



Prison Facilities and Breaking the Paradigm of the Private Penitentiary System in Brazil
 The prison system in Brasil could benefit from the introduction of a Private Prison Structure as in the UK and Spain. Igor de Mesquita Pípolo identifies how and where changes could be made.

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JFMA Current

Japan Post Group Pushing Forward with CRE Strategy

By Takashi Saito, Deputy Senior Manager of Real Estate Planning Department, CRE Division, Japan Post Holdings Co., Ltd.



1. Introduction

Japan Post Holdings Co., Ltd. created the first Corporate Real Estate (CRE) division in Japan. A major factor in the division's establishment was the need to tie the status of the massive real estate assets held by the Japan Post Group directly to its business and to view the assets of the whole Group in a unified way as part of its management and financial strategy. In this article, I hope to convey our enthusiastic ideas in terms of what the Japan Post Group thinks as regards advancing a CRE strategy and what it wants to do in order to succeed at privatization, as well as to convey the fact that we want our CRE activities to play a role in improving Japan.

2. Creation of the CRE Division

Some 136 years after its founding in 1871, the postal service was privatized in October 2007. Before privatization, when it was state-owned, the organization held real estate with no regard for the capital costs thereof. But

with privatization came the development of an optimal CRE strategy that accurately keeps track of the costs incurred in owning and maintaining real estate properties and maximizes them as management resources. This in turn has changed that real estate into a profit structure and led to a demand for better service in the organization's core business.

In light of these drastic changes in circumstances, probably the first division in Japan to be called CRE was set up in Japan Post Holdings Co., Ltd. The organization's name was decided upon by President Yoshifumi Nishikawa of the Privatization Preparation and Planning Company as a reflection of corporate real estate's importance for business.

But in addition to the decision of President Nishikawa, the continuous efforts since the old days of the Ministry of Posts and Telecommunications also constituted a

large factor. In particular, the "Investigative Report on Usage Satisfaction with Post Office Buildings (Centering on Facility Evaluation Indices)" (2002), which we requested of members Nakatsu and Matsunari of the Japan Facility Management Promotion Association (JFMA), played a large role in the creation of the CRE Division.

In the pre-privatization days when the postal service was still a public corporation, the Facilities Division, which carried on the style of "Postal Buildings" with a more than 100-year history dating back to the days of the Ministry of Communications and Transportation, executed all the duties pertaining to buildings, from purchasing land to building design, construction, post-completion maintenance, and estate management. Using integrated management, it maintained superiority over other organizations in terms of extending the lives of buildings and standardization. In terms of ensuring the quality of building properties, it was a good, highly specialized system. The problem was that coordination between businesses did not function properly, and it did not always necessarily optimize the group as a whole.

But with privatization - in order to maximize asset efficiency and achieve a cash flow business - it became essential to view real estate assets overall from the viewpoint of the whole group, and to devise a strategy that was designed to increase corporate value.

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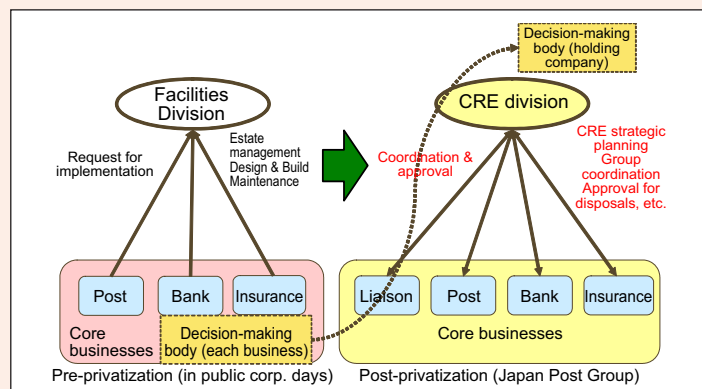


Figure 1. The changed role of the new CRE Division

Japan Post Group Pushing Forward with CRE Strategy

continued from page 1

The major difference between the Japan Post's former facilities strategy and its new CRE strategy is that it does not view the various facilities as mere expenses, but rather it takes full use of a variety of methods for utilizing real estate such as development, leasing, liquidation, and securitization. It then reflects real estate assets as management resources in PL, CF, and BS and selects the optimal type of holding in terms of business fund procurement in a way that best fits the characteristics of each property. As a result, it contributes to an increase in corporate value.

Also, developing a real estate strategy for the Japan Post Group as a whole enables each company to develop a business strategy that is adapted to its core business. By enabling real estate with low liquidity to integrate with finance, it obtains a degree of flexibility similar to liquid assets. It also facilitates coordination so that the lease or disposal of each company's little-used assets leads to their use or effective utilization by other companies, thus improving and maximizing the value and efficiency of management resources overall.

3. Current State of Real Estate in the Japan Post Group

In addition to core assets such as workplaces and the like for its Postal Service, Bank, and Insurance businesses, the Japan Post Group owns a diverse range of lodging facilities for its 240,000 employees, such as health and welfare facilities and company housing, as well as hospitals, Mielparque hotels, and Kanpo no Yado inns. The total area for all these facilities comes to about 10 million m² of land and about 12.4 million m² of total building floor area. The total value for the real estate is 1.4 trillion Japanese yen for the land and 1.3 trillion yen for the buildings, for a total of about 2.7 trillion yen in assets. The Japan Post Group is said to be among the top five asset owners in Japan.

The biggest risk that the Japan Post Group incurs through its possession of massive real estate assets is the risk of depletion that comes with the advance of market price accounting due to the convergence of accounting standards. Even according to simple estimates, because the asset scale is so large, the impact is projected to be along the lines of several tens of billions of yen to several hundred billion yen every year. Also, the low turnover of tangible fixed assets is directly connected to their appraisal by the stock market. The truth is, if you compare the top and bottom ranking corporations listed on the Tokyo Stock Exchange, there is clearly a disparity in aspects such as ROA and tangible fixed asset turnover.

4. The Japan Post Group's Ideas about CRE Strategy

We believe that the CRE strategy of

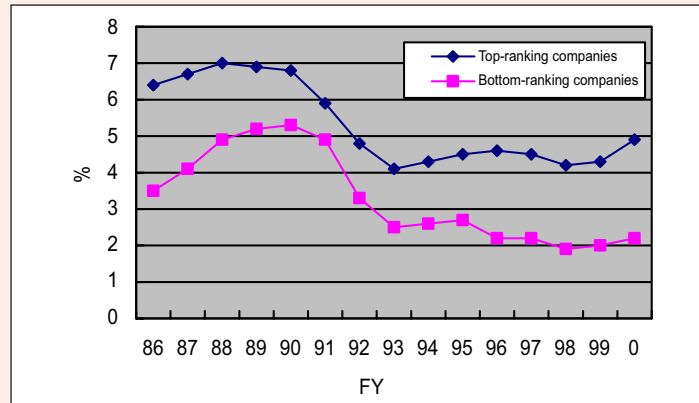


Figure: ROA of top- and bottom-ranking companies (Source: Mizuho Research Institute report (02-8M))

the Japan Post Group should be one that not only serves our own interests but also contributes to the development of the local community and the society at large.

With that in mind, we consider the managerial creed of the Japan Post Group's CRE strategy to be: "By setting as the base the achievement of optimal utilization of real estate and, in addition to that, implementing diverse real estate solutions, we aim to increase the corporate value of the group as a whole and contribute to society and the local community."

The various measures in the Japan Post Group's CRE strategy are based on the following points.

- Comply with all the laws and regulations, and carry out work based on the group's basic policy.
- Strike a balance between maximizing earnings as a privatized for-profit corporation and contributing to society as a corporate citizen.
- While taking into account the characteristics of each company, consider the value maximization of the entire group as a matter of priority in the course of business.
- Maintain a close link to financial strategy, and give consideration to the optimization and increased efficiency of the group's assets as a whole.
- Respond quickly and flexibly to

changes in the external environment, and seek to elicit the intrinsic value of assets.

- Try to manage both the provision of on-demand, optimal solutions and the provision of ongoing, steady service, and strive for the active utilization of outside expertise and the training of internal personnel.

5. The Japan Post Group's CRE Strategy

In devising a CRE Strategy for the Japan Post Group - because it owns such a broad range of assets - it was necessary to first consider the characteristics of each individual property and allocate resources in an optimal manner, and then to devise a strategy for all the real estate.

5.1. Optimal Distribution of Business Functions (Asset Allocation)

Apply an FM asset strategy to classify all the postal service's assets, based on their external value and their internal value from the postal service's perspective, into those "for coexistence with core business," "for development and commercialization," "for owning and leasing," and "to sell," and shrink them accordingly.

5.2 Forecast for Development after Relocation

Set hurdle rates such as the IRR (internal rate of return) and ROI (return on investment),

and for assets that may be developed in the future (those with development

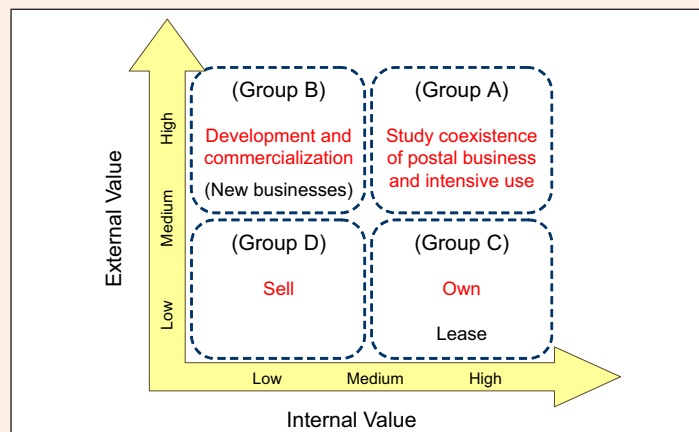


Figure 6. Real estate map for devising CRE strategy

External value: Market value of real estate (land price)

Internal value: A value indicating its "importance as a base" to the postal service's businesses (Liaison, Post, Bank, Insurance)

revenue that is greater than business revenue) - including, for example, business-use assets -- conduct early-stage reviews of the possibilities for relocation, such as exploring new relocation sites, for properties from which a development profit is anticipated.

5.3 Introducing Means such as Liquidation of Real Estate Assets

As for the Japan Post Group's asset ownership, in order to decrease risk of ownership, diversify funding, and diversify the choices of form for real estate asset ownership, take steps such as real estate liquidation early on.

5.4 Plan for Utilizing Little-Used Assets

Improve the asset efficiency of little-used assets that have extra facility space due to the nature of business.

5.5. Using IT to Unify Real-Estate Information

In order to devise a CRE strategy that is more similar to management, unify information in the CRE Division and, using ASP, SAAS, and the like, construct a framework in which it can be developed quickly into the necessary management information.

6. Retracing the First Year since Privatization

In October 2008, the postal service marked one year since its privatization.

With the CRE strategy having indicated a general direction for each type of real estate, we are currently selling off facilities and carrying out off-balancing and asset utilization. In particular, as part of asset utilization, we are off-balancing to improve the utilization and ROA of little-used assets in front of major train stations in big cities such as Tokyo, Osaka, and Nagoya. That effort includes transferring lodging facilities such as Kanpo no Yado, trying our hand at the condominium business, and executing a reorganization program that includes things like consolidating and relocating network bases. A variety of measures such as these are being carried out and promoted simultaneously and in a detailed fashion.

Of course the CRE strategy needs a PDCA cycle, and the strategy must be continually evaluated. One tip for this evaluation was hinted at in the FM Report (2002) mentioned earlier. That was to conduct the evaluations on the basis of quality, finance, and supply.

Based on these points, we want to continue working to establish optimal means of evaluation, including quantification.

The businesses of the Japan Post Group, real estate business included, have business models that proceed hand in hand with the community. With its network stretching all across Japan, the Japan Postal Group wants to provide new value for local communities. One such value is the CRE strategy being implemented by the Japan Post Group. We want to make the most of the group's strengths and roll out a variety of new, diverse solutions.

Reflections on 'The Facilities Manager in a Virtual Organization'

A conversation with Aad Otto and Wim Pullen

By Michael Geerdink and Leo Van Der Horst

Wim Pullen and Aad Otto are familiar figures in the world of Facilities Management. Aad Otto is the director of the Academy for Facility Management at The Hague University. He is also chairman of the National Facilities Management Education Council (LOOFD). Wim Pullen is director of the Center for People and Buildings in Delft. We asked them to reflect on previous articles which have appeared in Facility Management Magazine about the role of Facilities Management in virtual organizations.

This is looking at the issue from the employer's perspective. What does it all mean for employees?

Otto: 'I would like to return to the employers for a moment. They will have to ask themselves: is this development being imposed on me, or am I making my own conscious choices? The availability of the technology means you will see a shift in power from employers to employees. Employees no longer 'go to work', but 'start working'. A whole new lifestyle is emerging. We can certainly see that with school-leavers. I call them the Einstein generation: young people who live in a world that is fundamentally different from ours, and who will soon be taking that world with them to their work. This has major implications for organizations.'

Pullen: 'We come from a working environment with traditional institutions and traditional values. The government protects employees by

means of social legislation. But we are seeing a major change. More and more people have their own business. And these small businesses are networked with each other. The networks are not organized, but organize themselves. It then becomes all about trust and cooperation. And ICT also plays an important role in that organizational process. In this connection, Paul Frissen1, an expert in public administration, talks about the horizontalization of organizations. This horizontalization cuts right across the hierarchy. In fact, this process cannot be managed; it is more or less autonomous. You therefore have to ask yourself how transparent

*Employees no longer
'go to work', but
'start working'*

Aad Otto

decision-making is in organizations that are becoming increasingly more virtual.'

Otto: 'What we are talking about here is the increasing level of self-organization. Everyone manages themselves, and a more facilitative and coaching style is expected from the actual managers. It's all about trust, the manager must be able to trust his staff. If he doesn't, it will say more about the manager than about his staff...'

Pullen: 'Indeed. It is a question of 'Power versus Trust'. The manager must learn to let go of something that

he doesn't in fact possess. Sometimes we see a certain tension here. The manager monitors the goals and becomes a facilitator. A provider of resources. In addition, I also see a pastoral role here: the manager makes it possible for moral and ethical issues, such as corporate social responsibility, to be discussed.'

You both also make references to this other way of organizing that has arisen as a result of social developments, and in particular technology. But who in the organization is responsible for overseeing that? The organizational function of the personnel department has been gradually eroded as a result of developments in human resource management!

Pullen: 'I am fascinated by the thinking of Ton Wentink, Extraordinary Professor of Quality Management at the Tias Business School of the University of Tilburg. In his book 'Quality management, operational management and organizational development', he makes it clear that organizational aspects cannot be isolated in a single post. They are, as it were, ubiquitous. That makes it difficult to make a single employee responsible for the organizational aspects. In addition, he makes it clear - and he is one of the

*Knowledge will become
subordinate to skills*

Wim Pullen

few people to do this - how 'people' and 'technology' are connected with the 'spatial physical sub-system'. This arrangement does result in a reference to a responsibility for that 'spatial element', which, for the sake of convenience, we shall say belongs to the Facilities Manager!'



Wim Pullen

LOOFD has drawn up a competency profile for the new Facilities Manager (see previous article 'The nine competencies of the Facilities Manager'). Did you see anything in there that related to the virtualization of organizations?

Pullen: 'I was surprised by the brochure. I wasn't familiar with it. What immediately struck me was that actually only competency 1 was about Facilities Management. The other competencies are also applicable to an HR manager, an ICT manager or a marketing manager, and competencies 8 and 9 are general higher education skills. This made me wonder: how specific is Facilities Management anyway? I didn't see anything about virtualization there.'

Otto: 'The trend is towards Shared Services Organizations. The various disciplines that Wim Pullen mentions are based on common skills. It will become increasingly difficult to operate from a single functional area. This is all part of the trend toward integration in organizations that we mentioned earlier.'

Pullen: 'If this integration is in fact real, it will also lead to an integration of the university courses, with

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Aad Otto

Reflections on 'The Facilities Manager in a virtual organization'

A conversation with Aad Otto and Wim Pullen

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Business Administration dominating. Then we will have general business education with students going in different directions on graduation.'

Otto: 'There's certainly a chance that will happen. But you also see the opposite. FM education will become more specialized. And that can actually only relate to competency 1. Too strong a focus on the business side will lead to the question of exactly what profession you are training for. Then it will become a sort of degree in Management, Economics & Law.'

What developments in education would you like to emphasize further?

Otto: 'I believe that knowledge will become subordinate to skills. By skills, I mean for example project management and change management. These are important competencies that are mentioned in the profile for the new Facilities Manager.'

Pullen: 'I don't see knowledge being

subordinate in this way. I see more of a juxtaposition. I think I understand what Aad Otto is saying: a lot of knowledge is only put to practical use when the Facilities Manager starts work. For this reason you must map out the domain knowledge of the entire spectrum of Facilities Management education: at college, university and masters level. Each course should indicate what it specifically focuses on. My suggestion would be: make the trend towards networks clear to the students. That is only possible if education itself is also organized as a network. Internal networks such as year groups and subject groups, external networks such as knowledge circles, alumni groups, etc. This means that the universities must make greater efforts to ensure their students continue learning after they have graduated. In other words, continuing education and the alumni policy.'

Otto: 'You will see that we will be returning to old models, such as those that were formerly used in the guilds. Everyone brings in his or her own network, but is also open to the networks of others. In that case, there is nothing at all wrong in wondering: 'what's in it for me?'

Let's go back to the relationship between FM education and e-working / virtualization. What role do the formulated competencies play in this?

Otto: 'The student must have covered all the topics we've mentioned. But the question is: at what level exactly? Could it be that the education system does not in fact turn out any Facilities Managers at all, and that the training of Facilities Managers only takes place after they've graduated?'

Pullen: 'Exactly. I measured myself according to the competency profile. I've been working in this field for years, but I don't really possess all the competencies. Or is this because the education system is turning out people who are able to function in the ever-changing work environment? Should we not actually do away with the Facilities Manager? I would rather talk about a Business Innovation Manager. Nowadays, business is all about continual innovation, partly as a result of social developments and ICT. The new Facilities Manager, sorry, the Business Innovation Manager must have an understanding of that.'

It is clear that both interviewees also see a trend towards more virtual organizations. There is some debate

about what forces will contribute the most to bringing about this change. E-working will certainly increase, but there are questions to be asked on the part of both employers and employees. The discussion of e-working also has a normative dimension: it can be done, but do we want to do it? That question needs to be answered first. Otto and Pullen outline an organizational development in which horizontalization, trust and networks are important concepts. The Facilities Manager - Pullen talks about a Business Innovation Manager - will have an important role in this development. A sensitivity to social developments, innovative thinking and change management are important competencies to which FM education should devote explicit attention. At the same time, educational institutions themselves will also be undergoing these changes. Allowing students to participate in internal and external networks will enable these competencies to be transmitted in a more meaningful manner.

NOTE

1 P.H.A. Frissen is the author of the book 'De staat van verschil' ('The State of Difference').

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Sustainable City of Amsterdam wants to be CO2 Neutral by 2015

Facilities Management Becomes a Center of Knowledge and Expertise

By Marion Visser-de Boer Photos: Michael Kooren

The city of Amsterdam is a founder member of the Connected Urban Development project, part of the Clinton Global Initiative (CGI). This is a partnership between a number of cities around the world, designed to enhance the quality of urban life. This is one way in which Amsterdam is seeking to achieve its ambition of becoming an internationally recognized, sustainable city. An ambition with far-reaching implications, including for the city's Facilities Management Department.

The city of Amsterdam has a decentralized structure. In addition to the City Council, there are also district councils, each with its own responsibilities and powers. The support services for the administrative apparatus are also decentralized, although in addition Amsterdam has departments and services that are centrally organized. Jet Lepage is acting Director of Facilities Management for the city of Amsterdam: 'Facilities Management is in an unusual position, because we focus internally on the City Council's employees, while the other services and departments focus on the citizens of Amsterdam. The Facilities Management Department does, however, provide one important service directly to the public: the call centre which residents of the city can use if they have any questions.

The unique feature of the Amsterdam Facilities Management service is that we are an entirely independent department reporting directly to the Municipal Secretary. Our services focus primarily on the Town Hall and the Muziektheater opera house (which are housed together in a building called the Stopera) and the official residence. We also provide a number of FM services to the whole organization.

At present, the district councils have their own buildings and their own facilities services with their own

budgets. Other services and departments also have their own buildings and facilities organization. These are often very small, around five or six people. In our organization we have over two hundred people. Our ambition is to convince our colleagues in the city that they can also source their facilities services from us. For this reason, the FM Department would like to further develop itself into a centre of knowledge and expertise for facilities management. Our colleagues are increasingly coming to us for advice. We advise and support them, for example by seconding staff to them.'

A Climate Office has been set up, in which the FM Department also plays a part

Self-financing

The FM Department must cover its own costs. All services are therefore charged on to the client. 'Many departments and services use this method to ensure that local government operates in a more business-like way and to provide transparency about exactly where the costs are incurred.

Now and again we hold discussions with the Municipal Secretary and other officials about whether we actually need to send invoices. However, this practice has been rather useful in recent



Jet Lepage

years. We have fully analyzed our work processes, so we now know exactly what the end product should cost and how this price has been determined.

The FM Department can now practically cover its costs. It doesn't really matter whether you send an invoice or provide a report. It amounts to the same thing.

I had expected that sending invoices would generate a large degree of cost-consciousness, but this has not been the case. The user does not generally care what it costs, because these costs are met by their own FM service. The user only says: "I need it, so pay for it." The benefit of sending invoices is therefore rather open to question,' acknowledges Lepage.

What services does the Facilities Management Department offer?

Lepage: 'We are the owners of the building that houses the Town Hall and the Muziektheater, the Stopera. We take care of the building management for that, as well as for the official residence. In addition, we provide the traditional facilities services, such as catering, cleaning, green space management, copying, the mail office and fleet management for the mayor

and the councillors. Central purchasing and ICT are taken care of by separate departments.

Our Media Management Department manages all the advertising for the whole organization. Media Management also maintains contacts and contracts with daily and weekly newspapers.

We don't want to offset the CO2 emissions financially by just planting trees

We also manage the contracts for energy, postal services and photocopiers. On request, we also undertake repro work, for example for the city's engineering office.

Another issue that the FM Department is concerned with is the formation of facilities management policy. For example, we are currently involved in the development of a physical security standard, a standard for ensuring the security of all the buildings owned by the city of Amsterdam. Once this standard has

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Sustainable city of Amsterdam wants to be CO2 neutral by 2015

Facilities Management becomes a center of knowledge and expertise

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been formulated and adopted, we will apply it across the whole city and assist the various districts to implement and audit it.

An important part of our service is energy management. We take care of that ourselves for the Stoper, but also advise the other services and departments within the city of Amsterdam.'

How is the policy of the Facilities Management Department linked with that of the city of Amsterdam?

'There is quite a gap between the two. The city's policy is aimed at residents, tourists and businesses, while our policy focuses on City Council employees. In our mission statement, we say that we aim to provide the council and the users of our buildings with the necessary facilities to do their jobs well. Wherever possible, for example in terms of efficiency improvements, we will coordinate with the city's objectives.

A direct link to the primary process is formed by the call centre, which the public can phone with any questions. The call centre is part of the FM Department. As far as possible, we deal with the public's questions straightaway. This is a complex process. We find the answers in a knowledge base, in which the information must be constantly updated and of a high level. It is very difficult to set something like that up. Some departments, such as the Employment and Income Department, sometimes wonder whether the public is always given the right answer, since the issues can be very complex.

The concept of "one-stop-shopping" for the public is still very much in development, but the FM Department has a leading role in it.'

Why is the city of Amsterdam taking part in the Connected Urban Development project?

'Amsterdam would like to take its place on the international stage, and work together with other major cities. Issues such as climate change, CO2 emissions or saving energy cannot be tackled on your own. It is important to establish international connections. Amsterdam, along with San Francisco and Seoul, was one of the founding cities of this project. In September 2008, the conference on the progress of the project was held in Amsterdam. Other cities will also be joining the project.

As a facilities management organization we do not have any direct link with this, as it takes place at a political and executive level. The objectives of the project are, of course, applied to the facilities management services within the city of Amsterdam.'

This project focuses on three issues: transportation, smart working in smart buildings and sustainable living. What contribution does the Facilities Management Department make to each of these issues?

'Sustainable living is an issue that is far removed from us. We cannot do much about it as the FM Department. We can do something about transport, but only for our own organization. When purchasing official cars we look at environmental friendliness and sustainability. Moreover, for a long time we have been encouraging employees to use public transport. Together with our clients, we are also looking at how we can promote working from home, but in such a way that it has a positive effect. If everyone is at home with the lights and the heating on, working from home will not contribute anything to reducing CO2 emissions. This is precisely why we have recently opened a satellite office in Almere with all the ICT facilities required for people to do their jobs. This is a pilot scheme and if it works out well, we will be setting up other similar sites.

Smart working means using square meters more intelligently, with the ultimate aim being perhaps to dispose of some properties. Smart working also means providing employees with better facilities. The Stoper is now twenty years old and no longer fully meets today's requirements. We are therefore

looking into how we can enable employees to work more independently of their workplace and how we can encourage better communication.

We are very much involved in everything that takes place within the city to reduce CO2. A Climate Office has been set up, in which the FM Department also plays a part.

The Climate Office is part of the Environment and Building Supervision Service and was set up to work with other departments in the city to ensure that the climate change objectives are achieved. In the spring a conference was held for the directors of the services and departments of the city of Amsterdam. We discussed how together we as a municipality can become CO2 neutral. Issues such as mobility, housing - from new builds to renovation, ICT and the City Council's own premises were on the agenda. This resulted in a program of projects, coordinated by the Climate Office, to ensure that the city of Amsterdam will be CO2 neutral by 2015.

As the FM Department, we are of course directly involved in that. We have been working on saving energy for years and we are constantly on the lookout for opportunities for achieving even better results. We have already been able to make substantial savings in building management and technology. The knowledge we have gained in doing so is then made available to all the other services and departments.

The fact that the politicians have named sustainability and CO2 reduction as key targets has given the whole issue a boost. Last year, the chairman of the executive committee declared that the Stoper must be climate-neutral in 2008. That was certainly very ambitious, but we think we will be able to achieve it in 2009.

To work towards that, we have commissioned a study by Corporate Facility Partners. They have developed an annual CO2 report.

This report is based on the same principles as a financial annual report: in two columns side by side you can see the CO2 balance sheet at a glance. In a number of areas they looked into the CO2 emissions from the Town Hall and the Muziektheater. These areas were electricity, gas, heating/cooling, transport, waste, water and paper. This data was plotted in a benchmark, with which we could compare ourselves with similar organizations and with best practices. Initially, the Town Hall was compared with other town halls and commercial office buildings. The Muziektheater was compared with other theatres. We then combined the figures. In some areas, such as



electricity, we are doing well, but in a number of other areas there is definite room for improvement. The bottom line of the balance sheet is the amount of CO2 emissions that you have to offset.

We are now going to further implement a number of measures that we had already taken in the past. Our purchasing of green energy could be even better. We are also looking into mobility, paper consumption and waste streams. In all these areas there is still room for improvement. To be genuinely CO2 neutral, we will then draw up the balance sheet and determine what measures are required to offset our emissions.

As Amsterdam Facilities Management, we do not want to 'overrule' our colleagues

In this way, the annual CO2 report gives a clear overview of the things you still need to do. This then becomes your goal. Together with our clients, we have devised a number of actions for achieving that goal.

If we need to offset CO2 emissions financially, we don't want to do that by planting trees. That's too easy. Therefore, together with the Climate Office we will be looking at what projects are being carried out within the city and where we can make a meaningful contribution. Perhaps, in addition to money, we can also supply knowledge, experience and personnel to support those projects. This is all still in the development stage.'

How do the users of your buildings react to all this?

Lepage laughs and says: 'The nice thing is that we involved the users of the Stoper, i.e. the council employees, in the study. The contacts in the working group were very enthusiastic. You could see how keen they were. Not long ago, sustainability was of interest only to environmentalists. Nowadays it

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3 TIPS FROM JET LEPAGE

My tips are based on the notion that you can achieve good results by working together.

1. Involve your clients and users in your plans. That creates a lot of positive energy and enthusiasm
2. Promote yourself and make your knowledge known in your organization
3. Find the right external parties with whom you can build a genuine partnership, rather than just a customer-supplier relationship

Sustainable city of Amsterdam wants to be CO2 neutral by 2015

Facilities Management becomes a center of knowledge and expertise

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is an issue that is high on the social agenda and where people want to do their bit. In particular, if people are employed by public organizations they feel an obligation to do something.

The study showed, for example, that we have a lot of waste streams. Everyone will now be looking at what can be done and how we can make changes in this area. It will then be a case of coming up with practical actions and implementing them.'

Are annual CO2 reports now also being prepared for the other buildings?

'No, not yet. The Climate Office has carried out a central study into the other buildings in the city and into what can be improved. Facilities Management was also involved in that. In the long term, it is possible that we will apply our knowledge and experience of CO2 reduction to other buildings.

Our annual report was drawn up following the comments by the chairman of the executive committee. Because the FM Department has a lot of experience with energy and energy efficiency, it was a relatively easy task for us to accomplish. In many ways, sustainability and environmental consciousness are deeply rooted in our organization. Based on the annual report, we are now going to implement concrete actions. For instance, we can adjust the heating systems even more accurately, which will save energy.

This will require an investment, but that will be recouped quite quickly. We also want to make better use of the building outside the standard opening hours. People can currently work overtime, in which case they are spread all over the building. That means that the heating and lighting has to stay on in a lot of rooms. By placing people who are working overtime all in a single area of the building we will reduce the amount of energy that is expended.

In many ways, sustainability and environmental consciousness are deeply rooted in our organization

To reduce paper consumption, we want to further investigate the opportunities for digitization and promote two-sided printing. In addition, we will be looking at the waste streams and how we can reduce or reuse waste. Another proposal was to use electric scooters instead of lease cars.'

Will you succeed in being CO2 neutral by 2015?

'That's the big question. I am an optimistic person and I think we will succeed. There are a lot of activities in the city to reach this goal, but it will require a good deal of effort and investment. What makes it more difficult is that society and the economy are becoming ever more intensive. As a result, we don't just need to take measures to offset the current level, but also need to do something extra to actually bring emissions down.'

Will the main role in this be played by Facilities Management or by the users?

'This is something we've talked about in our workshops. Most emissions are still produced by buildings. I therefore believe that Facilities Management has a major role to play. You can make big strides by having good heating systems, which are optimally adjusted, and by providing staff with the appropriate facilities, for example satellite offices and ICT facilities. If you can get by with fewer buildings, you can make a huge impact straightaway. At the same time, you must continue to talk to users about their behavior. Changing people's behavior is not easy. Fortunately, you can influence behavior to some extent by technical means, for example with motion sensors that turn lights on or off.'

Would a centralization of facilities services contribute to the end result?

'It might well do, but that is a sensitive topic. Amsterdam is a city with a very decentralized organization. We do have a facilities management platform where knowledge is shared by all the facilities managers in the city. As Amsterdam Facilities Management, we do not want to 'overrule' our colleagues. What we do want to do is share knowledge and experience. For example, we can support them when it comes to obtaining an 'energy label' classification for a building, or we can jointly arrange for an energy label to be issued for all the buildings. If we take that further, and are able to apply that cooperation in more areas, we will certainly be able to achieve better results together.'

Award

'At the end of last year, all the office lighting was replaced by low energy light fittings with daylight-dependent sensors. We entered this project in the European Commission's Green Light Award and, to our surprise, we won. This immediately gave us the ambition to enter the Green Building Award next year. If we implement the measures on the basis of the annual CO2 report, we are in with a chance. Winning this award was great,' concludes an enthusiastic Lepage, 'because it made our colleagues proud of their Facilities Management Department and of the city of Amsterdam.'

JET LEPAGE

Since July 2006 Jet Lepage has been the Buildings Operation Sector Manager / Acting Director of Amsterdam Facilities Management (FBA). She is responsible for a budget of €14 million and around 20 employees.

Over the last fifteen years, Lepage has been, among other things, the director/owner of Delta Expo Haringvliet and then the Rosarium leisure park. From 2002 to 2006 she worked in The Hague as site manager and project manager for the renovation of the headquarters of the Ministry of Social Affairs and Employment, and as head of buildings and workplace facilities and renovation project manager for the Ministry of Foreign Affairs.

In addition, she has also held the post of board member / treasurer of the International Facility Management Association (IFMA).



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Low Power, High Resilience

By Jane Fenwick

The new Fujitsu datacentre in North London opened this summer demonstrating that as the first Tier III accredited datacentre in Europe, it can also provide a highly resilient facility and designed to use less energy.

There are many things about the modern world that we only really become aware of when they're not there or not working properly. And it can seem to facilities managers that they spend the vast majority of their time providing exactly those things, from lighting to HVAC systems, toilets to running water, parking spaces to office seating. All taken for granted until people don't have them, while their presence, unacknowledged for the most part, is testimony to the hard work and expertise of an army of unsung heroes.

While many of the services provided by facilities managers only rarely fail, failure is not an option at all for some environments. Nowhere is this more true than it is for datacentres. According to Gary Payne of Modus Unitech, 'In an economy reliant on technology, firms would quickly stop functioning if datacentres stopped working. Business continuity is everything. If a system becomes unavailable or insecure, then it will quickly become a problem and potentially disastrous. The datacentre must keep flawless standards for ensuring the integrity and functionality of the environment it is home to. The fact that failure is so rare, non-existent in many cases, makes the work that is done designing, building and managing datacentres so impressive. But conversely, it also means all that hard work can go largely un-credited. The users of computers may take working technology for granted a lot of the time but they have a lot of skilled and

dedicated professionals to thank for it.'

Modus has just completed work on one of the most advanced datacentres in Europe, a new £44m project for Fujitsu Services in a converted 1970s warehouse at their North London centre. It's a typically modest exterior for something that is incredibly important according to Payne, who led the Modus team responsible for the architectural design and project management of the new centre. "You would never know it at first glance, but this is one of the most advanced installations of its kind in Europe," he says. "The brownfield development site and the redevelopment of an existing building belie the fact that what is happening inside is cutting edge, world class, offering exceptional resilience and the very best low energy credentials."

He is referring to the centre's Tier III rating, a classification of datacentre resilience developed in the US by The Uptime Institute (TUI) but now recognised as a global standard.

The new Fujitsu datacentre is the first Tier III accredited centre in the whole of Europe As Payne explains, "It is this combination of business and economic need coupled with environmental concerns that is the most important current feature of datacentre design. What is great about the way this project has been developed is that we have been able to balance what may have been conflicting objectives - business necessity and environmental performance - and been able to meet them, without compromise."

The environmental features of the installation include the use of a carefully designed low energy cooling system including variable speed drive chillers and evaporative cooling towers coupled with variable speed fans, pumps and heat exchangers.

The cooling system is designed to maximise the use of free cooling from partial through to full free cooling, depending on ambient temperature. According to Fujitsu this system saves enough energy to power around 2,000 households every year.

The project will also run in parallel with a programme to modernise customer IT systems to save around 50 per cent of total power consumption. Fujitsu believes the new centre will allow it to save the equivalent to 10,000 tonnes of carbon dioxide emissions each year and significantly reduce the cost of IT for the business.

In technical terms, the London North centre currently achieves a Power Usage Effectiveness (PUE) of around 1.6 under full design conditions. PUE is a measure of the energy efficiency of a datacentre and is determined by dividing the amount of power entering a datacentre by the power used to run its infrastructure. So, expressed as a ratio, overall efficiency improves as the PUE decreases toward 1. In addition, Fujitsu Services is committed to looking at ways of improving the efficiency of the centre even further over time.

The building's services were designed by Red Engineering Design. At the heart of Red's low energy design is the innovative application of tried and tested engineering principles, achieving minimum energy consumption in each area of the services. In line with TUI recommendations, the design is based on a 'worst case' ambient temperature of 38°C, future-proofing the facility against the potential effects of global warming with an emphasis on using tried and tested technologies in new, sophisticated ways.

The evaporative cooling systems, for example, are well established technologies that offer a significantly more efficient alternative to traditional air cooled systems. High efficiency water cooled chillers supply chilled water at elevated temperatures to maximise opportunities for free cooling and eliminate the need for re-humidification of the air. The chillers have also been configured to minimise energy consumption at part-load. Chilled water circuits are arranged in flow and return rings, rather than the

conventional flow and return circuits, allowing areas to be isolated for maintenance without disrupting chilled water flows.

Taking full advantage of the higher return temperatures, heat is recovered from the chillers by a heat pump and used to pre-heat fresh air used for ventilation. Further energy savings are achieved by the use of spray humidification, which requires considerably less energy than conventional steam humidification.

In addition, dimmable, low energy lighting in the data hall is linked to passive infra-red (PIR) occupancy detectors. When the space is unoccupied the lighting is reduced to 20 per cent of full design illuminance, sufficient for the CCTV systems. Energy consumption of lighting in other areas is also minimised through occupancy based control.

Commendable and desirable though the green performance of the new building is, it would mean nothing if the datacentre were less than totally resilient. Tier III status means that the datacentre provides 99.98 per cent site availability, 'as near to optimum specification as you can get' in the words of Payne. Central to this level of resilience is the provision of a diesel rotary uninterruptible power supply (DRUPS) to ensure that power failure will not disrupt service.

"The provision of this specific DRUPS system was not foreseen at the outset," explains Payne. "It only became apparent as we developed the project that the UPS system we had originally in mind was not the optimal solution so Fujitsu worked with us to re-specify these systems to ensure the project would meet key performance criteria and give the best possible solution. We had the added challenge of ensuring that this development would not disrupt the final deadline. It has been recognised that datacentres in the south east have been approaching capacity for some time, so the provision of the new site by the middle of 2008 was considered absolutely essential. We had to hit the deadline and ensure that we met or exceeded all of our performance and environmental objectives. The only option we had was success in providing the right results on time."



Fujitsu's first European Tier III facility in North London

FOR INFO:

www.modusgroup.com
www.red-eng.com

The Crisis Exit Route is Signposted Research and Innovation

By **Mariantonietta Lisena**
From Gestire issue 61-62, 2008

At a time like this, of economic stagnation, it is not only normal but desirable for a plethora of opinions to emerge about the best way to exit the crisis. It is hard to say whether there is a single winning solution - rather, it will be a complex process that involves the whole of Italy. Whatever the case, it now seems clear that Facility Management will have to play an active part in this process - all that remains to be seen is how, and to what extent. In order to picture the future role for the sector, it would be worthwhile looking at the business world in order to understand the general situation in the Italian manufacturing industry, and its perception of Facility Management. With this in mind we interviewed Carlo Bonomi, Chairman of Gruppo Terziario Innovativo (Innovative Services Association) which, with over 1700 member businesses, is the second-largest association in Assolombarda.

What measures do businesspeople consider potentially useful not only in making their own companies more efficient and therefore competitive, but also in giving new impetus to our production system?

The route to growth involves investments in research and development: Confindustria proposes that research investments be increased to 2% of GDP by 2011, and that innovation should be supported by raising businesses' tax credit for research to 20%. There also needs to be a recovery of efficiency within the public administration. The industrial plan launched by Minister Brunetta, and the rules announced to free up local public services both seem to be moves in the right direction, together with "fiscal federalism", which aims to make local authorities more accountable and create more alignment between the cost incurred and the time and place of tax collection. In order to be competitive, our companies need the mass of red tape to be thinned out - the costs of bureaucracy were recently estimated at €1.4 billion. It is also essential that work is done to narrow the infrastructure deficit which Italy suffers from. As far as Lombardy is concerned, I'm referring to the Turin-Lyon rail link, but also the Pedemontana and Brebemi motorways, for which investments have already been planned, ahead of Expo 2015. Finally, there needs to be a boost to labour productivity. In this regard the detaxation of overtime has made a positive contribution, and it is

to be hoped that the same thing will happen for the reform of employment contracts.

Do you think that the Italian model, based on the quality of its small and medium-sized businesses, will still prove effective in the near future?

Foreign trade statistics, the recent balance sheet analyses conducted by Unioncamere-Mediobanca and our own enquiries into business competitiveness prove that Italian businesses, and SMEs in particular, have in recent years achieved a better level of organization. They have also shown themselves to be flexible in the

face of changing global scenarios by investing in quality and innovation (of products, processes and in organizational terms) and as regards their ability to hold their own in foreign markets. Our system is still undergoing a transformation, but the positive results achieved thus far can only bode well for the future: let's not forget that our SMEs generate one-third of Italy's turnover, which makes them an irreplaceable resource for the whole country.

Industrial zones function like hubs revolving around a core business or the production of a specific product. Do you believe that this concept can be applied to the management of services, thus attracting a Facility Management offer designed especially to meet the needs of an industrial district?

I think that creating synergies and collaborating is not only possible, but fundamental. At a time when the cost of services has risen and contribution margins have been reduced even further, only teamwork and the creation of "interest groups" can help companies to stay competitive. Streamlining business premises, renting a shared site that can be used by several companies in Italy or abroad, organizing joint transport systems in order to drive down haulage costs, taking part in trade fairs or events along with other interrelated businesses - these are just a few examples which can give access to improved conditions in the services market, thus reducing costs while freeing up resources to focus on the company's core business. Unfortunately, Italian business owners are often over-protective of their patch, they are "afraid" of sharing or collaborating, so the number of companies creating positive synergies

in this field is still very small. However, this attitude stems from a mentality that neither listens to the present nor looks to the future.

In your opinion, does Italy have its own approach to the offer of services?

The Italians have the ability and potential to do many things well - often better than others. Often, when it comes to services we are not yet as competitive as certain foreign businesses because our economic and industrial structure has, historically, been based on production. As production is now being delocalized to countries with a lower cost of labour, I believe Italian companies should give more tangible attention to the world of services, because I think these could be the solution to creating new jobs, thus generating wellbeing for everyone. Logically, we should try to take on board the positive experiences of other countries in which services represent a very important part of the economy. But most of all, we need to understand that we can no longer remain glued to our old ways of working. It is now the moment to move with the times and seize the opportunities on offer. I believe that the new "Italian approach" for businesses will be the "technological manufacturer", in other words the creation of a new generation of businesspeople who can combine the best of Italy's manufacturing tradition and creativity with the wide range of possibilities now open to us, through all the product and process innovations which the world of services has to offer. This is also an opportunity to be seized, especially during these times of economic stagnation. I believe that Milan, thanks to its business tradition, could be the birthplace of this new class of entrepreneur.





European Facilities Management Futures

By Keith Alexander

In stable conditions managers can plan with greater certainty and are able to identify significant and longer term issues for which they can easily prepare. However, in a prevailing climate of uncertainty and change, and with the need to respond quickly to unforeseen circumstances, managers need to develop approaches that enable them to foresee future challenges, envisage the impact on the organisations and communities in which they work and develop the strategies and competencies needed to retain an advantage.

This is particularly true in the changing world of facilities management, which in itself can be seen as a strategy for managing change. It is natural, therefore, that the profession and industry should recognise and understand the importance of future studies, of effective scenario planning and the need to develop skills and competencies to contribute to the forward planning in organisations.

Organisations and communities need to think the unexpected. Although few futurologists foresaw the collapse of global financial systems, successful organisations with supple systems are prepared for unexpected change and can rapidly adapt.

At the European FM Research Summit held in Manchester, 27 January 2005, it was recommended that an essential prerequisite to setting an agenda for Facilities Management in research Europe, was an understanding of the factors that will impact on organisations in the future.

The European Research Network Group took up the recommendation

and created a research project, supported by a number of EuroFM member organisations, and originally led by Professor John Ratcliffe (DIT, Dublin, Ireland) and Antti Tuomela (then of Senate Properties, Helsinki, Finland) and coordinated by Professor Keith Alexander.

The project started with an introductory seminar at the EuroFM Research Symposium in Frankfurt in 2006 and concluded in Autumn 2008 with a presentation of the project at the EuroFM meeting in Helsinki and a final workshop in Zurich, Switzerland in November 2008.

EuroFM member organisations have contributed to the project by hosting workshops. FIFMA and Helsinki University of Technology (TKK) organised the opening workshop, RBS and the University of Salford hosted a week-long research hotel in Manchester and the University of Applied Sciences in Zurich held the last event.

The Centre for Facilities Management in Manchester has undertaken the research analysis and

reporting of the project. A database has been created and will provide EuroFM member organisations with access to all the material generated in the project.

The IFMA agreed to support the project by funding a joint EuroFM/IFMA publication. Following completion of the research project and reporting, production of the publication will begin in January 2009 for a formal launch at EFMC2009 in Amsterdam.

The role of education and research in developing the knowledge, systems and skills needed for an unpredictable future is paramount. The inter-relationship amongst practising managers, researchers and educators is the hallmark of EuroFM activity. Although the Facilities Management Futures project emerged from the needs of researchers to understand organisational issues and trends to which FM must contribute and respond, it is a vital component of the future programme across all network groups and should be central to EuroFM future strategies.

The EuroFM FM Futures research project provides a basis to develop a programme - to advance knowledge in facilities management and its effective application in practice, education and research - relevant to the conditions and needs of the 21st century.

A research report is available on the EuroFM web-site. The report presents

an overview of a collaborative project amongst EuroFM member organisations that was concluded in November 2008. The report provides the background and an introduction to the project and comprises reports of each of three workshops and other relevant futures studies. Presentations from three seminars, held in association with the EuroFM Research Symposium are also provided.

*Professor Keith Alexander
Centre for Facilities Management
Manchester, United Kingdom
January 2009*

EUROPEAN FACILITIES MANAGEMENT FUTURES

Executive summary

Horizon Scanning

Trends affecting Facilities Management in Europe

Future scan

Environment scan

Future factors

- Political factors
- Economic factors
- Societal factors
- Technological factors
- Legal factors
- Environmental factors

FACILITIES MANAGEMENT FUTURES

The world of FM in Europe in 2018

Future scenarios

- Implications for education
- Implications for practice
- Implications for research
- Opportunities and challenges

'Time present and time past are both perhaps contained in time future. And time future contained in time past'

T.S. Eliot

The report identifies the potential forces of change looming over the horizon which will alter or even transform the external business environment, impacting on organisations in all sectors of the economy and on Facilities management.

By briefly back at the past, analysing current trends and using these to extrapolate into the future, the report attempts to chart a journey for Facilities Management in Europe towards 2018.

This report uses a PESTLE analysis to help identify the most important trends that could shape the future of the workplace. This is a useful strategic tool for analysing the external business environment and is often used for business and strategic planning, business and product development and, of course, research. It provides a framework for categorising environmental influences as Political, Economic, Societal, Technological, Legal and Environmental. The analysis examines the nature and potential impact of these factors, and then surmises how these factors might interact together to alter the future world of work.



Efficient Inner Spaces

By Àgoston Dombi

When designing the interior of an office building, in an ideal case, keeping costs to an acceptable level and operating in an energy-efficient way can only be achieved with innovative solutions which utilize office furniture, light fittings, panelling and all other built-in materials in a coherent manner.

As is generally the case with architects, interior designers state that the aesthetic quality of the inner spaces of an office building greatly depends on the owner/developer. According to interior designer Ferenc Szekér, one can also draw a distinction between one office building and another on the basis of the purpose for which the given building was created. An interior designer is in a much easier situation if the future "resident" is in agreement with the developer, or if it can be known well in advance who will be using the building. The designer can then get a much broader picture of what the expectations are, and can adjust the design to them.

Open Space

For the interior arrangement of offices, these days the so-called open space solution is clearly the trend. The furnishing of offices must be done in such a way that each user would have at least 7-8 square meters available, which often is ultimately reduced to as little as 5 square meters with the potential expansion of the company. A higher standard is considered to be an area of 15-25 square meters of office space for each individual, which at the most is separated from the common space by a glass partition. For those in managerial positions, the design of so-called "islands" is also a popular solution, which, from the perspective of space utilization, is nowhere near as efficient as continuous rows of workstations. Large and well-known office furniture manufacturers are adapting to these trends. Their new models almost exclusively offer solutions for open space

arrangements. The functionality of the furniture is much more important than the design. At the same time, it is important to emphasize that these days, both with respect to color (light, pastel) and form, the emphasis is placed on simplicity.

Light Sources

In terms of function, the situation is much more interesting. The internal structure of the building, for example, greatly determines what kind of office furniture must and can be acquired. Of course, the quality of the work conditions and the workers' sense of comfort greatly depend on the furniture itself. As regards mechanical and engineering aspects, energy efficiency is now a number one criterion. In the case of one of the most modern solutions - in which space is treated like a "box" - climate control systems are built into the walls and ceilings. A quick change in temperature, however, can be achieved with the assistance of so-called "sails", which are placed on the ceiling. As there is no suspended ceiling, cabling can only run through the false floor, and the specified and appropriate light fittings providing 500 lux of light must be "housed" in the furniture. The greatest problem is then the provision of both scattered and direct light. However, a solution has been found for this as well. In one of its current projects, the Szekér Interior Design Studio wants to utilize 'furniture-combined' light sources, where the employee can set the relative proportion of scattered and direct light from his/her own workstation. The equipment senses the



employee's "presence" and only the occupied workstations receive the appropriate scattered and direct light, thus achieving substantial savings.

Designing Common Spaces

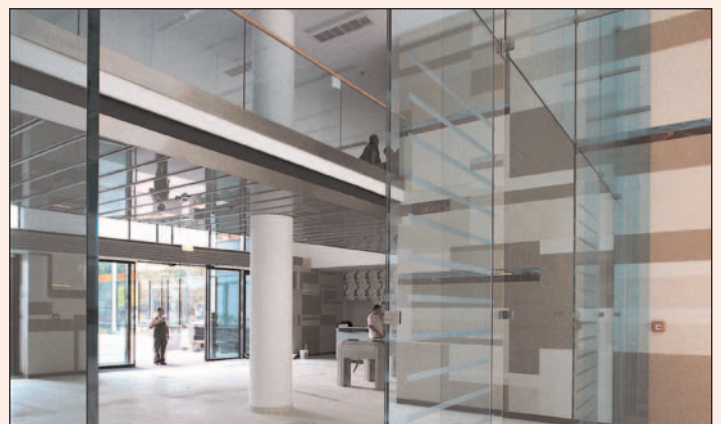
For the developer, the interior design of common spaces has especially great significance in rental office buildings. It is important that the exterior architectural features be in harmony with the interior design. An office building built today must be representative of our era, which in turn determines the furnishings, the selection of materials, as well as the distribution of space. Especially in the case of an A-category office building - or in any other case for that matter, say the experts - the budget must also include a small amount for the contemporary visual artist.



With the development of the market, lessees are making increasingly more stringent demands on new office buildings, which has a positive impact on the quality of interior design. It should be stressed that this does not mean that possibilities are unlimited from a material point of view. However, with innovative solutions, quality inner spaces can still be created within an acceptable expense budget.

GDA Acoustics

From an acoustic point of view - in addition to mechanical and engineering aspects - office furniture also has great significance. An accepted solution for dividing up space and eliminating echoes is the use of screens with a height of 130 centimeters. These textile-covered partitions often acquire a new function. Storage shelves are mounted upon them, and family photos, important telephone numbers and printed charts are placed upon these. However, the result is that the space partitions end up not absorbing bothersome noise. Recently, in collaboration with acoustician Anna Arató, the Studio took measurements in numerous real office situations and office buildings having different floor layouts. Over the course of their research, it was shown that noise arising during work time cannot be most effectively eliminated by carpet or space partitions, but by sound absorbers fixed to the ceiling.



Security

Prison Facilities and Breaking the Paradigm of the Private Penitentiary System in Brazil

By Igor de Mesquita Pípolo, ADS, ASE

An opinion poll released by CNI/Ibope shows interesting numbers about prison privatization. It was carried out from September 19 to 22, 2008, with 2002 people in 141 Brazilian cities. According to the data, 26% of the people questioned supported the system, versus 36% in the same poll taken in March of this year. Life imprisonment had an approval rating of 31% among those polled, unchanged from March's poll.

Society needs to understand that longer sentences - and life sentences, under the current Brazilian prison management - do not necessarily offer a way for the prisoner to recover or make society safer.

It is important to understand that we need the full effect of time served; in other words, a place that gives prisoners a way to integrate back into society. After all, the term "marginalized" in Brazilian culture refers to a person that, for one reason or another, is not a part of the social environment, such as the marginalized (criminals and violent offenders, for example, because they do not respect the law, they abuse the rights of other citizens, they cause disturbances and harm society).

The same laws that incarcerated them are obligated to release them, placing them back into society. During the period they are in prison, it is necessary for them to have the opportunity to relearn everything they need to exist in a healthy social environment. Even those that committed heinous crimes should go through a rehabilitation or training program so they can return to society better than when they arrived. We can no longer accept prisoners who are released worse off than they were before finishing their sentences!

In no uncertain terms, I want to state that we need to quickly head toward a reality that is already being practiced in other countries and achieving interesting results. As an example, on a recent trip to Spain and

England I had the opportunity to find out a little bit about the penitentiary systems in these two countries. I observed that their private prisons offer many of the conditions that we desire for our prisoners here in Brazil.

It is wrong to condescendingly classify the ideal conditions for life inside prison. On the contrary, as soon as we improve conditions for life in the prison system, we offer the prisoner the chance to evolve, to better himself personally and professionally so that he can truly be prepared for returning to society. It is also true that the numbers are proof of this. In England the reincarceration rate in the private system is less than 17%, while in Brazil it is higher than 85%, real evidence that the English system works very well and we need to copy it.

There is currently a deficit of more than 40,000 spaces in the state of São Paulo alone. The prison conditions are substandard, with shortfalls in sanitation, infrastructure, medical support, activities, meals and accommodation. It is common for prisoners to alternate beds so that everyone has the chance to sleep. These factors alone support the need for constructing new detention facilities.

We believe that when people know the benefits of an adequate prison system, they will approve this initiative and the results will be felt by society in the medium and long term. Private companies are far ahead

of the state in terms of management, as well as operational flexibility and a lower propensity for corruption. The big secret lies in how the services are set up: the rights and duties of both sides are clearly defined, beyond the involvement of any legal entities such as fiscal oversight. We have a false sense of security in the public system and it spends much more per prisoner, especially if we take reincarceration into consideration. What is the true cost of violence? Is it possible that prevention is more expensive and can still protect lives?!

The private penitentiary system allows and requires the company to follow what the law decides, something that the state often cannot or does not have the means to do. In several regions of Brazil there are prison systems that are not fully following law nº 7.210 of July 11, 1984, regarding the implementation of sentences and the minimum standard necessary for having decent prison facilities.

No electronic security system will be 100% effective if we do not have a Private Prison System Plan with clear policies, processes and procedures that are well-prepared and defined together with duly capable people. In England, for example, there were no escapes from private prisons, as the fine is approximately £150,000 (one hundred and fifty thousand pounds). Converted into Brazilian reais, it is more than R\$500,000 (five hundred thousand reais) for each escapee, which could lead to losing the concession.

To make it easier to understand, a penitentiary is commonly compared to the unique dynamics of a hotel. The penitentiary would not be any different, except for the fact that its guests cannot leave. Nevertheless, it

is very similar to the system of accommodation, meals and all the necessities for internal activities (like a large resort). This is obviously keeping in mind what we know as the hospitality industry (comfort) and the penitentiary, which offers more than just the means for the prisoner to recover. We are also talking about professional training, work and education, mandatory activities for the prisoner to be able to earn the minimal amount of income to live, become prepared for release and even support his family while he is imprisoned.

We will not lower violence by mistreating them or simply transforming penitentiaries into prisoner depots. On the contrary, violence originating inside prisons is precisely what leads to criminal factions who rule with fear and turn prisoners into hostages of brutality in these facilities. In a private penitentiary system, following a model that offers ideal housing conditions, the prisoner can be provided a way not to become a hostage of others and to find recovery within himself.

(Article published in the magazine INFRA)



Igor de Mesquita Pípolo, ADS, ASE. Director of the Núcleo Inteligência - Serviços de Consultoria em Segurança Ltda. (Intelligence Nucleus - Security Consulting Services Ltd.), adviser to Segurança Institucional da Vice-Presidência da FIESP - Federação das Indústrias do Estado de São Paulo (Institutional Security for the Vice-President of FIESP - the Federation of Industries of the State of São Paulo), with a post-graduate degree in Security Upper Management from the Universidad Pontificia Comillas de Madrid, where he is a guest professor.

Only the Best for National Defence

By Dakota Lavento

Ritva Touré, Quality Director at the Construction Establishment of the Finnish Defence Administration, contradicts any prejudices one may have about civil servants being rather dull characters. No wonder her place of work was the winner of the 2007 Finnish Public Sector Best Practices Award.



The recognition for best practices has delighted Ritva Touré, Quality Director of the Construction Establishment of the Finnish Defence Administration, especially because it is an award for the entire organization for the excellent work it does.

One of the other winners is the City of Turku Department of Health's Medical Rehabilitation profit centre. The panel deciding on the award concluded that the quality of the work carried out in these organizations was the result of a systematic approach and a sense of enthusiasm.

In fact, spending just an hour in the company of Ritva Touré is sufficient to see why the Construction Establishment was awarded the prize. A systematic approach in all the Establishment's activities is evident when the Quality Director reads out a list of current development and other projects. Not even the smallest details are left to chance when it comes to improving productivity and efficiency.

The Construction Establishment of the Finnish Defence Administration is an active participant in various development projects run by the government and, for example, the Finnish Association of Building Owners and Construction Clients (RAKLI).

"If you want to have a say in things and benefit from progress, you have to be actively involved," explains Ritva Touré.

The outdated notion of a sleepy, sheltered sector is dead and buried, and the Construction Establishment could very easily compete, now it is well established, with Finland's leading real estate management companies. And it

would too, because its staff have acquired wide-ranging expertise and competence in the management of Defence Administration's property stock, which includes buildings of all types and ages.

The Construction Establishment is a net-budgeted agency that reports to the Finnish Ministry of Defence. It is responsible for providing the Defence Administration with expertise and procurement services in the areas of real estate and the environment. The Defence Administration has around 8,000 buildings on its books, covering an area of 3.4 million square meters.

The Construction Establishment's tasks include the following: project planning and construction relating to real estate used by the Finnish Defence Forces, property maintenance and energy services. The Establishment employs about 1,000 staff and its turnover is EUR 130 million per annum.

Excellent staff

The organization is a huge one and cannot be easy to manage. Changing trends, modernization and reform demand patience and willpower. Consistency and coherence have been vital in the Establishment's development. The Best Practices Awards panel saw its major strengths. Good staff would quite rightly seem to be its most important resource.

The Construction Establishment's staffing strategy is carried out in cooperation with staff organizations. The system encourages staff to make strategic choices and management to communicate openly on changing trends in the staffing strategy. The age of retirement is noticeably later than the average for public administration. Personal skills profiles are used for staff development.

"Everyone receives tailor-made training in the necessary areas. That boosts motivation enormously," says Touré.

There is strong commitment to the job. The very spirit of national defence unites not just the employees, but the customers too. And the same joyful, untiring approach that the Quality Director shows seems to be a general feature of the entire organization.

At the Establishment, risk surveys

are performed at regional level. It is here that the connection risk factors have with various aspects of the operation is understood. The regional operation involves the owners of defence properties, cities and municipalities where military personnel are stationed, local government, reservist organizations, guilds, clubs and other groups.

"Some of the procurement is centralized, but our regional and local partners are also used when it makes sense. Expertise can also be found at local level."

Customer satisfaction, as recorded in the annual surveys that are carried out, has grown steadily, although it is already excellent anyway. Data is regularly collected on customer needs at meetings and through feedback on services and the customer satisfaction surveys.

Modern technology in place

Because the Establishment has taken part in different development projects, it has developed rapidly. The planning and monitoring system it has is a permanent part of the Establishment's performance management strategy. The monitoring of results means improvements and innovations can be introduced.

One of the main strategic goals of the Establishment is new working methods. For example, it was one of the country's first accounting offices to start processing invoices electronically.

The aim has also been to introduce the latest technology at ground level - literally sometimes. The use of microfibre cloth in cleaning has made it a less expensive and better quality service.

The recognition for best practices has delighted not just the Quality Director but the Construction Establishment generally:

"It is a tribute to all who work here for the excellent work they do," says Ritva Touré, with a smile of satisfaction. "A copy of the certificate is on the wall in each office, because the award belongs to everyone. At the same time it is a message to our customers and stakeholders concerning the skills and competence of the Construction Establishment of the Finnish Defence Administration and how it has developed."

The Common Assessment Framework (CAF) is a tool for evaluating and developing quality and performance in public sector organizations. The CAF evaluation model is influenced by the European Foundation for Quality Management (EFQM) model of excellence.

The best practice winners will give presentations at the fifth Quality Conference for Public Administrations to be held in Paris in October. The

Conference is an opportunity for all 27 Member States of the EU to present just two examples of best practice in their public sectors. Finland has been involved in the selection process in all five of these public sector best practice events via the Ministry of Finance, the Ministry of the Interior and the Association of Finnish Local and Regional Authorities.

Ritva Touré has been chosen to judge the Finnish Quality Award Competition this year.

A keen artist and grandmother

Ritva Touré came to work for the Defence Administration's property unit at the start of the 1990s. Changes in the working environment made her think about what really interested her about the operation: the Defence Administration was responsible for a good number of old properties that could be renovated.

Whilst at work she continued her studies, first to gain the Master of Science (Technology) qualification, and later to become a Licentiate of Science (Technology). Her practical theses were on the development of the maintenance services of the employer's property stock and systematic property management and have resulted in practical operating models for the Construction Establishment.

Touré's handiwork is also visible in the annex to the framework agreement between the Defence Forces and Senate Properties renewed in 2006 entitled the Property Management Interface. She has also contributed to the reform of the Construction Establishment's quality system.

Touré realized what the needs in the field were in the early 1990s when she was assessing the condition of properties in Santahamina, in east Helsinki, and in her capacity as Regional Director for Western Finland from 2001 to 2002. She realized that the everyday work of maintenance is made considerably easier when the functions are already in place and there are guidelines for them. In her current role, she works at the Establishment's central department as a leading expert in technical services and its Quality Director.

This dynamic grandmother spends her free time studying painting and attending annual samba carnivals. Ritva Touré is an interviewer's dream. She listens to the questions, gives complete answers, and gives her complete time and attention to the interview at every moment. It must be great working under her.

Touré has thought about doing a doctoral thesis when she retires. At the Construction Establishment of the Finnish Defence Administration they must be hoping that that will not be too soon.



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The first EuroFM meeting in 2009 was held in London on January 22-24. Our members Glaxo Smithkline and BIFM hosted the meeting at GS's premises in Stockley Park, Uxbridge. On behalf of all EuroFM members, the Chairman, Albert Pilger, expressed his most sincere thanks to both organizations for their efforts and hospitality and to all speakers for their insightful contributions on the topic "Maximizing a Changing Workplace".



Members voted Gordon McMillan in as new Chair of the Corporate Associates group and expressed their gratitude to Per Anker Jensen as he stepped down from the Chair of the Research Network Group in favour of Margaret Nelson. Additionally, the Chairman informed that at the closing of last year, membership had grown by nine members to a total of 89: 33 National Associations, 41 universities and research organizations and 15 corporate associates.

The following are EuroFM Network group reports:

Education Network Group Report

By Rene Hermans
Chair, Education Network Group

Poster Competition

So far we have received a new record of 39 applications for the Amsterdam Poster Competition. The jury will select the best 20 posters, which will be presented in Amsterdam.

The jury consists of the following persons:

Mr. Gordon Macmillan (FM Management Glaxo Smith Kline, sponsor)

Mr. José Luis Garcia Cuartero (representative Practice Network Group)

Ms. Suvi Nenonen (representative Research Network Group)

Mr. Andreas Rohregger (representative IFMA Foundation, sponsor)

Mr. René Hermans (non-voting secretary of the jury on behalf of the Education Network Group EuroFM).

ENG decided that at least one poster will be accepted from each participating member university in order to bring together as many international students as possible.

Education guide

The questionnaire that will provide the necessary information for the 2009 Education Guide will be sent to all higher educational institutes in Europe between 16 and 20 February 2009. We have collected a list of 150 institutes that have Bachelor or Master programs in FM and/or FM related sciences. Of course we hope for a great response. If you have not received a questionnaire please contact vera@appr.nl

Educational theme

In our Saturday morning meeting we discussed the theme "Balance between soft and hard services in the FM curriculum". We were hereby inspired by a guest lecture of

Ms. Wiene Wijnstra, secretary European Committee for Standardization CEN/TC 348 Facility Management. In the discussion, ENG noticed once again the many and very different approaches of FM in higher education: Facility Engineering, Property Management, Building Construction, Service/Hospitality Management. ENG agreed that a more general approach of the FM profession and competencies is preferred in relation to a more specialist approach. In order to make a next step in understanding each other's basic assumptions in FM higher education the following

question will be the theme for the Lisbon meeting in September: "How does your curriculum deal with all building aspects?".

Best EuroFM student 2009

Applications are open until 27 February. Have a look at www.eurofm.org

On behalf of ENG: see you in Amsterdam and Lisbon.

Research Network Group Report

By Dr Margaret Nelson
Chair - EuroFM Research Network Group

On the behalf of the members of the EuroFM RNG, I would like to thank Prof. Per Anker Jensen for his leadership of the RNG over the past two years. We congratulate him on his recent Chair, and look forward to his continued support of the RNG.

My tenure as Chair started with the London meeting (January 22-24). At the workshops on the 23rd, four projects were presented to members. The workplace management project (Dr S Nenonen - Finland) has already been approved by the board. The added value of FM project (Prof P Jensen - Denmark) has been submitted to the board for approval. Two more projects - FM as a function translating business goals into building language (Prof I Price - UK) and FM processes (Johannes Bockstefl - Austria) are still in development and will be circulated amongst members. A process for selection of EuroFM research projects was also drawn up and will be circulated to RNG members for discussion before submission to the EuroFM board for approval.

At the RNG meeting on the 24th we discussed in detail the results of the members' survey undertaken in January and the way forward for the RNG. Closer collaboration amongst the network groups was identified as one of the key areas to take forward. Details of these discussions will be circulated in the minutes.

EFMC2009 is upon us. Twenty four papers and the results of the FM futures project will be delivered at the

Research Symposium. There will also be an opportunity to discuss the EuroFM research agenda for the next 3 - 5 years. I look forward to meeting you in Amsterdam in June.

Practice Network Group Report

By Helena Ohlsson
Chair- Practice Network Group

The EuroFM Practice Network Group had two meetings in January in London, with representatives from 8 countries and 12 National Associations or Corporate Associates. Our current initiatives are:

- The Program Advisory Group, led by Lennart Harpe, reported a positive final meeting where all the talks for the EFMC 2009 conference in Amsterdam now have been selected.
- Olav Egil Saboe reported on the European Standardization, CEN, and the progress of the FM workgroups.
- The collaboration with the University of Rotterdam continues and this year students Georgina Bas and Annika Holtslag will do research on energy in 4 European countries
- A new project in collaboration with FM IT development company Service Works Global was launched. The project objective is to increase awareness on IT in FM on a multinational level.
- The Facility Management Professional (FMP) accreditation collaboration with IFMA will set up the project team shortly and contract negotiations with IFMA are taking place.


We also had the opportunity to run workshops on three topics:


- How to deepen the collaboration with the two other network groups
- How to improve the EuroFM web page
- What topics shall be prioritized for future PNG projects?

The PNG is currently looking for the new Chair and Vice Chair. Please contact the EuroFM secretariat with your suggestions.

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