of their key characteristics which could be used to select an appropriate performance assessment technique with which to assess their service (see Sections 3.11.9 and 3.11.10). Whilst FMs in the NNPG using this approach within the case study found it helpful, as the ability to fully evaluate these tools was limited within this research, their usefulness would need further research for validation.

The performance assessment initiatives introduced within local authorities have a strong basis in financial monitoring. This was underlined by the findings of the case study which highlighted that the key reasons for undertaking performance assessment was cost (see Sections 4.3.2 and 4.5.1). Cost is undoubtedly important,

and underpins the other key outcomes of the performance assessment (accountability, customer satisfaction, value for money, meeting customer/stakeholder requirements). However, if FMs do not have a broader awareness and focus solely on cost indicators this could result in the potential benefits from using performance assessment not being fully realised. In considering these points, Sanderson highlights the work of Palmer (1993) who found the performance measurement systems were inadequately integrated into the mainstream 'budgetary and management processes' (Sanderson 2001p 298). Ammons and Rivenbark (2008) question whether this approach supports a fully comprehensive picture and how such assessment can provide real accountability unless in addition to documenting their financial status, they

'also report on service levels and, ideally, on service effectiveness and the efficiency of service delivery?' (Ammons and Rivenbark 2008) p304

One of the contributory factors to the lack of effective usage of performance assessment as part of the soft FM service process appears to be lack of training for FMs using performance assessment techniques as part of the service management process. Whilst this may be compounded by the varied career paths through which people enter FM (see Section 4.6.1), an environment where the importance and/or contribution that performance assessment of FM services makes is not recognised (see Section 5.3 above) will likely mean that FMs are not placed on training programmes to fulfil this need. This is emphasised by Ho (2006) who acknowledges whilst it is important to utilise an appropriate performance assessment technique, those developing the systems must take into account their suitability for those they will be used by and how they will use them, if effective usage and meaningful outcomes are to be achieved. If the FM does not have the appropriate training/education to enable them to optimise this use, this will therefore need to be provided. Furthermore, by demonstrating a commitment to ensuring those using the process have been instructed in how to do so, Senior Management and Council Members will reinforce the importance that they place on the process overall (Askim, Johnsen et al. 2007). If training is not provided, this may only serve to reinforce that the process is a tick box, to be avoided when and if possible in favour of more important tasks (see Section 4.6.1).

It therefore follows that for any or maybe all the reasons discussed above, managers of soft FM services are or believe that they are not sufficiently gaining the information that they require from using performance assessment techniques to support and encourage uptake of this process as part of their soft FM service management process. However, to an extent the success or otherwise is in their or management's hands. Furthermore, whilst the management of these services consume considerable resources, both human and financial, the penalties for not undertaking such activities would appear insufficient to either mandate or encourage their usage. Even the fact that local authorities are required to provide and demonstrate that they are providing resource accountable services does not seem to prevent these services slipping under the radar, in the majority of local authorities, both at a local and national level.

In order to ensure that FM services support the business objectives, service managers need to take an holistic approach to performance assessment, to ensure that it links 'performance measurement to the bigger picture of 'strategic planning, goal setting and public reporting' (Ho 2006) p 234 rather than being a 'tick box' exercise. To achieve this Senior Management need to undertake a gap analysis of the skills base in this area and implement a strategy to fill it, so that the process delivers the key outcomes.

As previously highlighted, the resource-based framework underpins this research. It focusses on how organisations/services utilise their resources and capabilities in order to provide competitive advantage. To do this the FM will need to understand what the capabilities team possess and how to exploit these to achieve the required outcomes. In order to determine whether such capabilities are being used to their optimum, and the service provision tenable, requires objective assessment. Lockett, Thompson et al. (2009) suggest that an assessment of a particular level of service performance, and its associated resources, enables a manager to make sense of and manage the 'known unknowns' and hence be aware of strengths and weaknesses. This will enable to service manager to be accountable for the resource allocation and to be able to demonstrate that their soft FM services are not only meeting customer/stakeholder requirements, but doing so in a manner that optimises resource usage, or at least is not being wasteful of allocated resources.

In order to effectively manage services FMs need to understand the nature of the services provided, their key service characteristics, how to manage these. In reviewing the literature a number of key service characteristics were determined (see Sections 2.4 and 2.5), which are relevant to the FM service portfolio under assessment. Furthermore FMs need to recognise the unique nature of services, specifically simultaneity of performance and delivery, perishability, intangibility, and heterogeneity and the specific management challenges/opportunities for their delivery that these characteristics provide. A knowledge of the key service characteristics will also ensure that the FM can determine how these influence its performance, and the choice of performance assessment technique with which to assess the service. Understanding the characteristics may also help the manager to better understand the customer base and how the service can best add value to the organisation (see Section 4.7). The knowledge held by an FM in this respect may be influenced by his/her route into FM, and further training may be needed with this area, in order to blend specialist and general management skills.

The above confirms that performance assessment should not be an end in itself. It is a tool that generates information for decision makers to use as part of their service management process (Ho 2006). To gain maximum benefit the FM needs to know how to do this. This point was reinforced by Sanger (2008) who suggested that the appropriate usage of performance assessment goes beyond 'having the capacity to do it' (Sanger 2008) S78.

This begs the question, unless the process generates value then why should FMs engage in it? In order to undertake performance assessment in a way that enables an FM to use it to add value to his/her service provision, the FM has to understand the contribution that it can make to the service process, and how the results can be used to add value to the service provision, whether this is in terms of

- the ability to demonstrate accountability to customers/stakeholders,
- demonstrate that the service is providing value for money,
- how the service is meeting, or exceeding customer expectations

If the FM views it as a tick box exercise to be endured once a year, and a distraction from meeting customer needs, for example in replacing a flashing light, then the process will not be integrated as part of the overall service management process and the commitment to undertake the process will be low. These suppositions were

backed up by the findings from the case study which indicated that FMs felt that their services were reactive and that customers would consider it more important that the service was provided than its performance measured (see Section 4.6.1). Whilst there is undoubtedly truth in this, it is potentially a red herring. In addition to reacting to and resolving service issues, it would seem reasonable to assume that the FM has as important a duty to ensure that the service is provided in a manner that provides accountability for the resources expended, satisfies its customers' needs and provides real value for the money expended in replacing the light bulb, cleaning or securing the building, sorting and delivering the mail. In the same way as he/she has in undertaking or overseeing the task in hand and participating in other management activities such as risk and budget management. Few FMs would be able to avoid these activities as part of their service management process. Therefore, the ability to objectively assess service performance, in order to manage it effectively would appear to be an essential rather than a desirable part of effective service management.

In reviewing the above, it is clear that whichever performance assessment technique that the FM chooses, he/she needs to have a good understanding of its uses and limitations. The Audit Commission highlighted this in saying

'It's rarely possible to have the perfect performance measure – defining measures, setting targets and collecting performance information is a balancing act between using ideal information and using what is possible, available, affordable, and most appropriate to the particular circumstances. (Audit Commission, Cabinet Office et al. 2001)

Just as differing service practices may be adapted to suit the organisational context, it follows that once a manager has an awareness and understanding of a performance assessment technique then, as state the opportunity presents itself to interpret and adapt its use, if appropriate, rather than to use it 'slavishly' (Orlikowski 2002, Vakkuri 2010). The research highlighted that in using benchmarking, the predominant focus was on financial comparisons, and FMs within the NNPG case study (see Section 4.6.1) did not look to evaluate other measures, look behind the figures at the process, to determine best practice, etc. There was also a tendency to benchmark figures within the organisation rather than with those outside of it (see Sections 4.5.3 and 4.6.1). If the FM tailors the way in which a performance

assessment technique is used, or omits steps without a good understanding of how a technique works this may lead to the wrong element being ignored which may compromise or invalidate of the results obtained.

5.5.1 Summary

Therefore, if the FM is to gain maximum benefit from its use will require not only an awareness of the available techniques but also

- of the public sector context, the role of FM services within this context, and the key stakeholders and their requirements.
- the capabilities that exist within the team performing the service and the ability to maximise available resources.
- the key service characteristics of the service so that he/she can determine the key elements that make up the service and how this may influence its performance, and the choice of performance assessment technique.
- the characteristics of performance assessment techniques with which to assess the service. Where a technique is mandated understanding the characteristics of the service and of the performance assessment technique will help determine what can be measured in order to provide more meaningful results, that will be useful, for example, in explaining the service to a particular audience, eg service provider, customer, senior manager, etc.
- how to apply the chosen technique to the selected service, the results that can be generated and how these can be interpreted and applied to help improve the service performance, to justify resources provided for service provision, etc.
- who are the appropriate service comparison partners and whether these limited to the same sector or whether there is benefit to be gained from comparing service provision with other areas of the public sector, in the first instance, such as the National Health Service and the education sector.

Performance assessment is a management tool (Ho 2006), and therefore the FM should assess which technique is the best tool for providing the information required to, for example, explain service performance to the relevant stakeholders is key. For example, preparing a dashboard may provide the best fit for service providers to show how they are performing against their targets.

5.6 Organisational Transformation – Is Failure Inevitable?

In considering organisational transformation, there are mixed views as to its success and how often initiatives fail. Whilst, as already highlighted, performance assessment is only one example of an organisational transformation process, a review of the literature indicated that some consider the failure rate of organisational transformation initiatives to approximately 70% (Hammer and Champy 1993), (Beer and Nohria 2000), (Kotter 1995).

Hammer and Champy's work related to business process re-engineering, whereby business processes are redesigned in order to bring about significant improvements in business performance. It examines strategy, processes, technology, organisation and culture. In 1995, Hammer and Stanton acknowledged that whilst in 1993 they had estimated that between 50 and 70 per cent of reengineering efforts were not successful in achieving the desired breakthrough performance.

“ ..this simple descriptive observation has been widely misrepresented and transmogrified and distorted into a normative statement. There is no inherent success or failure rate for reengineering. (Hammer and Stanton, 1995 p. 14 cited in Hughes 2011).

Beer and Nohria's (2001) work was based on change based two types of change economic and organisational capability. Economic value (theory E) relates to stakeholder value, and including the 'heavy use of economic incentives, drastic layoffs, downsizing and restructuring' (p 134). Beer and Nohria consider this the 'harder' side of change, whilst the 'softer size' is based on organisational change and organisational capability (theory O). Beer and Nohria suggest that organisations focussing on theory O change , typically have " strong, long-held, commitment-based psychological contracts with their employees. Managers at these companies are likely to see the risks in breaking those contracts. Because they place a high value on employee commitment" (p134). Theory O focusses on 'corporate culture and human capability through individual and organizational learning – the process of changing, obtaining feedback, reflecting, and making further changes" (p134). In considering failure of such initiatives, Beer and Nohria suggest that this commonly results from the desire to run theory E and theory O change programmes in tandem without a recognition of the inherent differences between the approaches and focus of both theory E and O. Furthermore, without an acknowledgement of how these approaches

must be melded in order to deliver a successful change process. It is the theory O that most closely resembles the transformation change associated with performance assessment. Beer and Nohria propose that the most successful changes combine both theory E and theory O changes (Beer and Nohria 2000) by taking an integrated approach across the following six dimensions.

To bring about a successful change, Beer and Nohria suggest the following are required to integrate Theory E and Theory O change

- Goals - explicitly embrace the paradox between economic value and organizational capability
- Leadership - set direction from the top and engage the people below
- Focus simultaneously on the hard (structures and systems) and the soft (corporate culture)
- Process plan for spontaneity
- Reward System use incentives to reinforce change but not to drive it
- Use of Consultants - consultants are expert resources who empower employees

(Beer and Nohria 2000) p 137

Kotter (1995) summarises eight main reasons why transformation initiatives fail, specifically there needs to be

1. a sense of urgency over the process (people need to see the reason for doing it)
 2. a power guiding coalition, with enough power to lead the change and encourage the group to work together as a team
 3. a vision for the change and strategies to achieve the vision
 4. communication of the vision so that staff are aware of what they are trying to achieve
 5. empowerment of staff to act to achieve the vision, and to remove obstacles that will comprise its achievement
 6. short term wins and recognition for achievements
 7. consolidation of improvements which can then be used as a catalyst for further change
 8. new approaches need to be institutionalised
- (Modified from Kotter 1995 p 61)

In considering the proposed seventy per cent rate of failure, Hughes (Hughes 2011) questions that this is so high, and suggests a number of factors that characterise the change process, and which he suggests may make it difficult to judge the success of such initiatives. Specifically,

- the fluid and potentially ambiguous nature of the change process
- that both anticipated and unanticipated consequences can arise because of change initiatives. Therefore, further changes may occur as a result of the change process which although may be seen as separate from the initial planned change, may have occurred as a result of it
- change is context specific and therefore its success or failure must be judged within the context
- that change happens over time and therefore it is difficult to assess the overall success or failure at a specific point in time
- successful changes can rapidly become part of the norm and therefore may not be not recognised as an outcome of the change process itself
- how successful the change initiative has been may be affected by the individual's perception; some may see it as more or less successful than others
- difficulties in measuring the success or failure of change initiatives, this being linked to the assumption that 'the influence of a single change initiative can be isolated and measured' (Hughes 2011 p 461).

Having considered the approaches by Hughes (2011), Kotter (1995) and Beer and Nohria (2000), and the independent variables proposed within the theoretical model, highlights the importance of the environmental variables in ensuring the success of such change initiatives. It would appear that failure of organisational transformation initiatives such as performance assessment, as part of the service management process of soft FM services is not inevitable. However, in order to help secure the success of performance assessment process, in order to bring about greater efficiency and effectiveness in service delivery (an organisational transformation) requires

- Council Members, Senior Management and the FM (if different) to have a vision for the change,
- provide leadership for the process,

- involve the staff and other relevant stakeholders within the process,
- have a plan to introduce performance assessment within the service, and
- integrate the process as part of the overall service management process rather than view this as an 'add on' that detracts from the real service provision.

Furthermore, if the process is to deliver the key objectives, the FM must understand

- who their key customers/stakeholders are,
- how to manage and process service information in order to support their service management
- the importance of and differences between internal and external customers
- the capabilities of the team and the capacities of the teams delivering the service
- the characteristics of the services provided and the role and nature of these services within their organisation
- which performance assessment characteristics are available, the match to the services under consideration and how to apply the techniques in order to deliver meaningful results

ie the knowledge/information and education/awareness independent variables that impact on the effective use of performance assessment.

In considering the above, it is also important to acknowledge the contextual differences between the private sector and public sector. Furthermore, how these differences may influence the successful implementation of such initiatives in each sector. Furthermore given these differences it may be unrealistic to expect that because the successful use of performance assessment techniques has been demonstrated with areas of the private sector similar success will follow within the public sector (see Sections 2.2.11 and 2.6). Even at a service level, successful implementation within one service does not guarantee equal success in another. This point is supported by Radin (2006 cited in (Moynihan and Pandey 2010) who points out that some tasks are more compatible with the performance assessment process than others. An example from the FM services being the mailroom, where items of mail processed per FTE is easy to assess compared to the quality of, say helpdesk response. Whilst this could also reflect that some less tangible services are easier to

define and quantify than others, in respect of determining relevant performance metrics, for example hard FM versus soft FM services, this should not be used as a justification for not undertaking performance assessment of soft FM services. Obviously, it is not just collecting service data that is important but also that the quality of that data and the ability to analyse and apply the data which is important (Ammons and Rivenbark 2008).

Allowing enough time for the success or failure of the initiative to be evaluated and determined is also important when assessing the value of performance assessment of soft FM services within a local authority context. The need to produce results quickly, and the frequently changing political context (see Sections 2.2 and 5.3) may not allow sufficient time for outcomes of the process to be achieved, and the success or failure of the transformation meaningfully assessed.

Finally, as Kotter (1995) point out, one reason why transformation efforts fail is that people try to rush to process, and not follow all the necessary steps. The lack of awareness and understanding of performance assessment techniques (see Sections 4.3.4, Sections 5.4 and 5.5) may result in the respective techniques not being applied properly and therefore compromising the ability to achieve meaningful results. This supports the need for training and knowledge banks being available for those undertaking performance assessment of FM services.

5.7 Overall Summary

This chapter has discussed the results of the research activities undertaken to assess the use of performance assessment in the service management of soft FM services in a local authority context. The discussion has focussed on the use of performance assessment in order to bring about an organisational transformation, the overall success and failure of such initiatives and the reasons behind this. From the review of the literature a theoretical model was proposed which highlighted three independent variables, namely the environment, knowledge/information, education/awareness, which it was proposed affects the effective use of performance assessment, within the management of soft FM services in a local authority context. The discussion has considered how these variables are integral to the achievement of success of such transformation initiatives and to the delivery of the key outcomes of the performance assessment process.

Performance assessment is only one example of organisational transformation and,

whilst considering a wider context than the use of performance assessment, the literature suggests a high failure rate – approximately 70% - for such initiatives (Hammer and Champy 1993), (Beer and Nohria 2000), (Kotter 1995). Hughes (2011) refutes this level of failure, and suggests a number of factors that characterise the change process, and which may hinder the ability to judge the success of such initiatives.

These factors are

- the fluid and potentially ambiguous nature of the change process
- anticipated and unanticipated consequences that can arise because of change initiatives.
- the context specific nature of change and the requirement to judge its success or failure within the context
- that change happens over time and is therefore difficult to assess at a specific point in time
- successful changes can rapidly become part of the norm and may not be not recognised as an outcome of the change process itself
- the perception of success will be influenced by by the individual's perception
- change is inherently difficult to manage (Hughes 2011).

The factors influencing the success of change initiatives, proposed by Hughes (2011), Kotter (1995) and Beer and Nohria (2000), and the independent variables proposed within the theoretical model, emphasize the importance of the 'environmental variables' in ensuring the success of such change initiatives. More generally, these include

- recognising the need for change and setting a vision to achieve it
- management support for the process
- having a plan to implement the change
- providing sufficient resources to support the process
- building support for the change with both internal and external stakeholders
- institutionalising or embedding the change process
- enabling sufficient time in which to embed and assess the process

and specific to introducing performance assessment into the FM service within a local authority, understanding

- the public sector context, how performance assessment is interpreted and integrated into service management across the authority, the differences within the public sector customer base, the influence of the media and stakeholder expectations, etc.
- influence of Political Makeup/Governance/Policy Framework – the relatively short-term stability within local authorities, changes in political party, Councillors and specifically Cabinet Portfolio holders and their understanding of FM in general and its role within the authority context (see Sections 2.2 and 5.3)
- the role of FM within a local authority - the lack of a generic service profile, when compared with some other services, can result in the services being fragmented (from a comparison viewpoint) and the FM's role varying across even neighbouring local authorities. This may impact on the FM's ability to find service partners with whom to undertake meaningful service comparisons
- the position of soft FM services within local government, their role as support services sometimes perceived as 'Cinderella' services to the front line, an overhead to be reduced rather than a service with an important strategic role in helping to maximise and enhance the Council's assets.
- the role and application of performance assessment in the Public Sector and within FM – whether this is seen as an important part of the service management of all services, or just those on the front line, and not for support services such as soft FM.

In respect of the independent variable of knowledge/information highlighted within the theoretical model, the key factors are

- Managing and processing service information in order to improve service performance - the FM must determine what service information is key to the management process, how service metrics are defined, data gathered, analysed and disseminated to the relevant stakeholders in order to explain and account for service performance
- The understanding of the key stakeholders and their expectations – it is key for the FM to know their key stakeholders and what they require from the service. Where the majority of the services are provided for internal customer (other departments within the local authority and Council Members) to recognise the importance of internal customers and how the service provided

internal customers can set the level of service provided for external customers (Johnston and Clark 2008)

- The use of knowledge/information management to bring about transformation of a service – to determine the available sources of information both in terms of service comparison and case studies demonstrating the use of performance assessment techniques in the management of soft FM or similar support services. There was little evidence of such information being readily available to FMs and this was attributed as one reason for low uptake of performance assessment within a local authority context. It was noted that the availability of service comparison data was higher for hard FM services, in local authorities (APSE and CIPFA), education (eMandate and EMS), National Health Service (ERIC) (see Sections 2.7.3, 4.8.1 and Section 5.4).
- The key service comparison partners within the sector – having an understanding of the generic characteristics of FM services, the similarities in service provision, constraints etc, within other areas of the public sector and exploring the potential to compare service provision between local authorities, the education sector, the National Health Service, etc. (See Section 4.8)

The resource-based framework provided the framework for the research and focusses on how an organisation (or service) utilises its capabilities to provide competitive advantage. In this context, service based knowledge is a key service capability, as used appropriately, it can enable the FM to gain a clearer understanding of soft FM service performance. The FM can assess the service levels with current resourcing levels, and review the impact of changing resources, etc. Performance information/data can be utilised to demonstrate accountability, value for money and that the service level is meeting customer/stakeholder requirements, ie delivering the key outcomes of the performance assessment process.

The final independent variable discussed are education/awareness. The key factors here being that the FM has a good understanding of

- Capabilities and capacities; the FM will need to understand what the capabilities team possess and how to exploit these to achieve the required outcomes.
- The nature/role of services within an organisation
- Key Service Characteristics of the service, for example, the whether the

customer base is predominantly internal or external, if the service is provided at a time to suit the customer or the organisation, etc. This will help them determine which elements of the service have the greatest impact on the customer and therefore the key performance metrics with which to assess the service.

- Characteristics of Performance Assessment Techniques - in line with the above, once the FM understands the service characteristics, then these can be matched against the characteristics of the performance assessment technique. Failure to understand this and match the requirements may result in the FM assessing what is easy to measure rather than what is meaningful.
- Application of technique & Interpretation & Application of Results - using the appropriate technique will help FMs to produce information on the FM services within their remit in a format which is appropriate for explaining performance to a range of stakeholders, rather than utilising a one size fits all approach.
- It is important that Council Members and Senior Management recognise the importance of FM services within the organisation, and their role in supporting the front line, etc, and what value may be achieved from assessing their performance. This may lead to FMs may feel that the process is not important and to be avoided – as highlighted within the research. In order to gain maximum benefit from the use of performance assessment, Council Members and Senior Management should ensure that FMs are adequately trained in the use of the selected performance assessment technique.
- An awareness that performance assessment is a process that needs to be integrated within the service, rather than a one off and allowing sufficient time for results to be determined over time.

The discussion considered whether failure of organisational transformation initiatives such as performance assessment, is inevitable. The discussion points to the conclusion that it does not have to be. However, to succeed takes effort and understanding of not only the factors highlighted above, that can facilitate organisational transformation as a process, but also the independent variables which can influence the and in considering the use of the process within the context of the management of soft FM services within a local authority context.

The discussion reviewed the impact and validity of the independent variables proposed within theoretical model, namely the environment, knowledge/ information

and awareness/education, when using performance assessment as part of the management of soft FM services, and in order to deliver the following key process outcomes, namely demonstrate accountability of resource utilisation in service provision

- provide services that deliver best value/value for money to their customers and stakeholders
- enhance customer/stakeholder satisfaction with the services provided
- provide services that meet or exceed the needs of its customers/stakeholders.

In doing so, it reflected on the research activities described with the Research Methodology (see Chapter 3) and reported on in the Results (see Chapter 4). From the discussion, it would appear that ability of FMs to deliver the above outcomes from the process appears extremely limited. The reasons behind this are that it appears

- the environment does not support the process and the delivery of successful outcomes in respect of soft FM services
- there is lack of understanding of the role and importance of FM within the local authority context, and of the contribution it can make to supporting and maximising the asset
- there is be no generic structure to FM services with the local authority context, this hampers understanding by Council Members of what FM is, and stifles the potential for FMs undertaking meaningful service comparison within the sector
- there is a lack of understanding in respect of the importance of back office services these being seen as an overhead to be reduced, rather than an opportunity to add value, and the importance of internal customers and how support of these services can determine the support provided to external customers.
- senior management and Council Members do not place a priority on training FMs in the use of performance assessment, in order to ensure the delivery of the key process outcomes and resource maximisation
- managers of soft FM services are not aware of nor understand the role of performance assessment in service delivery, techniques available for assessing their services, nor the potential value of selecting partners within other sectors with which to compare service performance

- there is no clear approach - such as the four step method proposed within this research - for undertaking performance assessment which leads to activities being patchy and inconsistent

Whilst it is acknowledged that the overall response the questionnaires and case study participation was low, and would need further investigation to validate the findings, the above points to the fact that the performance assessment process within the management of soft FM services within local authorities is dysfunctional. It would also appear that by a greater focus being given to the independent variables within the proposed theoretical model, at both an organisational and soft FM service management level, may increase effectiveness of the process and the potential to deliver the desired key outcomes of the process.

6 Chapter 6 - Conclusion

6.1 Introduction

The preceding chapter discussed the analysis of the results obtained from the research activities undertaken as part of this research project. This chapter presents the conclusions that can be drawn from that analysis. It also details the contribution that the research has made towards the field of knowledge and provides suggestions for further research.

6.2 Research Hypothesis

The overall objective of the research was to evaluate whether and what role performance measurements systems have within the management of soft FM services within the UK Public Sector and in particular the Local Government sector. The research hypothesis was

“Given that local authorities are required to assess the performance of their services, including those of facilities and estates, the use of a performance measurement system based as a minimum on benchmarking will be both widespread and well developed, leading to improved performance of the soft Facilities Management services that satisfy both supplier and client requirements”.

Given that performance assessment has played a key role within the management of local authority services over the past three decades, by its inclusion within a range of performance improvement regimes, it would seem reasonable to assume that the findings of the research would substantiate the hypothesis.

Furthermore that the process would result in service managers within the local authority context being able to

1. assess the performance of their services, against their own performance or that of other comparable providers, in order to determine how they retain a service level, or enhance that level to achieve a service provision that balances stakeholder and organisational requirements.

2. utilise the data achieved from the performance assessment activities, to explain their service provision to the relevant stakeholders, both within and external to the organisation
3. deliver the key outcomes of the performance assessment process, ie the ability to demonstrate accountability, provide services that deliver value for money/best value, enhance customer/stakeholder understanding of the service provision and provide services that meet customer needs.

Therefore, as FM service comprise a significant resource overhead within local authorities, it would appear logical that the use of performance assessment as part of the service management process for soft FM services would adhere to these assumptions.

6.3 Research Conclusions

The review of the literature (see Chapter 2) led to the development of a theoretical model (see Section 2.8) , detailing the factors which affect the effective use of performance assessment within the management of soft FM services, within a local authority context, and from which the key research questions were developed (see Section 2.9).

The theoretical model and key research questions were evaluated and validated, using the research activities detailed within the research methodology (see Chapter 3).

The research activities provided a triangulated approach, which allowed different perspectives to be undertaken on the issues under study in answering the research questions. This approach allows the researcher to review the questions in more than one way, in order to produce knowledge on different levels and which goes

' beyond the knowledge made possible by one approach and thus contribute to promoting quality in research' (Flick 2009) p445

To gain a richer picture of the issues, it was decided to use several methodological approaches, namely a questionnaire, semi structured interview and case study, each of the techniques having equal relevance within the study (Flick 2009). This

approach enabled a more in depth perspective of the issues to be gained as the research activities progressed and was selected in order to provide

- an understanding of the role of function of FM within the local authority context,
- to determine the use and awareness of performance assessment within this context
- what role FMs perceived for the use of performance assessment within the management of their soft FM services
- the criteria that FMs based their decision to use performance assessment of their services upon, and how this affected the selection of performance assessment techniques as part of the service management process
- a practical evaluation of the performance assessment within the management of selected soft FM services

The above highlighted that

- there is no generic service profile of FM services within this context, this leads to a lack of understanding of the role and function of FM, and its ability to support wider organisational objectives in respect of maximising the Council's assets
- FMs within local authorities have a very limited knowledge and use of performance assessment as part of their FM service management process. This will affect the FM's ability to demonstrate effectively that the soft FM services are providing the key process outcomes of performance assessment, specifically demonstrating accountability, value for money and best value, and ensuring that customers understand service provision and are satisfied with the service provision. It will also likely affect the ability to objectively evaluate and demonstrate the effect of changing resources on service capacity and capabilities. All of which may stifle the ability to provide innovative service delivery.
- by implication, the lack of development of FMs within these techniques, within their organisation, to ensure that the process delivers the key process outcomes and FM services which support wider organisational objectives suggest a low level of understanding of the nature of soft FM

services and their contribution to the organisation within Council Members and Senior Management within a local authority context

- the lack of understanding of the potential benefit and value of cross sector comparisons with other public sector FM service providers. Such comparisons would minimise the impact of being unable to find suitable same sector service comparison partners, with whom to make meaningful service comparisons. This lack of understanding and willingness to undertake cross sector comparisons of soft FM services appeared to extend to FMs with the education and National Health Service sectors, all of which may reduce the potential for more innovative service delivery.
- performance assessment is embedded within the political agenda at both a Central and Local Government level. However, there is no external validation of the data collected for FM services, nor penalty imposed for FMs not undertaking performance assessment of their services. In order to ensure that the outcomes of the process are delivered, it would appear that such activities need to be embedded within the governance of the local authority,

6.4 Contribution of the Research to the Field of Knowledge

In considering the above, and in evaluating the role of performance assessment within the management of soft FM services within the local authority sector, this work has made the following contribution to the field of knowledge.

1. The existing body of knowledge in relation to the role and function FM within the local authority context is limited.

The review of the literature determined that in relation to the role and structure of FM in the public sector, the existing body of literature is limited. This finding was supported by the research activities, which determined that unlike for other roles undertaken within the local authority context, there was no generic structure of FM within this sector, and particularly for soft FM services. This will likely affect the knowledge and understanding of FM service provision by Council Members, and senior management and in turn affect the resources allocated to its provision, the importance of performance management

of these services, etc. At a strategic level, this may lead to a failure to assess the full impact that ownership and usage of assets has on the overall financial performance of the organisation, ensuring that these support the wider business objectives (Amaratunga and Baldry 2001).

2. **The review of the literature supported the development of a theoretical model, outlining the factors that affect the effective use of performance assessment within the management of soft FM services, and lead to the delivery of the key process outcomes.**

The model highlighted three key independent variables that affect a meaningful outcome namely the environment (role and position of FM, nature of support services, influence of the political context and make up and the role of performance assessment); knowledge/understanding (of the process and its customers, stakeholders, and key comparison partners); awareness/education. The research activities (ie the questionnaire, semi structured interview and case study) considered these variables in a practical situation and whilst the numbers of respondents were low, indicated that the variables did affect the lack of achievement of successful process outcomes.

3. **There is a lack of understanding and awareness of the role of performance assessment within soft FMs within the local authority sector.**

The research highlighted that within FMs within the local government sector, there was a substantial lack of awareness of the available performance assessment techniques with which to assess the soft FM services, and their role and importance as part of the service management process. Unsurprisingly, this translated into extremely low levels of uptake for any of the performance assessment techniques being evaluated within this research, or indeed, of other 'non-evaluated' techniques. At a service level, this will result in difficulty for the soft FM to make meaningful service comparisons, which support the delivery of the key outcomes of the performance assessment

process, the assessment of resources required and expended on the service, and the impact of changing these, etc. The impact of the FMs' lack of awareness is exacerbated by the lack of awareness of the importance of undertaking performance assessment within soft FM services by Council Members and Senior Management. This leads to a lack of training/awareness being provided as part of the development of practising FMs.

4. **There is no standardised approach to the use of performance assessment within the management of soft FM services within the local authority context. The research therefore developed a four-step approach, which provided a structured process for soft FMs to assess their services. This included the provision of a key service characteristic matrix to assist in defining the service and selecting the metrics, and a Performance Assessment Technique Selection Template (PATSeT), to guide FMs through the selection of an appropriate performance assessment technique with which to assess their service. It also provided service specific templates for use in assessing the most frequently managed soft FM services.**

The research activities highlighted that within the local authority context, performance assessment predominantly focusses on comparing financial metrics, rather than also concentrating 'on service levels, service effectiveness and efficiency of service delivery' (Ammons and Rivenbark 2008) p304. Only a fully comprehensive picture will enable demonstration of accountability, value for money, best value and customer satisfaction based on understanding (the key outcomes).

The lack of a knowledgebase available to practising FMs, on which they can draw either to better understand the possible benefits of an appropriate performance assessment technique for the service(s) under review, or to facilitate service comparisons of their soft FM services

6.5 Suggestions for Further Research

Suggestions for Further Research

The suggestions for future research are driven

- a) by the findings from the research
- b) by the need to replicate and validate some of the findings of the research given low participation numbers overall.

Specifically to,

a) evaluate the perceived role, value and contribution of support services, including soft FM, within the local authority context.

This research determined that, within a local authority context and when used as part of the soft FM service management process the perceived value added by performance assessment is questionable. Further research is required to determine whether this outcome relates to

- the value placed on support services within the local authority context overall, or
- is specific to soft FM services.

The research would evaluate the perceived value, role and contribution of support services, including soft FM, within a local authority context, and incorporate an evaluation of the use and value of performance assessment as part of the service/development process.

Perceptions would be sought from a range of key service stakeholders including Chief Executives, Cabinet Portfolio Holders, (senior) council members, senior managers in both support service and other functions, service providers (rating their own and other support services) and customers.

The research would set out to determine the most highly rated and valued support services, and the reasoning behind this. Including the key characteristics of a support service perceived as 'adding value' to the organisation and the benefit, if any, of allocating resources to performance assessment as part of the support service management process.

- b) **propose and evaluate a generic model for FM services within a local authority context.** The lack of a generic model for soft FM services within the local authority context affects the ability of FMs to undertake meaningful service performance comparisons, in order to deliver the key outcomes of the process and ensure that FM services fully support the wider business objectives. In line with (a) above, further research is needed to support the development of a generic service model for FM services (including both hard and soft FM). Compliant BS EN 15221:1-2006, the model would need to satisfy the requirement for a local authority to provide FM services which minimise the impact that the ownership and usage of the asset has on the overall financial performance of the organisation, and helps it meet its the wider business objectives.
- c) **further assess and validate the theoretical model, by the use of case studies** The research has underpinned the development of a theoretical model, outlining the factors, which it is proposed affect the effective use of performance assessment within the local authority context. Whilst the research activities provided an initial validation of the key factors (ie environment, information/ knowledge and awareness/education), further case studies using parametric or non-parametric techniques, would enable systematic analysis and comparison of each of the main and sub factors proposed within the model, in order to determine which were key in order to deliver the required outcomes of the performance assessment process, within a workplace context. This in turn would support the provision of guidance for FMs within local authorities in order improve the use of performance assessment within the management of soft FM services.
- d) **further assess and validate the four step approach to performance assessment, including with the application of techniques other than benchmarking**
- The research discussed the role of performance assessment in the management of soft FM services, in relation to assisting the FM in delivering the key process outcomes. However, the research determined that there was a lack of a consistent and standardised approach to performance assessment within this sector, and accordingly proposed a four step approach (incorporating a key service matrix and Performance

Assessment Technique Selection Template [PATSeT]), for use within the performance management of soft FM services. The suggested approach facilitates more effective service comparisons, which would in turn ensure more meaningful results were obtained from the process, key process outcomes were delivered and which supports service innovation within this function. As the number of case studies within this research was limited, further case studies incorporating the use of a wider range of performance assessment techniques and services is needed to validate the approach, both on a within and cross sector basis, and its ability to deliver the required outcomes.

7 References

Boltzmann's Constant (k).

Accounts Commission for Scotland (1999). Can't get no satisfaction, Accounts Commission for Scotland.

Amaratunga, D. and D. Baldry. (2001). "Facilities Management Issues In the Public Sector." from www.PublicService.co.uk/feature_story.asp?id=2170.

Amaratunga, D. and D. Baldry (2002). "Moving From Performance Measurement to Performance Management." Facilities **20**(5/6): 217-223.

Amaratunga, D. and D. Baldry (2003). "A conceptual framework to measure facilities management performance." Property Management **21**(2): 171-189.

Ammons, D. N. and W. C. Rivenbark (2008). "Factors Influencing the Use of Performance Data to Improve Municipal Services: Evidence from the North Carolina Benchmarking Project " Public Administration Review **68**(2): 304-318.

Arksey, H. and P. T. Knight (1999). Sage Publications Limited

Askim, J., A. Johnsen and K.-A. Christopherson (2007). "Factors behind Organizational Learning from Benchmarking:." Experiences from Norwegian Municipal Benchmarking Networks **18**: 297-320.

Association for Public Sector Excellence (2009). Operational efficiency programme: final report.

Audit Commission (2010). Local Authority Value for Money Profiles A. Commission.

Audit Commission, Cabinet Office, H M Treasury and National Audit Office (2001). Choosing the Right FABRIC - A Framework for Performance Information: 40.

Audit Commission, Care Quality Commission, HM Inspectorate of Constabulary, HM Inspectorate of Prisons and H. I. o. P. a. Ofsted (2009). Comprehensive Area Assessment - Framework Document.

Avkiran, N. (2002). Productivity Analysis in the Service Sector with Data Envelopment Analysis, N K Avkiran.

Avkiran, N. K. (2002). Productivity Analysis in the Service Sector, N K Avkiran.

Barrett, P. and D. Baldry (2003). Facilities Management Towards Best Practice Blackwell Science Ltd

Beer, M. and N. Nohria (2000). "Cracking the Code of Change." Harvard Business Review **May-June 2000**: 133-141.

Behn, R. D. (2002). "The Psychological Barriers to Performance Management: Or Why Isn't Everyone Jumping on the Performance-Management Bandwagon?" Public Performance & Management Review **26**(1): 5-25.

- Berry, L. L. (1995). "Relationship marketing of services - growing interest, emerging perspectives." Journal of the Academy of Marketing Science **23**(4): 236-245.
- Bhatt, G. D. (2001). "Knowledge Management in Organizations: Examining the Interaction Between Technologies, Techniques, and People." Journal of Knowledge Management **5**(1): 68-75.
- Bitner, M. J. (1992). "Servicescapes: The Impact of Physical Surroundings on Customers and Employees." The Journal of Marketing **56**(2): 57-71.
- Boyne, G. A. (2003). "Sources of Public Service Improvement: A Critical Review and Research Agenda." Journal of Public Administration Research and Theory **13**(3): 367-394.
- Brackertz, N. and R. Kenley (2002). "Service Delivery Approach to Measuring Facility Performance." Facilities **20**(3/4): 127-135.
- Burrell, G. and G. Morgan (1979). Sociological Paradigms and Organisational Analysis: Elements of the Sociology of Corporate Life, Heinemann Educational Books.
- Business Dictionary. (2011). "Business Dictionary.com."
- Byrne, T. (2000). Local Government In Britain, Penguin Books.
- Camp, R. C. (1989). Benchmarking: The search for best practices that lead to superior performance, ASQ Quality Press.
- Camp, R. C. (1989). Benchmarking: the search for industry best practices that lead to superior performance., ASQ Quality Press.
- Chang, R. Y. and P. K. Kelly (1994). Improving Through Benchmarking, Logan Page Limited.
- Chartered Institute of Public Finance and Accounting. (2009). "Nearest Neighbours Model Update." from <http://www.cipfastats.net/resources/nearestneighbours/>.
- Chase , R. B. and R. H. Hayes (1991). "Beefing up Operations in Service Firms." Sloan Management Review **33**(1): 15-26.
- Chase, R. B. and R. H. Hayes (1991). "Beefing up Operations in Service Firms." Sloan Management Review **Vol 33**(1): 15-26.
- Chesley, J. A. and M. S. Wenger (1999). "Transforming an Organisation: Using Models to foster a stratetic conversation." California Management Review **41**(3): 54-73.
- Chotipanich, S. (2004). "Positioning Facilities Management." Facilities **22**(13/14): 364-372.
- Church, A. H. (1993). "Estimating the Effect of Incentives on Mail Survey Response Rates: A Meta Analysis " Public Opinion Quarterly **57**(1): 62-79.

- Clarke, T., R. Davis, S. Davis, B. Kelly, M. Loughran and J. Seddon (2001). Process Mapping and Analysis, Vanguard Education Limited: 160.
- Clarke, T., R. Davis, I. Hussain, B. Kelly, M. Loughra and J. Seddon (2001). Using Measures for Performance Improvement. V. E. Limited: 222.
- Clutterbuck, D., G. Clark and C. Armistead (1993). Inspired Customer Service - Strategies for Service Quality, Kogan Page Limited.
- Codling, S. (1998). Benchmarking, Gower Publishing Limited.
- Coers, M., C. Gardner, L. Higgins and C. Raybourn (2001). Benchmarking A guide for Your Journey to Best Practice Processes, American Productivity and Quality Centre.
- Creswell, J. (2007). Qualitative Inquiry and Research Design: Chosing among five approaches, Sage Publications Inc.
- Cygi, C., N. DeCarlo and B. Williams (2005). Six Sigma for Dummies, Wiley Publisihg.
- Czepiel, J. A. (1985). The Service Encounter, New York university.
- Damanpour, F. (1991). "Organisational Innovation: A meta-analysis of effects of determinants and moderators." The Academy of Management Journal **Vol 34**(3): 555-590.
- Damelio, R. (1995). The Basics of Benchmarking, Productivity Press.
- De Bruijn, H. (2007). Managing Performance in the Public Sector, Routledge.
- Eckerson, W. W. (2010). Perfomance Dashboards: measuring, monitoring and managing your business, John Wiley & Sons.
- Eisenhardt, K. M. and J. A. Martin (2000). "Dynamic Capabilities: What are they." Strategic Management Journal **21**: 1105-1121.
- Fernandez, S. and H. G. Rainey (2006). "Managing Successful Organizational Change in the Public Sector." Public Administration Review **66**(2): 168-176.
- Fitzsimmons, J. A. and M. J. Fitzsimmons (2004). Service Management operations, strategy, information technology, McGraw Hill.
- Fitzsimmons, J. A. and M. J. Fitzsimmons (2010). Service Management operations, strategy, information technology, McGraw Hill.
- Flick, U. (2009). An Introduction to Qualitative Research Sage Publications Limited.
- Flynn, N. (2002). Public Sector Management, Pearson Education Limited.
- Foss, N. J. (1997). Resources Firm and Strategies - A Reader in the Resource BAsed Perspective, Oxford University Press.

Foss, N. J. (1997). Resources, Firms and Strategies: A Reader In the Resource Based Perspective Oxford University Press

Franklin, A. L. (2000). "AN EXAMINATION OF BUREAUCRATIC REACTIONS TO INSTITUTIONAL CONTROLS." Public Performance and Management Review **24**(1): 8-21.

Gallouj, F. (2002). "Innovation in services and the attendant old and new myths." Journal of Socio-Economics **31**(2): 137-154.

Gallouj, F. (2002). Innovation in the Service Economy - The New Wealth of Nations, Edward Elgar, Cheltenham, UK.

Gallouj, F. and O. Weinstein (1997). "Innovation in services." Research Policy **26**(4-5): 537-556.

Gaster, L. and A. Squires (2003). Providing Quality in the Public Sector A Practical Approach to Providing Public Services, Open University Press.

George, M., D. Rowlands and B. Kastle (2004). What is Lean Six Sigma, McGraw Hill.

George, M. L. (2003). Lean Six Sigma for Service, McGraw Hill.

Giménez, L. M. (2005). An Introduction to Six Sigma. Mastering Statistical Process Control, Elsevier, Butterworth, Heineman.

Gioia, D. A. and E. Pitre (1990). "Multiparadigm Perspectives on Theory Building." The Academy of Management Review **15**(4): 584-602.

Gold, A. H., A. Malhotra and A. H. Segars (2001). "Knowledge Management: An Organizational Capabilities Perspective." Journal of Management Information Systems **18**(1 Knowledge Management): 185-214.

Gray, D. E. (2004). Doing Research in the Real World. London EC2A 4PU, Sage Publications Limited

Gremler, D. D., M. J. Bitner and K. R. Evans (1995). "The Internal Service Encounter." Logistics Information Management **8**(4): 28-34.

Gronroos, C. (1990). "Relationship Approach to Marketing In Service Context; the Marketing and Organisational Behaviour Interface." Journal of Business Research **20**: 3-11.

Groves, R. M., E. Singer and A. Corning (2000). "Leverage-Saliency Theory of Survey Participation." Public Opinion Quarterly **64**: 299-308.

H M Treasury. (2003). "Public Services: Meeting the Productivity Challenge - A discussion Document."

Haksever, C., B. Render, R. Russell and R. G. Murdick (2000). Service Management and Operations, Prentice Hall.

Hamel, G. and C. K. Prahalad (1996). Competing for the Future Harvard Business School Press.

Hammer, M. and J. Champy (1993). Re-engineering the Corporation: A Manifesto for Business Revolution Nicholas Brealey Publishing.

Hartley, J., C. Donaldson, C. Skelcher and M. Wallace (2008). Managing to Improve Public Sector Services, Cambridge University Press.

Hatry, H. (1999). Performance Measurement: Getting Results, Urban Institute Press.

Helfat, C. E. and M. A. Peteraf (2003). "The Dynamic Resource-Based View: Capability Lifecycles." Strategic Management Journal **24**: 997-1010.

Henri, J.-F. (2006). "Management Control Systems and Strategy: A resource based perspective " Accounting, Organizations and Society **31**: 529-558.

Her Majesty's Government (1999). Local Government Act Chapter 27 Part 1: Best Value ISBN 0105427993. T. N. Archives.

Heskett, J. L., T. O. Jones, G. W. Loveman, W. E. J. Sasser and L. Schlesinger (1994). "Putting the Service Profit Chain to work." Harvard Business Review(March - April 1994): 164-174.

Hess Jr, R. L., S. Ganesan and N. N. Klein (2003). "Quality of Past Performance: Impact on Consumers' Responses to Service Failure " Journal of the Academy of Marketing Science **31**(2): 127-145.

Hill, P. (1999). "Tangibles, Intangibles and Services: A New Taxonomy for the Classification of Output." Canadian Journal of Economics **32**(2, Special Issue on Service Sector Productivity and the Productivity Paradox): 426-446.

Hinks, J. and G. McDougall (2000). "Identifying priority issues in facilities management benchmarking." Facilities **18**(10/11/12): 427-434.

Ho, A. T.-K. (2006). "Accounting for the Value of Performance Measurement from the Perspective of Midwestern Mayors." Journal of Public Administration Research and Theory **16**(2): 217-237.

Hope, C. and A. Muhleman (1997). Service Operations Management, Pearson Education Limited.

Hughes, M. (2011). "Do 70 Per Cent of All Organizational Change Initiatives Really Fail?" Journal of Change Management **11**(4): 451-464.

Hussey, J. and R. Hussey (1997). Business Research: A Practical Guide for Undergraduate and Postgraduate Students, Palgrave.

Jayasingam, S., M. A. Ansari, T. Ramayah and J. Muhamad (2012). "Knowledge Management Practices and Performance: are they truly linked?" Knowledge Management Research and /practice: 1-10.

JISC (2006). Jisc Value for Money Report

- Johnson, P. and J. Duberley (2000). Understanding Management Research, Sage Publications Limited.
- Johnston , R. and G. Clark (2001). Service Operations Management, Pearson Education Limited.
- Johnston , R. and G. Clark (2008). Service Operations Management - Improving Service Delivery, Pearson Education Limited.
- Johnston, R. and G. Clark (2008). Service Operations Management - Improving Service Delivery, Pearson Education Limited.
- Kanji, G. and P. Moura e Sa (2003). "Sustaining Healthcare Excellence Through Performance Measurement." Total Quality Management & Business Excellence **14**: 269-289.
- Kaplan, A. (1964). The Conduct of Inquiry: Methodology for Behavioural Science San Francisco: Chandler
- Kaplan, R. S. and D. P. Norton (1996). The Balanced Scorecard, HBS Press.
- Kotter, J. (1995). "Leading Change: Why Transformation Efforts Fail " Harvard Business Review **March-April 1995**.
- Laing, A. (2003). "Marketing in the public sector: Towards a typology of public services." Marketing Theory **3**(4): 427-445.
- Levitt, T. (1972). "Production Line Approach to Services." Harvard Business Review(Sept-October): 63-76.
- Lindholm, A.-L. (2004). Public Facilities Management in Local Government - International experiences Conference Report, Helsinki University of Technology.
- Lindholm, A.-L. (2005). Public Facilities Management Services in Local Government, International Experiences Helsinki University of Technology , Institute of Real Estate Studies, Finland: 1-109.
- Local Government Analysis and Research (2010). Local Government Workforce - Analysis of Job Roles. Local Government Group.
- Local Government Group. (2010). "Quarterley Public Sector Employment." from <http://www.lga.gov.uk/lga/aio/15139412>.
- Lockett, A., S. Thompson and U. Morgenstern (2009). "The development of the resource-based view of the firm: A critical appraisal." International Journal of Management Reviews **11**(1): 9-28.
- Lockett, A., S. Thompson and U. Morgenstern (2009). "The Development of The Resource Based View of the Firm: A Critical Appraisal." International Journal of Management Reviews **11**(1): 9-28.
- Lovelock, C. H. (1983). "Classifying Services to gain strategic marketing insights." Journal of Marketing **47**(Summer): 9-20.

Mahoney, J. T. (1995). "The Management of Resources and the Resource of Management." Journal of Business Research **33**: 91-101.

Mahoney, J. T. (1995). "The Management of Resources and the Resource of Management " Journal of Business Research

33: 91-101.

Massheder, K. and E. Finch (1998). "Benchmarking methodologies applied in UK facilities management." Facilities **16**(3/4): 99-106.

Mayston, D. J. (1985). "Non profit Performance Indicators in the Public Sector." Financial Accountability and Management **1**(1 Summer): 51- 74.

McAdam, R., S.-A. Hazlett and C. Casey (2005). "Performance Management in the UK Public Sector: Addressing Multiple Stakeholder complexity." International Journal of Public Sector Management **18**(3): 256-273.

McAdam, R., S.-A. Hazlett and C. Casey (2005). "UK Public Sector Addressing Multiple Stakeholder Complexity." International Journal of Public Sector Management **18**(3): 256-273.

McAdam, R. and T. Walker (2003). "An Inquiry into Balanced Scorecards within Best Value Implementation in UK Local Government." Public Administration **81**(4): 873-892.

Millar, M. M. and D. A. Dillman (2011). "Improving Response to Web and Mixed-Mode Surveys." Public Opinion Quarterly **75**(2): 249-269.

Mills, A. M. and T. A. Smith (2011). "Knowledge Management and Organisational Performance: A Decomposed View " Journal of Knowledge Management **15**(1): 156-171.

Motwani, J., D. Klein and R. Harowitz "The Theory of Constraints in Services: part 2 - examples from health care." Managing Service Quality **6**(2): 30-34.

Motwani, J., D. Klein and R. Harowitz (1996). "The Theory of Constraints in Services: Part I." Managing Service Quality **6**(1): 53-56.

Moullin, M. (2004). "Eight Essentials of performance management." International Journal of Health Care Quality Assurance **17**(3).

Moynihan, D. P. (2005). "Why and how do state governments adopt and implement "managing for results" reforms?" Journal of Public Administration Research & Theory **15**(2): 219.

Moynihan, D. P. and S. Pandey (2010). "The Big Question for Performance Management: Why Do Managers Use Performance Information." Journal of Public Administration Research and Theory **20**(4): 849-866.

Nagel, P. J. A. and W. Cilliers (1990). "Customer Satisfaction: A Comprehensive Approach." International Journal of Physical Distribution & Logistics Management **20**(6): 2 - 46.

Neely, A. (1998). Measuring Business Performance Why, What and How, Profile Books Limited, 58A Hatton Garden, London EC1N 8LX.

Neely, A., C. Adams and P. Crowe (2001). "The Performance Prism in practice." Measuring Business Excellence **5**(2): 6-12.

Neely, A., C. Adams and M. Kennerley (2002). The Performance Prism: The scorecard for measuring and managing business success, Pearson Education Limited.

Neely, A., C. Adams and M. Kennerley (2002). The Performance Prism: The scorecard for Measuring and Managing Business Success, Prentice Hall.

Norman, M. and B. Stoker (1991). Data Envelopment Analysis The assessment of performance, John Wiley & Sons.

Norton, D. P. and R. S. Kaplan (1996). The Balanced Scorecard, HBS Press.

Nutt, B. (1999). "Linking FM Practice and Research." Facilities **17**(1/2): 11-17.

Ojasalo, J. (2001). "Managing Customer Expectations in Professional Services." Managing Service Quality **11**(3): 200-212.

Olve, N.-G., J. Roy and M. Wetter (1999). Performance Drivers - A practical guide to using the balanced scorecard, John Wiley & Sons Ltd.

Orlikowski, W. (2002). "Knowing in Practice: Enacting a Collective Capability in Distributed Organizing." Organisational Science **13**(3): 249-273.

Osborne, D. E. and T. Gaebler (1992). Reinventing Government: How The Entrepreneurial Spirit is Transforming The Public Sector, Addison-Wesley.

Owen, M. (1990). "Measuring Service Delivery." Managing Service Quality **1**(1): 57-59.

Owen, M. and J. Morgan (2000). Statistical Process Control in the Office, Greenfield Publishing.

Pitt, M. and E. Clarke (1999). "Competing on Competence: A knowledge Perspective on The Management of Strategic Innovation." Technology, Analysis and Strategic Management **11**(3): 301-316.

Pitt, M. and K. Clarke (1999). "Competing on Competence: A knowledge perspective on the management of strategic innovation." Technology Analysis & Strategic Management **11**(3): 301-316.

Pitt, M. and M. Tucker (2008). "Performance measurement in facilities management: driving innovation?" Property Management **26**(4): 241-254.

Poister, T. (2003). Measuring Performance in Public and Non Profit Organizations, Jossey-Bass.

Pollitt, C. (1990). Managerialism and the Public Services: The Anglo-American Experience Blackwell.

- Pullman, M. E. and G. Thompson (2003). "Strategies for Integrating Capacity with Demand in Service Networks." Journal of Service Research **5**(3): 169-183.
- Quinn, J. B. and C. E. Gagnon (1986). "Will Services Follow Manufacturing into Decline?" Harvard Business Review **Vol. 64** (Issue 6): 95-103.
- Robertson, P. and S. Seneviratne (1995). "Outcomes of Planned Organizational Change in the Public Sector: A Meta-Analytic Comparison to the Private Sector " Public Administration Review **55**(6): 547-558.
- Robledo, M. A. (2001). "Measuring and Managing Service Quality: Integrating Customer Expectations." Managing Service Quality **11**(1): 22-31.
- Rosenbluth, H. and D. Peters (1992). The Customer Comes Second: And Other Secrets of Exceptional Service Delivery., William Morrow and Company, New York.
- Rowe, R. and W. E. Snizek (1995). "Gender Differences In Work Values - Perpetuating the Myths." Work and Occupations **22**(2): 215-229.
- Sanderson, I. (2001). "Performance Management, Evaluation and Learning in 'Modern' Local Government." Public Administration **79**(2): 297-313.
- Sanger, M. B. (2008). "From Measurement to Management: Breaking through the Barriers to State and Local Performance " Public Administration Review(Special Issue).
- Schmenner, R. (1995). Service Operations Management, Prentice Hall.
- Schmenner, R. (2004). "Service Businesses and Productivity " Decision Sciences **35**(3): 333-347
- Schmenner, R. W. (1995). Service Operations Management, Prentice Hall Inc.
- Schwandt, T. A. (2001). Dictionary of Qualitative Enquiry Thousand Oaks, CA: Sage.
- Seddon, J. (2008). Systems Thinkng in the Public Sector Triarchy Press.
- Silvestro Rhian, F. L., Johnston Robert (1992). "Towards a Classification of service processes." International Journal of Service Industry Management **3**(3): 62-75.
- Singer, E. and R. Bossarte (2006). "Incentives for Survey Participation : When Are They "Coercive"?" American Journal of Preventive Medicine **31**(5): 411-418.
- Stake, R. E. (1978). "The Case Study Method in Social Inquiry." Educational Researcher **7**(2): 5-8.
- Stapenhurst, T. (2005). Mastering Statistical Process Control A handbook for performance improvement using cases, Elsevier Butterworth-Heinemann.

- Taylor, J. (2011). "Factors Influencing The Use Of Performance Information For Decision Making In Australian State Agencies." Public Administration **89**(4): 1316-1334.
- Teboul, J. (1991). Managing quality dynamics, Prentice Hall.
- Teece, D., G. Pisano and A. Shuen (1997). "Dynamic Capabilities and strategic management." Strategic Management Journal **18**(7): 509-533.
- Teece, D. J., G. Pisano and A. Shuen (1997). "Dynamic Capabilities and strategic management " Strategic Management Journal **18**: 509-533.
- Tether, B. S. (2003). "The Sources and Aims of Innovation In Services: Variety between and within sectors." Econ. Innov. New Techn. **12**(6): 481-505.
- Tether, B. S. and J. S. Metcalfe (2003). Services and Systems of Innovation. CRIC Discussion Papers, ESRC Centre for Research on Innovation and Competition, University of Manchester and UMIST: 34.
- Triantafyllou, P. (2007). "Benchmarking in the Public Sector: A Critical Conceptual Framework." Public Administration **85**(3): 829-846.
- Triantafyllou, P. (2007). "BENCHMARKING IN THE PUBLIC SECTOR: A CRITICAL CONCEPTUAL FRAMEWORK." Public Administration **85**(3): 829-846.
- UK Public Sector Audit Agencies (2008). Value for Money in public sector corporate services.
- Vakkuri, J. (2010). "STRUGGLING WITH AMBIGUITY: PUBLIC MANAGERS AS USERS OF NPM-ORIENTED MANAGEMENT INSTRUMENTS." Public Administration **88**(4): 99-1024.
- Van Looy, B., P. Gemmel and R. Van Dierdonck (2003). Services Management An Integrated Approach, Pearson Education Limited.
- Vazquez-Casielles, R., A. B. del Rio-Lanza and A. M. Diaz-Martin (2007). "Quality of Past Performance: Impact on consumers responses to service failure." Market Lett **18**: 249-264.
- Wernerfelt, B. (1984). "A Resource-Based View of the Firm." Strategic Management Journal **5**(2): 171-180.
- Wheeler, D. (2000). Understanding Variation - The Key To Managing Chaos, SPC Press.
- Wheeler, D. (2000). Understanding Variation, The Key To Managing Chaos, SPC Press.
- Whittaker Brown, A. (2006). Review of Performance Improvement Models and Tools, Improvement and Development Agency: 45.
- Wild, R. (2002). Operations Management, Coninium.

Wilson, D. and C. Game (2006). Local Government in the UK, Palgrave Macmillan.

Winter, S. G. (2000). "The Satisficing Principle in Capability Learning." Strategic Management Journal **21**: 981-996.

Winter, S. G. and M. Zollo (1999). From Organisational Routines to dynamic capabilities, The Wharton School, Philadelphia.

Yin, R. K. (2003). Case Study Research, Design and Methods, Sage Publications, Inc, California, USA.

Zeithaml, V. A. and M. J. Bitner (2000). Services Marketing, Integrating Customer Focus, McGraw Hill Higher Education.

Zeithaml, V. A., A. Parasuraman and L. L. Berry (1990). Delivering Quality Service, Balancing Customer Perception and Expectations, The Free Press.

Zott, C. (2003). "Dynamic capabilities and the emergency of intra-industry differential firm performance: insights from a simulation study." Strategic Management Journal **24**: 97-125.

8 Appendices

8.1 Appendix A - Cluster of Support Services

Real Estate & Property Management	<ul style="list-style-type: none"> • Real estate/Property portfolio strategy • Lease Negotiation and management • Landlord activities and Rent review • Leasing and sub-letting services • Retail outlets and space renting 	Facility Project Management
	<ul style="list-style-type: none"> • Location searching and selection • Acquisition and disposal of sites and buildings • Relocation • New Building 	
Maintenance and Repairs	<ul style="list-style-type: none"> • Extending and Alteration • Demolition 	
	<ul style="list-style-type: none"> • Facility refurbishment • Building shell/fabric maintenance • Maintenance and repair plant • Landscaping and landscape maintenance • Cleaning and Housekeeping 	
Office Services	<ul style="list-style-type: none"> • M&E/Operations/Run Plant • Energy Distribution 	Building Services and Operations
	<ul style="list-style-type: none"> • Waste Disposal & Environment Management • Pest control • Disaster prevention and recovery • Health and safety • Security 	
Space Planning and Management	<ul style="list-style-type: none"> • Office move services • Post and mail distribution • Courier services • Telephones • Records Management • Print and Fax • Storage and distribution • Reprographics • Reception and telephone operation • Public Relations/Governmental affairs • Travel arrangements • Car fleet control • Transportation • Business hospitality 	Planning and Programming
	<ul style="list-style-type: none"> • Long term resource planning • Mid-term resource planning • Annual Resource planning • Work programming • Development planning 	
Operations Administration/ Management	<ul style="list-style-type: none"> • Facility planning/master planning • Space planning 	Operations Administration/ Management
	<ul style="list-style-type: none"> • Space configuration and reconfiguration • Space allocation, utilisation and relocation • Space use audit and monitoring • Churn planning • Office allocation 	
	<ul style="list-style-type: none"> • Administration and Management • Budget and cost control • Purchasing and Contract control and negotiation • Office furniture and stationery provision 	

(Chotipanich 2004, Facilities p366)

8.2 Appendix B - Questionnaire

Facilities Management Performance Assessment and Management

The following questionnaire is concerned with performance assessment within facilities management within the public sector.

Within this questionnaire a number of performance measurement techniques are considered, some of which may be better known than others, and a range of facilities management services.

If you do not have time to finish the questionnaire in one go, your answers will be saved so that you can come back and finish it off at a time to suit you.

Thanks in advance for your help - I really appreciate it.

1. For which of the following services do you have management responsibility

- Administrative support
- Room booking administration
- Caretaking
- Porterage
- Catering/Hospitality
- Cleaning
- Landscaping and landscape maintenance
- Reprographics
- Mail Room
- IT Support
- Switchboard
- Reception
- Surveying (technical advice)
- Other (please specify)

Facilities Management Performance Assessment and Management

2. In your experience, please rate the services listed in respect of their overall importance in the provision of facilities management services (where 1 is the most important through to 14 - the least important). Each service must be given a different ranking - equal rankings cannot be given.

	1 - Most Important	2	3	4	5	6	7	8	9	10	11	12	13	14 - Least Important
Administrative Support	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Room Booking Administration	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Caretaking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Cleaning	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Porterage	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Post Room	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Catering - restaurant services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Hospitality	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
IT Support	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Surveying Services (Technical Support)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Landscaping and Landscape maintenance	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reception	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Switchboard	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Reprographics	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

3. If you consider that a service other than those listed above is more/equally important than those given in question 2 please say which and why.

The following questions consider awareness and use of seven performance measurement techniques within facilities management. I am equally interested in finding out which, if any, of these techniques you are aware of and/or use and if there are any you are not familiar with. There are no right or wrong answers. If you haven't not heard of one or more of the techniques, please don't be put off as this of just as much interest to me.

The techniques I am interested in are :

Benchmarking (internal, competitive, functional, non competitive and cross sector)

Balanced Scorecard

Performance Prism

Performance Dashboard

Statistical Process Control (Control Charts or Shewart's Charts)

Data Envelopment Analysis

Facilities Management Performance Assessment and Management

Six Sigma

In case this is helpful, following you will find a brief description of each of these techniques.

Benchmarking

Internal - Involves benchmarking with partners from within the same organisation, for example, from business units located in different areas. The main advantages are that access to sensitive data and information are easier; standardised data is readily available.

Competitive - Sometimes known as performance benchmarking this is used where organisations consider their positions in relation to performance characteristics of key products and services. Benchmarking partners are drawn from the same sector. **Functional** - Sometimes known as generic benchmarking is used when organisations look to benchmark with partners drawn from different business sectors or areas of activity to find ways of improving similar functions or work processes. Benchmark similar processes within an industry.

Non competitive - External Benchmarking involves seeking outside organisations that are known to be best in class. External benchmarking provides opportunities of learning from those who are at the leading edge, comparing operations between unrelated industries.

Cross sector - Comparing similar processes within organisations in different sectors for example local government with health care or education or the private sector.

Data envelopment analysis - Is a technique that allows measurement of relative efficiency of organisational units/departments, by comparing the same process within different organisations. An example would be mail processing within different organisations eg number of items processed within a given time. The efficiency of all units is rated relative to the most efficient unit of those under consideration. The manager can then look at the process behind the most efficient unit to determine what is causing the differences in efficiency, etc.

Statistical Process control (or Shewart's or control charts) - The continuous monitoring and charting of a process while it is operating, to give a visual indication of when the process is moving away from acceptable (upper and lower) limits of performance, and therefore needs action to be taken. By watching patterns of performance a manager can tell what is an acceptable variation in performance (ie just performance noise) and what, having fallen outside the agreed limits, needs more detailed consideration. Useful for measuring such things as switchboard performance.

Balanced scorecard - is intended to translate the organisation's mission statement and overall business strategy into specific, quantifiable goals and to monitor the organization's performance in terms of achieving these goals. It uses four types of performance indicators (namely: financial, customer, internal business processes, and learning and growth).

Performance prism - The Performance Prism is a second generation performance measurement and management framework that goes beyond the balanced scorecard in addressing all of an organisation's stakeholders - ie investors, customers & intermediaries, employees, suppliers, regulators and communities. It does this by considering what the wants and needs of those stakeholders are and, uniquely, what the organisation wants and needs from its stakeholders. It asks 5 key questions

1. Who are the key stakeholders and what do they want and what do they need?
2. What strategies do we have to put in place to satisfy the wants and needs of these key stakeholders?
3. What critical processes do we need if we are to execute these strategies?
4. What capabilities do we need to operate and enhance these processes?
5. Stakeholder contribution - what contributions do we require from our stakeholders if we are to maintain and develop these capabilities?

Performance dashboards - Are multi layered applications that enables an organisation to measure, monitor and manage business performance. Mostly used to monitor performance of operational processes, they tend to provide a visual display. They tend to be used by operational specialists and supervisors to monitor events in key business processes, in 'right time', and can look at response times of minutes or hours, etc.

Six Sigma - is a methodology to manage process variations that cause defects, defined as unacceptable deviation from the mean or target; and to systematically work towards managing variation to eliminate those defects. The objective of Six Sigma is to deliver high performance, reliability, and value to the end customer. It was originally defined as a metric for measuring defects and improving quality; intended to reduce defect levels below 3.4 Defects Per (one) Million Opportunities (DPMO), or controlling a process to the point of \pm six sigma (standard deviations) from a centreline. It has a basis in manufacturing but has been applied within the service sector. Within an organisation,

Facilities Management Performance Assessment and Management

different organisational roles and focus within the technique are characterised by 'belt' colours, eg green belt, black belt, etc.

4. In the following matrix please indicate your familiarity with, and any usage of, the listed techniques. Please tick all that apply.

	Not familiar with	Familiar with but not used	Used for FM Services	Don't consider it suitable for FM Services	Used but not for FM Services	Not used in my organisation
Internal Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functional Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cross Sector Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balanced Scorecard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Prism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statistical Process Control (Shewart's Charts or Control Charts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Envelopment Analysis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance dashboard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Six Sigma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

5. Please note here any assessment methods that you use that are not in the above list and say what you like about them.

Facilities Management Performance Assessment and Management

6. In selecting a performance assessment methodology please indicate how important you consider each of the following criteria to be overall.

	Very Important	Important	Neither Important no unimportant	Not very Important	Not at all Important
Ease of use	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of collecting data	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Ease of interpreting data	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Results are easy to apply	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Applicable to a range of services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Requires little training in order to use it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Allows meaningful comparison with other service providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is widely used in the public sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Is used by both the public and private sector	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Requires little or no specialist knowledge to use it	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

7. If you do not use a performance assessment methodology as part of your service management please indicate your reasons below. Please tick all that apply.

- I am too busy.
- I think it is a waste of time.
- Results gained don't justify effort expended.
- Not a service priority.
- Not an organisational priority.
- Have never found a method that provides information that is relevant to my service area
- Other (please specify)

Facilities Management Performance Assessment and Management

8. For each of the techniques listed, please tick if in your opinion any of the listed criteria that apply. Please tick all that apply.

	No Knowledge of it	Overall Ease of use	Ease of data collection	Ease of interpreting data	Applicable to a range of services	Requires little/no training specialist knowledge to use it	Allows meaningful comparison with other service providers	Is widely used in the public sector	Is used by both the public and private sector
Internal Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functional Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cross Sector Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balanced scorecard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Prism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Dashboard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statistical Process Control (Shewart's or Control Charts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Envelopment Analysis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Six Sigma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. In your experience, would any of the given stakeholders find the listed techniques useful in understanding service performance (Please specify any/all that apply)

	Service provider	Operational manager	Senior Management (eg Head of Dept)	Strategic Management (eg Directors)	Customers
Internal Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Non Competitive Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Functional Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cross Sector Benchmarking	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Balanced Scorecard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Prism	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Statistical Process Control (Shewart's or Control Charts)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance Dashboard	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Data Envelopment Analysis	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Six Sigma	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Facilities Management Performance Assessment and Management

10. The following considers usage of performance assessment methodologies in the performance management of a given range of services.

For each of the services listed in the following matrix please indicate your primary assessment methodology from column one, and rate how useful you found it in column 2. If you use/have used a secondary methodology please indicate this in column 3 and rate it in column 4.

So if for Room bookings your primary methodology was benchmarking and you felt this was useful you would select 'benchmarking' from column 1 and 'useful' from column 2.

If you had also used performance prism for room bookings and found this of no use, you would select Performance Prism from column 3 and 'no use' from column 4.

If you have been using one methodology but in future intend to use another please indicate the first methodology in column 1 rate its usefulness in column 2, select your proposed methodology in column 3 and select potential future use from column 4.

If for a particular service you have not used any other methodologies outlined please select not used.

In each case your answer can be selected from the drop down list or by typing in the initial letter of the technique or rating in question. Where there is more than one technique for example benchmarking and balanced scorecard typing the letter b a number of times will move you through the list.

	Methodology	Rating	Second Method Used (if any)	Rating
Administration	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Room Bookings	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Caretaking	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Porterage	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Catering (Restaurant Service)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Hospitality	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Cleaning	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Landscaping and landscape maintenance	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Reprographics	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Facilities Management Performance Assessment and Management

Mall Room	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
IT Support	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Switchboard	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Reception	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Surveying (technical advice)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

11. If you have used performance methodologies other than those listed in question 8 for the given services, please indicate this below and rate the usefulness of the methodology with respect to the particular service.

Administration	<input type="text"/>
Room Bookings	<input type="text"/>
Caretaking	<input type="text"/>
Porterage	<input type="text"/>
Catering (Restaurant Service)	<input type="text"/>
Hospitality	<input type="text"/>
Cleaning	<input type="text"/>
Landscaping and landscape maintenance	<input type="text"/>
Reprographics	<input type="text"/>
Mall Room	<input type="text"/>
IT Support	<input type="text"/>
Switchboard	<input type="text"/>
Reception	<input type="text"/>
Surveying (technical advice)	<input type="text"/>
Other (please specify)	<input type="text"/>

Facilities Management Performance Assessment and Management

12. With respect to the use of performance measurement techniques for measuring performance of FM services, please rate each statement on a scale of 'strongly disagree' with the statement to 'strongly agree' with it.

	Strongly disagree	Disagree	Neither agree or disagree	Agree	Strongly Agree
Performance measurement plays a key role in the management and delivery of facilities management services	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance measurement can help managers to provide services which achieve higher levels of customer satisfaction.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance measurement helps in demonstrating accountability in service provision.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance measurement helps to fix service boundaries.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Performance measurement helps to shift and expand service boundaries.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would only use one technique to measure performance across all FM services.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I use a range of performance measurement methodologies, some for short term operational performance checks and some for longer term strategic measurement	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Finally I would really appreciate it if you could provide the following information about yourself. This will remain confidential but help me to determine if there are trends or differences in views and use of performance measurement within FM between male and female FMS, at different career stages, and if this is influenced by professional background.

13. Are you

Male

Female

14. Age

Facilities Management Performance Assessment and Management

15. What is your professional background

- Started work as an FM
- Via an administrative/office services route
- Surveyor
- Architect
- Engineer
- Other (please specify)

16. Please state your qualifications

- No qualifications
- CSE or equivalent
- O'Levels/GCSE or equivalent
- A level or equivalent
- 1st Degree
- Postgraduate degree

17. Please provide the following details if relevant,

Subject of 1st degree

Subject and level of postgraduate degree

Professional qualification

Management qualifications

Thank you for your time completing my questionnaire, I really appreciate it.

If you would be interested in receiving a summary of my results I would be grateful if you could leave your email address on the next page.

In order to assess use of these techniques in practice, a very important part of my research involves applying and testing the techniques within real services. This will enable me to provide something of real and practical value to facilities managers.

To this end, I would be most grateful if you would work with me, on a case study basis, either testing a technique you already use, or assessing a different technique. Reporting of any involvement can remain anonymous, both for the individual and organisation, if required. I will do the work and you would obviously have the results and interpretations. In return, I would ask that you let me have access to your data and, where appropriate, the staff involved in providing the service. If you would be willing to help, or discuss this further please complete your details below.

Thanks again.

Tina Bailey

18. If you would like a copy of the results please provide your name contact details

Name

Email Address

Phone number

Facilities Management Performance Assessment and Management

19. I would be prepared take part in a case study, or to discuss this further.

- Yes
- I might be contact me with further details.
- No

8.3 Appendix C - Key Service Matrix

		Continuum Detailing Presence of Characteristics		
Criteria Range	Definition	100:60	59:40	39:00
<u>Customer Service Focus</u>				
Customer Base Predominantly Internal: Customer Base Predominantly External	<p>This first criterion relates to the relationship that the service/service provider has with its customers; whether the customer/stakeholder base is predominantly internal or external to the organisation, and whether the interface with the customer is direct or indirect.</p> <p>For services that have a mixed customer base, the service may involve an intermediary provider. For example, the mailroom has both internal and external customers; however, the link with its external customers is via an intermediary such as the Royal, from whom postal items are received and processed for forwarding onto its internal customers – its direct customers. Subsequently, mail is received from its internal customers, processed, and forwarded to its external (indirect customers) via its intermediary. In this respect, the mailroom has a dual customer/provider relationship.</p>	Reprographics Catering ISD Helpdesk Mail Room Surveying Support Cleaning IT Support Admin Landscape	Caretaking Hospitality Portorage Room Booking Admin	Reception Switchboard
Direct Interface With Customers Of Service:	<p>The level to which the service provider has direct involvement with its customers (both internal and external to the organisation). Contact may be face to face, or by telephone, or email, to service provision being completely remote from the customer.</p>	Reception ISD helpdesk Switchboard	Admin Caretakers Catering Hospitality Portorage Surveying Support	Cleaning ISD Helpdesk Landscaping Mail Room Reprographics

Criteria Range	Definition	Continuum Detailing Presence of Characteristics		
		100:60	59:40	39:00
Service Provided At Time To Suit Customer: Provided At Set Times (to suit organisational requirements)	The service can be provided at a time to suit the customer rather than to suit the organisation. For example, hospitality services will be provided at a time to suit the customer, whereas a mailroom will more likely be provided at times to suit the organisation. For services which are provided at set times/times which suit the organisation this will likely be a consequence of these services being providing support to the core business functions which form their primary customer base,	IT Helpdesk Catering Hospitality	Surveying Support Cleaning	Caretaking Landscaping Mail Room Porterage Reception Reprographics Room Bookings Admin Switchboard
Tailored To Customer Requirements: All Customers Receive Same Service	The service is tailored to meet the customers' requirements rather than being a one size fits all service provision. An important consequence of this is that such services need to be delivered and managed in a manner which ensures customers receive a consistently (high) standard of service. In order to do so would suggest that a means to assess objectively their performance is crucial.	Surveying Support Catering Hospitality	Reprographics	Admin Caretaking Cleaning ISD Support Landscaping Mail Room Porterage Room Booking Admin Switchboard
Service Criticality				
Continuous Need For Service: Occasional Need	The service is needed all the time rather than at set times of the day, year, etc.	Caretaking Cleaning ISD Helpdesk Mail Room Porterage Reception Surveying Support	Admin Catering Hospitality Reprographics Room Booking Admin	Landscaping

		Continuum Detailing Presence of Characteristics		
Criteria Range	Definition	100:60	59:40	39:00
		Switchboard		
Criticality Of Total Service Failure: Not Critical	If the service fails, there are serious implications for the organisation. It has major impact on its customers and or the organisation's reputation.	Caretaking ISD Helpdesk Mail Room Reception Surveying Support Switchboard	Cleaning	Admin Catering Hospitality Landscaping Porterage Reprographics Room Booking Admin
Operational Support				
Back Office: Front of House Service Provision	For back office services, service provision is predominantly 'behind the scenes ', rather than clearly visible to its customers.	Admin Mail Room Reprographics Room Booking Admin	Caretaking ISD Helpdesk Porterage Surveying Support Switchboard	Catering Cleaning Hospitality Landscaping Reception
Manual: Non Manual	The service is predominantly blue-collar (manual) in nature, and may have a product component. For example, print room. Looks at tangibility vs intangibility in respect of service output.	Caretaking Cleaning Landscaping Mail Room Reprographics Porterage	Catering Hospitality ISD Helpdesk	Admin ISD – Helpdesk Reception Room Booking Admin Surveying Switchboard

		Continuum Detailing Presence of Characteristics		
Criteria Range	Definition	100:60	59:40	39:00
Output includes facilitating product: no facilitating product	The service output is a product rather than purely a service, showing tangibles rather than purely intangibles for such services as the reception where there are no product measurements and which are more subjective.	Catering Hospitality Landscaping Reprographics Post Room	Admin Room Booking Admin	Caretaking Cleaning ISD Helpdesk Reception Surveying Switchboard
Outsourced: In House	Service is provided by contractors rather than in house personnel.	Catering Cleaning Landscaping Hospitality	IT Helpdesk	Admin Caretaking Mail Room Reception Reprographics Room Booking Admin Surveying Support Switchboard
Predictable: Non Predictable Service Delivery	The pattern of service demand is predictable and can be managed.	ISD Helpdesk Switchboard Cleaning Mail Room Reprographics Landscaping	Caretaking Surveying Support Catering Admin Reception Hospitality	Room Booking Admin
Proactive: Reactive Increased productivity – Schmenner’s service	The service is based on anticipating and meeting the customer’s requirements rather than in response to customer requests.	Landscaping	Admin Catering Cleaning Hospitality	Caretaking Porterage Post Room Reception

		Continuum Detailing Presence of Characteristics		
Criteria Range	Definition	100:60	59:40	39:00
factory to increase productivity			IT Helpdesk Surveying Support	Reprographics Room Booking Admin Switchboard
Reliance On Contractors: In House	Although the service may not be provided by contractors, part of the service is provided by contractors, or is supported by contractors, eg Royal Mail and the postal service.	Catering Cleaning Hospitality Landscaping	Caretaking Mail Room Porterage Reprographics Room Booking Admin Surveying Support	Admin ISD Helpdesk Reception Switchboard
Routine: Non Routine	Service delivery is largely routine in nature, with little variation in either the content or day to day service delivery	Admin Caretaking Cleaning Landscaping Porterage Post Room Reprographics Room Booking Admin Switchboard	Catering Hospitality ISD Helpdesk Reception	Surveying Support
Technical Knowledge Required: Non-Technical	The service provider needs a varying degree of technical knowledge to deliver the service.	Catering Hospitality ISD Helpdesk	Reprographics Surveying Support Reception	Admin Caretaking Cleaning Mail Room Porterage Reception Room Booking Admin Switchboard

8.1 Appendix D- Sample Benchmarking Template

Cleaning Services					
Population: The following metrics refer to cleaning within your civic offices only					
General Questions					
What is the area of your civic offices in m ²					
How many buildings comprise your civic offices					
Cleaning Staff					
Are your cleaning staff	Direct employees	Contract staff	Both (please provide percentage split)	Other	
What is the hourly rate payable to cleaning staff?	Operatives	Supervisory			
Are cleaning staff security checked (eg CRB, NVQs)	Operatives	Supervisory			
Number of Cleaning staff					
Number of cleaning staff (excluding supervisory staff) on site					
Number of supervisory staff on site					
Do you require any formal qualifications for					
The British Institute of Cleaning Science					
Contractor training only					
Working Hours					
Hours worked per day (scheduled hours - eg 5 pm to 8 pm)					
Times worked per day (scheduled hours - eg 5 pm to 8 pm)					
(If variations over the day, eg some cleaners work am some pm please specify)					
Contract arrangements - Civic Offices					
If you are in a contract for your cleaning services?					
Is this cleaning contract part of a wider FM contract and if so what else does this contract include?					
What is the length of contract?					
Have you had more than one contract term with the same contractor?					
If not would you re engage the contractor?					
Does the cleaning contract cover just office cleaning or others areas too eg windows cleaning					
In addition to scheduled works what proportion of work is undertaken in terms of Additional Works/Variations Orders as % of Scheduled Work					
Routine Cleaning Arrangements					
Please detail the frequency of routine cleaning activities					
	Daily	More than once da	Every other day	Weekly	Other please specify
Circulation areas (public)					
Circulation areas (staff areas)					
Committee rooms					
Council Chamber					
Main reception					
Mayoral facilities					
Members' facilities					
General office areas					
Other reception areas					
Public conveniences (public use - if separate)					
Public conveniences (staff use)					
Restaurant areas					
Kitchenettes /tea points					
Other (please specify)					
Waste bins					
Financial Information					
What is the annual cost of the contract? (for cleaning if wider FM contract)					
cleaning materials					
consumables					
equipment - depreciation and maintenance					
personal protective equipment					
training costs					
transport					
other please specify					
Ratios					
No of Paid Staff Hours per Sq Metre cleaned					
Square metres cleaned per scheduled hour					
Cost per Square Metre for All Areas Cleaned (Civic Offices)					
Cleaning Materials Cost as % of Total Cost (if separate)					
Cost of overall service per FTE of staff working at the Civic Offices					
Cost per population					
Periodic Cleaning Arrangements					
	Frequency of clean eg quarterly	Contractor	Contract length		Cost (if cost not included in overall contract)
Air fresheners					
Carpet cleaning					
Dust mats					
kitchen area deep cleans (for restaurants)					
Sani bins (ladies wc)					
Sanitising and/or cleaning or wheelie bins/palladins					
Upholstery cleaning					
Window cleaning					
other please specify					
	Cherry picker	Scaffold tower	pole system		other please specify
What method do you use for window cleaning					
Recycling					
Do you split your office waste for recycling, within the office					
If no to above, does your waste contractor split and recycle items					
Do you compost catering waste					
Who is your waste contractor					
Length of contract					
Annual contract cost					
Cleaning of other facilities					
Do you have contract arrangements for different building(s)/ type of building with the same contractor, eg office and public conveniences					

8.2 Appendix E - Services in Light of Cleaning

Cleaning	Administrative Support	Room Booking Administration	Caretaking	Porterage	Catering/Hospitality	Mail Room	Services Managed of Top 7
							0
							0
							0
							0
	1						1
	1						1
				1			1
1							1
			1				1
1	1						2
1	1						2
		1		1			2
1			1				2
1	1						2
1			1				2
1			1				2
1			1				2
1			1	1			3
1		1			1		3
1			1		1		3
			1	1		1	3
	1	1			1		3
1			1	1			3
			1	1	1		3
1	1		1				3
		1	1			1	3
		1	1	1			3
1			1	1			3
1			1			1	3
1			1	1			3
	1	1		1		1	4
1			1	1	1		4
1			1	1	1		4
1			1	1	1		4

Cleaning	Administrative Support	Room Booking Administration	Caretaking	Porterage	Catering/Hospitality	Mail Room	Services Managed of Top 7
	1	1	1			1	4
1		1	1	1			4
	1		1	1	1		4
1		1		1	1		4
1		1	1	1			4
1		1	1	1			4
1			1	1	1		4
1			1	1	1		4
1			1	1	1		4
1			1	1	1		4
1			1	1	1		4
1	1	1			1		4
1		1		1	1	1	5
1		1	1	1	1		5
1	1	1	1		1		5
1		1		1	1	1	5
1		1	1	1	1		5
		1	1	1	1	1	5
1		1	1	1	1		5
1	1	1	1	1			5
1		1	1	1		1	5
1	1		1	1		1	5
1	1	1	1	1			5
1	1		1	1	1		5
1			1	1	1	1	5
1		1	1		1	1	5
1	1	1	1			1	5
1		1		1	1	1	5
1		1	1	1	1		5
1		1	1	1	1		5
1		1	1	1	1		5
1		1	1		1	1	5
1		1	1		1	1	5
1	1	1		1	1	1	6
1	1		1	1	1	1	6

8.3 Appendix F - Entry Route to FM and Qualifications Held

Route Into FM

Options	Percentage Response Male	Percentage Response Female
Started work as an FM	17.2%	5.3%
Via an administrative/office services route	6.9%	42.1%
Surveyor	24.1%	15.8%
Architect	0.0%	5.3%
Engineer	20.7%	5.3%
Other (please specify)	41.4%	36.8%

Qualifications Held by those entering FM within Local Government

	Percentage Response Female	Percentage Response Male
No qualifications	0.0%	3.70%
CSE or equivalent	5.6%	3.70%
O' Level/GCSE or equivalent	44.4%	29.60%
A level or equivalent	33.3%	37.00%
1st Degree	44.4%	55.60%
Postgraduate degree	27.8%	22.20%

Educational, Professional and Management Qualifications - Male Respondents			
Subject of 1st degree	Subject and level of postgraduate degree	Professional qualification	Management Qualification
Estate Management		MRICS	
	DMS		CIMA pt qual
Sociology & Psychology and then 2nd degree in Facilities Management		MBIFM	DMS
			MBA
Environmental Science + Geology	MSC Civil Eng. MBA Management PGCE, PhD Structural Engineering	MBEng, LIOB, RICS, CMI, FRGS, MIMBM, MInst Geol,	BIFM
		FRICS	MInstLM, MBIFM,
		IFE (Tech), Interior Design(C&G),IOSH	
Surveying		MRICS	
		MIET, MCIQB	Level 5
Engineering		BEng	Institute of Management Member
History	Business Administration	ICSA	
BSc	MBA	MBIFM, AIMBM, MIPSA	
Physics	Energy conservation	CEng, Institute of Energy	
		BIFM	
Civil & Structural Engineering		MICE	
		BIFM,CIOB,MBIM	
		CIPFA	
Electrical Engineering		MIET; CEng;	
Mechanical Engineering		MIMechE, C.Eng	DMS
Urban Land Administration			
		Diploma in Construction Health & Safety Management	
		CIOB	ICSA
History	MSc in FM		

Educational, Professional and Management Qualifications - Female Respondents			
Subject of 1st Degree	Subject and level of postgraduate degree	Professional qualification	Management qualifications
Building Surveying			
Project Management	ACIOB		
Civil Engineering		MICE	N(Dip)M
			Various
		Chartered Accountant	FinsMgt
Public administration			DMS
		MCIPS/IRRV	CMS
psychology	personnel management	FCIPD	DMS
Valuation and Estate Management		MRICS	Certificate in Management Studies
			DMS
BA English Literature	MA English Literature	BIFM member	Post-Grad Diploma in Development Management
		CIPS, Institute of Management	
Urban Land Economics	Facilities Management		
Urban Land Administration			DMS
Architecture		Registered Architect	

8.4 Appendix G-Influence of Professional Background on Service Rating

Background				
Entry route to FM	FM	Admin	Surveyor	Engineer

Rated	χ^2	p	Significance at 0.05
Administration	4.449	.349	ns
Caretaking	12.65	0.013	sig
Catering	3.871	0.424	ns
Cleaning	8.415	0.078	ns
Landscaping	8.052	0.9	ns
Mailroom	4.641	0.326	ns
Porterage	6.709	0.152	ns
Reception	18.514	0.616	ns
Reception	7.12	0.13	ns
Reprographics	1.262	0.868	ns
Room Bookings	5.686	0.224	ns
Surveying	15.95	0.456	ns
Surveying	9.324	0.053	ns
Switchboard	2.426	0.658	ns

Pearson Chi-Squared Testing Influence of Professional Background on Rating of Services