

Follow the Trend, and Stand to be Recognized

By Todd Wilkening

Benchmarking efforts for healthcare facility managers (FMs) continue to evolve across North America with a rapidly increased momentum, all because FMs like you are embracing the need for improved measurable performance indicators to demonstrate the value in each and everything you do.

Beyond capturing the attention of the American Hospital Association (AHA), American Society for Healthcare Engineering (ASHE) and the Canadian Healthcare Engineers Society (CHES), and being endorsed by Practice Green Health (PGH), the International Federation of Hospital Engineering (IFHE) has expressed heightened interest in participating in the International Facility Management Association's Healthcare Institute's (HCI) Benchmarking 3.0 to come, namely "the Performance Criteria" of today's healthcare facility manager. The best is yet to come.

Can you imagine the development of an internationally accepted gauge of healthcare business analytics for facility management? Yes, I think you can. And you too have a place amongst the stars.

The HCI benchmarking efforts are becoming the Performance Criteria for the healthcare FM, with dashboards that are indeed embraced by senior executives. Data is quickly demonstrating how facility management plays a key role in the success of the business, all in real time.

Your goals are to reduce risk, improve quality and maximize value, all of which are the foundations of the Accountable Care Organization (ACO). To be a FM leader for an ACO, your goals should include how you leverage all benefits of the lifecycle of the buildings and equipment you maintain in order to maximize business profitability with unprecedented quality. *Investments in assets should bring rewards.*

In [financial accounting](#), an asset is an economic resource. An asset is anything tangible or intangible that is capable of being owned or controlled to produce *value* and that is held to have positive [economic value](#) will be considered an asset. Simply stated, assets represent value of [ownership](#), hence the definition of a grounded facility management department. *As an FM, you also are an asset.*

Total Maintenance Increases

Provided below is yet another example of how your contributions tells a story of success benefitting not only the FM and the C Suite, but, most importantly, the patient.

Bringing exceptional news for the FM, Benchmarking 2.0 indicates some key findings that are likely a result of Medicare's value based purchasing (VBP) guidelines.

As shown below, comparing the analytics of Benchmarking 1.0 to Benchmarking 2.0, it appears investments in total maintenance have increased 16 percent on a per square foot basis. Confirmed by countless communications and observations by FMs like you, this is occurring primarily in the areas of interior systems and utility/central systems.

One may ask, why? The reason is perhaps two-fold:

1. **The recognized need to lower operating expenses.** Beyond salaries, we all know utility consumption is a major utilization of cash in an organization. Reducing utility expenses improves the bottom line of the hospital rapidly. Advancements in technology such as LED technology and plant optimization are bringing a positive return on investment (ROI) to the front of the line. Investing in lowering energy consumption through planned strategies has certainly slowed the impact of increased energy costs. Energy consumption is a controllable expense in healthcare. Do not simply just pay the bill; continue to use tactics to reduce utilization without impacting patient satisfaction. Keep in mind, every dollar saved is equivalent to \$100 in revenue at a 1 percent margin. With declining patient volumes, investing in expense reduction is a no brainer. *Make it so.*
2. **The need for a healing, warm and patient-friendly environment.** Whether climatic comfort through temperature control; ease of space use; or providing calm, quiet and aesthetically pleasing visuals, environmental perceptions from the patient viewpoint increases Hospital Consumer Assessment of Healthcare Providers and Systems scores. Important? You bet. The data shows a nearly 30-percent increase in expenditures on interior systems. As consumers in healthcare, patients simply love this. The key to remember is that, as an FM, you have in your hands the ability to positively affect your organization's reimbursement from payers.

Empowerment is now in the hands of the facility manager. Use this gift wisely. Will investments in interior system pay off? *Absolutely.*

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Perce ntile	Total Maintenance		External Building		Interior Systems		Roads and Grounds		Utility/ Central System		Process Treatment and Environment al Systems	
	2009	2012	2009	2012	2009	2012	2009	2012	2009	2012	2009	2012
90	9.95	8.96	0.44	0.33	3.21	4.05	1.07	0.63	1.68	1.41	0.31	0.16
75	5.59	7.26	0.17	0.20	2.48	3.19	0.52	0.45	0.47	0.56	0.18	0.10
50	3.22	4.77	0.07	0.09	1.32	2.23	0.25	0.26	0.20	0.25	0.08	0.05
25	1.46	2.78	0.04	0.06	0.62	0.77	0.13	0.12	0.10	0.12	0.04	0.02
10	0.79	1.39	0.02	0.03	0.24	0.38	0.07	0.09	0.05	0.08	0.03	0.01
Mean	4.23	5.04	0.15	0.14	1.57	2.27	0.45	0.32	0.48	0.50	0.11	0.07

Acknowledgment of Worth

The day of the facility manager has come for those who strive for it. It is in our hands to embrace and nourish all that it has to offer. What to do? What to do? We can of course sustain the traditional path, absorb the good news, learn, and adapt, and/or leverage the culture of today's healthcare to entice improvement.

By definition, value is something of relative worth, merit or importance. Demonstrate added value, and not the lack of value, to your organization in which senior executives need to keep the business afloat in positive ways to sustain its mission.

To acknowledge your contributions as a FM is certainly not being conceited. It is a demonstration of worth. In terms of business importance, FMs are truly worthy. While being a humble servant is indeed honorable, let the value you bring be known. Remember the Performance Criteria and stand to be recognized.

About the Author

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