

# PROGRESSIVE TRENDS IN OUTSOURCING

One new trend known as “Integrated Facilities Management” is popular with big business today.

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Over the past few years, we’ve seen corporate decisions coming from various departments, including real estate, IT and global sourcing/procurement. While the trends of the departments were to balance the economics in office services management, the technical aspect of buying managed solutions became diminished. Long-term discount incentives replaced the desires of “process improvement” and integration of technology. Rightfully so, in an economic climate where “doing more with less” became a best practice, and purchasing managed services quickly became a commodity and not a solution. While firms concentrated on below the line returns, services diminished for “back office processing”.

As with most business trends, we’ve seen a dramatic shift over the past 24 months. Leading the trend is a new concept sweeping big business, known as Integrated Facilities Management (IFM). IFM is simply defined as providing all major service components through one

source. IFM allows major corporations the ability to focus on core competencies and benefit from a single source solution that can deliver/manage all facility-related service components of a company’s support operation. IFM providers are typically global real estate firms that provide most of the services

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and partner where needed based on the particular requirements of their respective client.

The Millennium Group (TMG) recognized this significant trend shift, and in 2005 entered into an exclusive strategic partnership with Cushman & Wakefield

(C&W) as their global Office Services solution. Through this partnership, TMG supports C&W for all office support services for their clients and assists in the development of prospective new assignments. The Alliance has enabled both organizations to increase their service offering to existing clients while also allowing the firms to jointly pursue new business opportunities for Integrated Facilities Management services.

## The Benefits Of IFM

The benefits of IFM are very tangible for an organization. If we look at the dynamics of the IFM provider, we quickly see deep resources as well as highly experienced leadership. Having an IFM provider lead a corporation’s support operation frees up internal resources of the firm to focus on R&D, market expansion, and product development.

IFM also provides a solution that integrates leadership across all service disciplines which results in improved reporting structure and enhanced control of the business. Simply put, a comprehensive

IFM program results in a more efficient and cost-effective support environment.

Typically, most office services solutions can now be found bundled in an IFM Request for Proposal where most outsourcing firms are bidding services to the IFM provider, who in turn, will manage services for a client. Some of the broader IFM bids for services might include:

- All office services needs (mail, S&R, copy, records management, reception, and so on.)

- All Facilities Management Services needs (both internal & external)
- Property Management
- Real Estate Solutions (Transaction services, Lease administration, Tenant representation)
- Project/Construction Management
- Security & Food Services

As the volatile economic climate continues, enormous pressure will be put on companies to reduce spending, whether it is through service consolidation or price resets in various service industries.



Timothy Kerner

## Progressive Trends In Outsourcing

This is where IFM will take over! The IFM platform will offer companies the ability to access premiere service, and doing so at market conditions. By collectively bringing together a comprehensive solution through IFM, corporations will begin to realize savings through the expertise and experience of each IFM partner presented as part of a broader solution.

As mentioned previously, TMG along with C&W have built the office services solution within C&W's IFM platform. Jointly, C&W along with TMG pioneered this unique concept which has gained broad industry acceptance.

C&W provides a service delivery platform for over 125 million square feet in the U.S. and nearly 250 million square feet globally. Combined with TMG's over 250 assignments under management, this Alliance has set the future for how outsourcing mail and other office related services will be managed.

*For more information about The Millennium Group, call 888-703-7030.*

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