HOMYZE

GENERATING COST SAVINGS IN YOUR FACILITIES MANAGEMENT OPERATIONS

HOMYZE CAN SAVE YOU 15% OF YOUR TOTAL FACILITIES MANAGEMENT SPEND

You might have heard that before, but take a look. We are different.

It is well known that facilities managers have been pushed to contain or reduce their costs for many years. It is also well known that some of the larger providers have been bidding on contracts at low single digit margins (often sub-5%) to win business, fully aware that 'at best' their margins will be increased only by pushing work that may not actually be required or is priced uncompetitively. Perhaps what happens more often is that the service delivery is of a very, very low quality.

During this time even with seeing these reduced hourly rates cards, or cheap PPM costs, we notice that the average job value was increasing, through extended time on site or increased parts costs.

At Homyze, we are honest and transparent with our customers about what the savings levels are likely to be, and the time that it will take for them to be realised.

This is influenced by factors such as the level of information that clients have about their costs, asset base and spend prior to our engagement. In most situations we will be looking to deliver cost reductions of 10 - 15% of annual Facilities Management spend, but the areas from which this comes and the time by which it is realised differ from one client to the next.

Anyone can say that right....

The reason we can deliver is because we help you understand where you are now, in order to help you decide on where you are going. Working with you to set your baseline means we can find where you are performing and where improvements need to be made.

This enables us to give you clear visibility of the improvements and savings being made.

With data 'the new oil', Homyze prides itself on delivering data driven facilities management through it market leading CAFM/CMMS system and is an integrator of FM services to deliver a seamless delivery platform for clients

IFM (INTEGRATED FACILITIES MANAGEMENT) IS THE NEW OUTSOURCING

With the traditional outsourcing model you have the supplier marking their own homework normally trying to give themselves an A all the time.

An IFM provider is an extension of you and your team, delivering service through a central communication hub, supportdesk and CAFM system to a multitude best in class suppliers as needed. This could be just 2 and or could be in the 100s of suppliers. There are no rules. This is your facilities management department and it's about what works for you and your business.

The IFM provider's job is to manage the overall supply chain's performance and costs to make sure that the client's contracted terms, SLAs and KPIs are met..

The IFM supplier might deliver some of the key services inhouse with its own team and that's fine. During the set up of the contracts and supplier, they will be treated as any other supplier.

At Homyze once we set the baseline we monitor:

- Time to accept jobs
- Time to attendance
- On-time arrival rate
- 1st Fix rate
- Average job length
- Average job value
- Engagement rate (% of jobs offered that are accepted)
- Time to submit job report
- Time to submit quote
- Time to close down job
- Total spend (broken down by location, asset and work order type)
- Building Compliance Score
- PPM Performance
- Lost Trading Time (or Downtime)

This enables us to understand who is doing what, when and for how much. You might have a cheaper contract on the face of it but we will tell you if it is cheaper for the life of it.

GENERATING SAVINGS FROM YOUR CAFM SOFTWARE

There are two primary ways in which CAFM software can deliver savings to users. The first is by more efficiently handling maintenance, be that reactive, planned or compliance. The degree to which this is a component of the cost savings is affected by the processes and procedures that using the CAFM replaces. For example, many companies have been using manual and even paper-based procedures to store and control information flow between customers and contractors.

Ways in which CAFM software can generate savings in this regard include providing e.g. users, tenants and site managers with access to the app or web portal so that they can report issues themselves rather than having to relay them to another party. This not only leads to miscommunication and information breakdowns, but it is a direct saving of the helpdesk costs. Not only should a system allow for this issue reporting, but it will also update the reporting party of changes in job status such as the work order being allocated or the intended arrival time

Example 1

A company is currently generating 100 work orders per day across planned, reactive and compliance related work.

Each of these works orders takes 5 minutes to be reported by the appropriate party for logging onto the system.

The total is 8.3 hours per day of time being spent by customers, site managers and the same amount of time being spent by the helpdesk.

This means that more than 1 x full-time operator is required to receive these calls and log the maintenance requests with a representative cost of £26,000.

In addition, the time spent by employees reporting these issues should realistically be halved, thereby adding a further saving of £13,000 using comparable wages.

Total saving: £39,000

Again, this saves time that would normally have been spent by the helpdesk. In addition to this, moving word orders, reminders, notifications (such as quote chasing or compliance requirements) automatically through the system can lead to significant savings for most clients.

GENERATING SAVINGS FROM YOUR CAFM SOFTWARE (CONTD.)

The second way in which CAFM software can save costs is by storing (and even better, surfacing) data that can lead to a reduction in maintenance spend.

Another example of the way in which CAFM software can deliver savings through collection and dissemination of information stored within the system would be where a particular asset has abnormally high maintenance costs that make it more cost effective to replace the asset than continuing to repair. Switching maintenance strategies, e.g. from run to destruction or reactive maintenance to a planned maintenance strategy can save up to 30% of associated spend.

One should also consider the way in which a more robust compliance management system as part of the CAFM could have positive effects for the business - not just in terms of reputation enhancement and higher customer satisfaction but also in terms of potentially avoiding fines and penalties.

Example 2

A company is currently generating 100 work orders per day across planned, reactive and compliance related work.

These work orders are currently sent to suppliers based on arbitrary rules or as a result of convention.

By routing work orders to local engineers, or those with greater capacity, time to attendance can be reduced by 30 minutes per job.

Using an engineer's fully loaded cost of £35 per hour as a reference cost (though the cost of downtime may be more appropriate), this is 50 hours saved per day.

Total saving: £638,750

INDIRECT COST SAVINGS FROM INTEGRATED FACILITIES MANAGEMENT

Indirect costs refer to those costs that are not directly associated with a process or project, but which are expenses incurred in the normal course of the company conducting its operations. An example of indirect costs would be the People/Human Resources departments within a retail organization.

Below is a table that outlines some of the indirect costs that are associated with running a facilities management department or function within an organization.

Business Function	Savings Opportunity	Associated Costs	Means of Cost Reduction
Finance	££££	Dealing with contract invoices (payment, correction, amendment, issuance) Payroll processing Budget management, cost monitoring, anomaly reporting Depreciation and total cost of ownership (TCO) calculations	Using an outsourced provider such as Homyze means you will receive a single invoice for processing every month. Only make one payment. Invoices for individual jobs are still stored and available on the system with each work order Invoices are checked and validated before they are added for payment.
Procurement	££££	Procurement process development, criteria formulation, selection methods, evaluation Compliance monitoring, credentials checks, references, management of warranties, management of subcontractors	Using an outsourced solution such as Homyze means you can benefit from their supply chain management capabilities. In addition to ensuring that all insurances, certifications, qualifications, references (and more) are current and correct, you also benefit from contractor performance data. This data provides valuable insight when matching suppliers to work orders.

INDIRECT COST SAVINGS FROM INTEGRATED FACILITIES MANAGEMENT (CONTD.)

Business Function	Savings Opportunity	Associated Costs	Means of Cost Reduction
Human Resources	£££	Job descriptions, advertisements, interviewing, reviews, performance management, improvement plans, people management Training, talent management, development plans, performance reporting Benefits programs, birthdays, outings etc.	By using an outsourced solution for some or all of your facilities management needs, it means that you also save on the human resources costs. In addition to the lost productivity from hiring, retaining and releasing employees you will also save on benefits costs.
IT	££	Ticketing, dealing with IT issues, uptime management, hardware purchasing, remote monitoring, devops, cost control, license management, user issues	Systems development is expensive. With the increasing need to provide a competitive and compelling technology solution to clients, this can lead to stretched resources at the Company. Homyze uses Cleverly, which ensures that redundancy, uptime guarantees and functionality improvements are delivered without diverting resources.
Management	££	Management of increased team size requires exponentially increasing management resources.	With a reduced requirement for in-house headcount, Homyze saves you management time and allows colleagues to have greater accountability for their output.

INDIRECT COST SAVINGS FROM INTEGRATED FACILITIES MANAGEMENT (CONTD.)

Business Function	Savings Opportunity	Associated Costs	Means of Cost Reduction
Business Continuity	£	Ensure that business processes can be maintained. IT infrastructure redundancy plans	When systems are not working, the costs of downtime can be very large. In addition to putting in place, and keeping current, contingency plans this can also lead to the costs of redundancy or failsafe systems.
Real Estate	£	Office costs associated with employees	A leaner team means a reduction in office costs for clients, even where companies operate a remote-first approach.
Legal	£	Contract management, negotiation and development Creation of legal framework	Homyze provides you with contract management as standard. You no longer need to negotiate individual contracts with multiple suppliers.

All of the above are just some of the ways in which Homyze works with our customers to realise their objectives when it comes to facilities management and property maintenance. The path to success varies across each of our clients, depending on their unique priorities and existing processes.

We would welcome the opportunity to discuss any of this with you to see how Homyze can help in your situation.

Get in touch

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