

The benefits of outsourcing operations, maintenance

Outsourcing of maintenance and engineering functions is advantageous for all types of buildings, including offices, retail, apartments, condominiums, hotels, schools, hospitals, military bases, and government facilities. Here are some of the benefits of outsourcing:

ENGINEERS SUPERVISING ENGINEERS

Typically, building managers or owners are not experienced with the in-depth operation of mechanical systems. They cannot look over the shoulder of their engineering staff and know if the preventive maintenance is being performed properly. They rely on the competency of their engineering personnel. With outsourcing to a contractor, the supervision is done by highly trained and experienced personnel. All of the supervisors have moved up through the ranks of the company and know the job inside and out. These supervisors will review the operation of the building on a regular basis in order to assess the performance of their people. Since the contractor's main objective is to make money for the company and grow the business, they will make every effort to ensure the plant is operating at its peak and that the building owner and manager are happy.

EMERGENCIES

If there is failure or breakdown with the chillers, boilers or other major components of the plant that the on-site staff cannot repair in timely manner, the contractor has many other resources, including supervisors and management to resolve the issues immediately. The building manager and owner are not restricted to relying on the in-house staff or calling an outside contractor on an emergency basis.

IMPROVES PLANT OPERATIONS

In an effort to promote new business, the contractor will go out of their way to ensure all of its customers are very satisfied with the service they provide so as to use them as references for prospective clients. This means that the mechanical systems get extra attention and are kept clean and painted. The contractor will look for all possible ways to improve the plant operation with new technology and cost-saving measures. The best selling point a contractor can have is satisfied existing customer base.

STAFF QUALIFICATIONS

The only way to keep up with the constantly changing technology in this field is through training. Most contractors have a continual training program in place. This may consist of on-the-job training, night classes and specialty training from manufacturers. A comprehensive training program keeps personnel up to date on all new equipment and systems that may enhance their plant operation. It is to the contractor's benefit to offer training to promote their people and grow the company.

With continual training, the contractor's personnel are promoted within the company and are encouraged to gain more knowledge in all aspects of their work. This benefits the employee as well as the building owner with more experienced personnel operating their facility.

PERSONNEL ISSUES

The current job market is extremely tight. Good engineers, mechanics and technicians are very hard, if not impossible to find. Insurance rates are increasing as well as taxes and other benefits. Most contractors are set up to deal with all aspects of personnel issues on a daily basis. Many have human resource departments that search for the best for less in order to keep the employees happy and the cost to their customers low.

Because of their ability to train and promote staff, contractors are also able to better recruit young talent desirous of building a career.

Another significant advantage to the owner is the ability to pick and choose the employees at the building. Dealing with many different personalities is a major challenge these days.

With in-house staff you have very little flexibility to separate people if the personalities do not work well. With outsourcing, if the contractor's personnel do not well with other on-site workers or management, the contractor can transfer people within their company as necessary.

There is also cost savings when the building owner no longer has a deal with the payroll issues. The cost for accounting time to enter payroll, compute and pay taxes and insurance is all part of the contractor's expense with outsourcing.

All building managers must deal with vacations and sick leave coverage for their facility. With in-house operations this can be very difficult. The manager must plan ahead and pay an outside contractor for coverage and get a qualified person who is not familiar with the operation of the facility.

When outsourcing, the contractor will have several backup people already familiar with the operation that can step into the position without training. The contractor also has the flexibility to provide coverage for sick leave on a moment's notice.

Contractor's can share people between clients so a facility that needs only 1 ½ people can be accommodated without trying to find a qualified part-time person.

REDUCED LIABILITY FOR OWNERS/MANAGERS

With in-house operations all of the liability for any breakdown or insurance claims falls on the owner, manager and engineering staff. This can cause the insurance costs for the building owner to be a higher rate than if the operations were outsourced. The owner and their insurance companies can hold the contractor liable for any negligence regarding the operation of the facility.

EMPLOYMENT LIABILITY

In today's litigious society, the risks of employment are great and being able to pass the risk of employment-related liability on to a contractor is of some material benefit to owners. The outsourcing contractor takes the responsibility for hiring, firing, motivating, supervising, training and disciplining the site staff and shields the building owner from any risks associated from these activities.

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