

## Bridging the gap

**How to create a communication link between the facility manager and the C-Suite, reduce risk, and secure the capital needed to run your facility**



## Intro

# Money makes the world go 'round

What's the strategy for creating your facility budget? If you're a facility manager, you spend hours putting together a budget to present to the C-Suite. The proposal is most-likely exaggerated – you ask for \$8 million knowing you'll get close to the \$5 million you need – and both sides know it.

If you're in the C-Suite, you look at that proposal and immediately reject it. You know it's been puffed up with non-necessities. Your time has been wasted with ridiculous requests that can't be met. That's frustrating.

The budget is pared down to \$5 million. The facility manager gets the capital they need and the C-Suite gets a smaller budget, but they both leave that process feeling frustrated and unheard. And then there is always the question of whether the money can be spent and the projects executed in an efficient manner.

So how can you break down the culture of mistrust between facility managers and the C-Suite? How can you get the right amount of money you need and make sure you have the resources to spend it wisely and see projects through to completion?

We have the answer. It's our tried and true eight step process that's designed to educate the C-Suite on capital resources and empower the facility management team.



## Chapter 1

# Not all assets are created equal

Asking for capital is hard enough. Don't make the mistake of presenting a proposal without the data to backup your requests and ensure that the time and money you're asking for will be put to good use.

Remember, asking for too much money is just as bad as asking for too little. Having funds left over at the end of the year may seem like a good thing, but it isn't. That money is a critical asset for the organization that could have been utilized somewhere else if you hadn't asked for it in your facility budget.

Mishandling the budgeting process can lead to misallocating money and ultimately wasting it. It's a challenge in one building, but an even greater task across multiple locations. How do you keep accurate information and determine which assets receive capital investment first?

The answer: it's a combination of the Facility Health Index™ and the Brightly exclusive Dynamic Facility Condition Assessment. Both provide valuable insight into your assets, giving you a clear view of what's working and what's not.

Conducting a **Dynamic Facility Condition Assessment (FCA)** is the first step we take toward developing a clear understanding of an existing building portfolio. It is a detailed inventory analysis and provides the foundation from which all ongoing facility improvements should be implemented.

You may have conducted FCA's for your facility before, but the dynamic FCA is a little different. Unlike other assessments, the Dynamic FCA uses our proprietary algorithms to track and update the "health" of your facility in real time. You can see your facility evolve from day one.

The FCA is the ultimate baseline of information that every Facility Director should have ready and available when making asset replacement and capital budgeting decisions.

### Facility Health Index (n.):

A ranking and prioritization service that assembles and distills detailed information from a Facilities Condition Assessment into an aggregate score.

### An FCA will give you an engineering-based evaluation of assets that looks at:

- Age
- Condition
- Wear
- Historic maintenance needs

These asset evaluations are entered in the Brightly Origin™ software solution – something this e-book will cover in a later chapter. Once they are processed, they provide a detailed look at your building's strengths and areas of risk. This gives facility managers even more information about where budget funds need to be allocated and the urgency of each fix.

The Facility Health Index equips facility managers with even more support for their budgets by providing objective, real-time data.

Unlike the traditional Facilities Condition Index (FCI), the Facility Health Index isn't a static score based upon a one-time assessment. Instead, the Facility Health Index™ is dynamic and works with live data – effectively eliminating outdated paperwork and providing facility managers with a real-time condition score at the individual asset level.

However, the FHI settings can be changed so scores can be filtered by area, zone, floor, building, and any other user-defined level. It puts the "feel" of a building into an objective, comparable number.

The FHI scores can also be used to calculate the useful life of your assets. It puts overall health and performance of your facility at your fingertips. You can also see how the health of an individual facility or entire campus changes over time.

This gives facility managers the right information to start building a budget proposal. It's easy to see how repairs, replacements, and other types of maintenance should be prioritized. This gives them the power to ask for exactly what they need and convey a real sense of urgency that can be backed up by numbers.

## Chapter 2

# Get to know your CMMS data

Effectively utilizing CMMS data is critical to a facility's long-term success, but how does it impact the capital budget?

### In a word: accuracy.

No matter how hard you work to perfect a budget proposal and get it approved, it won't mean anything if the information you're starting with doesn't reflect the realities of your facility.

Overhauling an asset structure that's been used for years can be daunting, but the transformative effect of a well-thought-out system is huge. The easiest way to get started is taking a hard look at how CMMS is being used in your facility today. How are your assets currently organized? How accurate is your current inventory? What definition of asset are you using? How specific are your categories?

The answers to these questions have a big impact on the way your facility is run. If your assets are slotted into very specific categories, you may end up with a detailed list that's rarely accurate and difficult to maintain. If your categories are too general, you have a great overview of equipment and supplies, but may smaller assets may be overlooked or difficult to locate in the system.

So how do you know if you're on the right track? Try asking yourself these questions:

1. Do you have a functional CMMS system at your facility?
2. Do you have defined data standards for your assets, and do you have an accurate inventory of those assets?
3. Are you using the system to record individual asset work activity?
4. Do you have accurate records of your preventative maintenance performance and can you separate those from unscheduled repair work orders?
5. Is there opportunity to increase the use-cases of your current CMMS for your operations?

If you answered yes to all of the above, then congratulations! Pat yourself on the back, because you're in the happy minority of healthcare facilities. Most don't achieve these items on a regular basis. If you answered no, then there's work to do, but it is possible to take your facility from reactive and chaotic to proactive and organized.

So what is the best way to organize your facility's assets?

The short answer: there isn't one. Every facility has different equipment, maintenance styles, and needs. The best way to effectively categorize your assets depends on what works for your staff. A tailor-made solution is always what's going to work best.

It's the same with your budget. Gathering information with tools like the Dynamic FCA and the Facility Health Index is the only way to make sure your budget proposal will actually end up serving your facility well.

“

Our 30-year-old campus hosts a variety of equipment in differing stages of life cycle. Brightly and the Facility Condition Assessment has allowed us to prioritize our capital planning efforts to address those highest risk assets first. This effort is also opening opportunities to fine tune our processes regarding new asset inventory & structuring our CMMS reporting. The availability of the information provided by Brightly makes the job of capital forecasting nearly enjoyable.

”

**Clayton Smith**

Director of Facilities, CHFM, MBA  
Moffitt Cancer Center

## Chapter 3

# The Origin solution

As we mentioned in the last chapter, the Facility Health Index (FHI) can help facility managers prioritize capital needs, but that was only half the picture. The FHI feeds data into Origin.

It's Origin that's the real star of the show.

We developed it with one goal in mind: to assist Facilities Managers with the annual budgeting and capital planning cycle. This is where all the hard work of the last few chapters begins to really come together.

The Origin™ Solution takes all the data from your Dynamic Facility Condition Assessment, the Facility Health Index™, and your CMMS and weaves it together for a more complete picture of your facility.

In addition to providing real-time status of the facility health and effectiveness of the maintenance program, Origin can provide valuable supporting data for budgeting needs. Origin has the ability to rank and prioritize capital needs based upon risk, condition, and even anticipated failure.

It almost takes care of the whole process for you!

When consolidated at the building level, the unique FHI score for each building represents a tangible “feel” of that facility that C-Suite decision makers can easily understand and relate to, allowing for comparison and prioritization between buildings. If a projection makes decisions easier, the Origin™ Solution can do that, too.

The program can model the effect on the FHI score of a building with any level of capital support. This will provide tangible budget scenarios that not only show the impact of requested funding, but also show any positive or negative capital allocation variance from request. With projected future costs, facility managers are able to provide a more accurate long-term capital forecast for the C-Suite.

This is where the gap between facility managers and executives can really begin to be bridged. With objective data, prioritized agendas and budget projections, the two groups can approach the budgeting process knowing that the proposal sitting before them is using accurate information and that the capital being requested truly is needed.

## Summary

### The way forward

The best way to create a budget that really fits your facility's needs and secures future capital is to demonstrate return on investment for the funds you are spending now.

The concrete data from our Dynamic FCA, Facility Health Index, and your existing CMMS all combine in the Origin Solution to give facility managers a clear picture of where their facility has been, where it is now, and which direction it's headed. By tracking the life cycle and condition of assets through facilities and entire campuses, facility managers can more accurately prioritize and plan for maintenance in their budgets.

They can also back-up requests for more capital with evidence from several sources and make realistic predictions of how much they can actually accomplish within a calendar year.

Budgeting can be hard, but miscommunication doesn't have to cloud it any longer. Cards don't have to be held so close to the chest. With data and clear record-keeping, facility managers and the C-Suite can find common ground and bridge the gap between what they're saving, what they're doing, and what's best for the facility.

## About Brightly Software

Brightly, the global leader in intelligent asset management solutions, enables organizations to transform the performance of their assets. Brightly's sophisticated cloud-based platform leverages more than 20 years of data to deliver predictive insights that help users through the key phases of the entire asset lifecycle. More than 12,000 clients of every size worldwide depend on Brightly's complete suite of intuitive software – including CMMS, EAM, Strategic Asset Management, IoT Remote Monitoring, Sustainability and Community Engagement. Paired with award-winning training, support and consulting services, Brightly helps light the way to a bright future with smarter assets and sustainable communities. For more information, visit [brightlysoftware.com](https://brightlysoftware.com)

