



Finance and Business

Introduction..... 1

Chapter 1: Finance and Business in the Facility Organization

Topic 1: The Importance of Being Finance- and Business-Aware..... 3
 Topic 2: Financial Terminology 4
 Topic 3: Fundamental Accounting Concepts 10

After completing this chapter, students will be able to:

- Summarize the reasons why finance and business management are key ingredients in the success of facility management.
- Define key finance terms prevalent in facility management.
- Explain basic accounting principles and practices that underpin facility management operations.

Chapter 2: Financial Management of the Facility Organization

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After completing this chapter, students will be able to:

- Develop, recommend and manage/oversee the facility budget.
- Identify the basic financial statements an organization prepares and describe the elements impacted by facility management operations.
- Write business cases, supporting documentation and financial reports.
- Apply cost concepts in facility management operations.
- Use financial ratios and facility metrics to analyze and interpret financial documents.
- Identify cost-containment opportunities.
- Explain the use of chargebacks to allocate facility costs.

Chapter 3: Procurement in the Facility Organization

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After completing this chapter, students will be able to:

- Apply procurement principles and procedures in compliance with the organization’s policies and guidelines.
- Analyze an outsourcing proposal.
- Describe the fundamental aspects of customary facility management outsourcing relationships.

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After completing this chapter, students will be able to:

- Identify the principles involved in the development and oversight of facility management contracts.
- Develop key performance indicators.
- Administer contracts.
- Monitor contractor performance.
- Analyze and interpret financial contract elements.
- Resolve vendor conflicts.

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Leadership and Strategy

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 Topic 5: Implement Strategy Using Tactical Plans 53

After completing this chapter, students will be able to:

- Explain the importance and objectives of strategic planning.
- Align the facility’s strategic plan with the entire organization’s strategy.
- Develop a balanced scorecard to define and measure strategic and tactical goals and progress.
- Assess property and services needed to meet current and future organizational requirements.
- Formulate justification for approval of a strategic facility plan and/or a facility master plan.
- Establish a strategic plan change process.
- Obtain approval and funding of tactical plans.

Chapter 2: Lead and Manage the Facility Organization

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 Topic 9: Resolve Conflicts 135

After completing this chapter, students will be able to:

- Explain the complementary but different natures of leadership and management.
- Discuss the benefits of learning about one’s own and others’ motivations and behavior in work environments.
- Discuss how to lead, inspire, influence and manage the FM organization in support of the entire organization’s goals.
- Describe how to excel as an FM organization using best practices, continual improvement, and change management and reengineering.
- Explain the importance of advocating for facility management needs and priorities.
- Create a strong organizational structure and teams for the facility function.
- Describe the individual roles on teams.
- Develop and support robust FM policies, procedures and practices for the entire organization.
- Clarify and communicate responsibilities and accountabilities for staff and contractors using proper job design and work coordination.
- Resolve conflicts by understanding root causes and using principled negotiation.

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After completing this chapter, students will be able to:

- Promote, encourage and adhere to a code of conduct by serving as a role model, enforcing codes and exhibiting ethical leadership.
- Explain shared components of codes of conduct and the IFMA Code of Ethics.
- Apply relationship management goals and principles to develop and manage/oversee stakeholder relationships and be sensitive to the needs of stakeholder groups.
- Explain how to ensure compliance with corporate social responsibility policies by leveraging the role of facility managers.

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Operations and Maintenance

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Chapter 1: Introduction to Operations and Maintenance

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After completing this chapter, students will be able to:

- Explain the role of operations and maintenance in facility management.
- Discuss the scope of the facility manager’s duties and responsibilities in support of the organization’s missions and goals.
- Describe how to develop, recommend and manage/oversee a strategic facility plan and associated O&M tactical plans.
- Determine appropriate O&M schedules for a comprehensive list of facility assets.

Chapter 2: Assess Facility Needs

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Topic 2: Assess Exterior Structures and Elements 21
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Topic 5: Assess Grounds 54

After completing this chapter, students will be able to:

- Identify and describe building structures, systems, interiors, exteriors and grounds.
- Discuss common deficiencies in building structures, systems, interiors, exteriors and grounds.
- Identify security, health and safety considerations relative to building structures, systems, interiors, exteriors and grounds.

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After completing this chapter, students will be able to:

- Describe how acquisition begins an asset’s life cycle and what factors are used in deciding on an acquisition.
- Explain the elements of installation and commissioning of systems, materials and equipment.
- Describe typical preventive maintenance activities.
- Explain how reliability-centered maintenance is used to balance maintenance activities effectively with analysis and management tools.
- List the elements of a typical maintenance management workflow process.
- Describe the operation of building systems such as building automation, energy management, health and safety elements and emergency preparation.
- Describe typical conditions and measurements that signal it is time to replace an asset.

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After completing this chapter, students will be able to:

- List typical occupant services and describe the process of determining guidelines for occupant service performance expectations.
- Describe a typical workflow process for occupant services.
- Explain the key aspects of a successful occupant services plan.
- Describe the guidelines that support the workflow process.
- Describe an effective approach to preparing for modifications to occupant services.

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After completing this chapter, students will be able to:

- Discuss the elements, value and use of service level agreements.
- Describe the process to follow when determining whether to use staff or contractors for each service or operation.
- Discuss the process of comparing and selecting among outsourcing candidates for O&M services.
- Explain the negotiation process for a typical service level agreement.
- Describe the principles of measuring competency, monitoring performance, evaluating outcomes for work/service, and developing/promoting best practices.
- Describe key factors and attitudes relative to contract disputes and their resolution.

Chapter 6: Measure Operations and Maintenance Performance

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After completing this chapter, students will be able to:

- Discuss life-cycle cost analysis relative to total cost of ownership.
- Use appropriate measuring and data-gathering tools such as reliability-centered maintenance, design for reliability, energy modeling and risk assessment.
- Describe how to use the workflow process, specific performance measurements and key performance indicators to characterize performance using a balanced scorecard.
- Explain how to determine key performance indicators that represent the strategic facility plan.
- Discuss techniques for monitoring and improving customer satisfaction.

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Project Management

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Chapter 1: Introduction to Project Management

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 Topic 2: The Project Manager 10
 Topic 3: Project Management Processes and Models 16

After completing this chapter, students will be able to:

- Discuss how projects can be defined, including common criteria and attributes.
- List common types of FM projects.
- Explain the requirements of the project manager role and the decision factors regarding whether the facility manager should adopt or delegate this role.
- Describe project management processes and models and relate them to a typical FM project format.
- Discuss the Define, Plan, Do, Check, Act, Close model.
- Apply project management to plan, organize, delegate, monitor and control projects in a way that represents the interests of the FM organization and its customers.

Chapter 2: Define Projects

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 Topic 4: Perform Programming..... 46
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After completing this chapter, students will be able to:

- Explain the Define phase of a project, including typical inputs, activities and outputs.
- Discuss the elements addressed in the process of defining the project purpose.
- Explain the project triangle.
- Discuss the programming process and its outputs.
- Describe the SMART feasibility test.

- Explain the use of a project charter for presenting a conceptual budget and business plan to decision makers to win project approval and funding.
- Develop a statement of objectives to detail project scope and deliverables and constraints of schedule, budget and quality in sufficient detail to begin project planning.

Chapter 3: Plan Projects

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After completing this chapter, students will be able to:

- Outline the elements of a typical site selection process.
- Describe the progressive steps in the design process.
- Discuss the importance of the work breakdown structure, how it is created and how it is used.
- Explain the process of creating a project schedule and the various types of scheduling.
- Describe other components of the project management plan: cost estimates and budgets and quality, communications and procurement management plans.
- Discuss the role of risk management.
- Plan a project team and resources by developing specifications for project team internal staff and contractors.
- Contrast the common types of contracts.

Chapter 4: Manage and Oversee Projects

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After completing this chapter, students will be able to:

- Explain the need to check availability for internal staff or contracted resources and lead times for materials.
- Describe how to select or negotiate with line managers for internal staff.
- Discuss how to acquire contracted resources for team positions, materials or professional services using an open tender/bidding process or direct negotiation.
- Describe the basic features of standard tender/bidding contracts and proposal responses.
- Integrate or coordinate the work of project team members to orchestrate schedules and tasks and maximize the efficiency and effectiveness of teams and resources.
- Execute and control project activities according to the project management plan, including project scope, schedule, cost, quality, teams, communications, risks and project changes.
- Discuss the importance of minimizing midproject change.

Chapter 5: Close Projects

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After completing this chapter, students will be able to:

- Verify that all tasks have been completed and deliverables installed at the end of a project.
- Discuss how to conduct final deliverable reviews, such as checklist reviews or punch-list/snagging-list walk-throughs.
- List the steps in the final inspection or validation process, including defect repair and validation and deliverable acceptance.
- Explain the use of certificates of occupancy, commissioning, and occupying space for a design and construction project.
- Describe the contract closure process, including conducting management tasks that use judgment and administrative tasks that require diligence.
- Explain how to close projects, including issuing formal acceptance documentation, generating closure documents and dismissing teams.
- Describe how an organization learns from its successes and failures by collecting, evaluating and presenting data on project outcomes.

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