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THOMPSON, Paul and PRICE, Ilfryn

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## **Tales of the unexpected: Perceptions of excellence shape Facilities Services**

Paul Thompson (ISS UK), Ilfryn Price (Centre for FM Development, Sheffield Business School)

### **Executive Summary**

We report the first investigation into the views of senior buyers of FM as to Service Excellence. Some perceive excellence as opulence. For them it is too high a standard to aim for - or to be seen by senior management to aim for, - except on particular, customer critical, pathways. Others organizations are pursuing of facilities excellence as part of their organizations' strategy. They describe having been on or being on a journey beyond the limitations of SLA driven contracts. Our research confirms, again, that consistency of delivery is a required component but that the provision of an unexpected benefit or recovery from failure that can lift the experience of great service to an excellent level: the power of the human touch. Across many interviews the key was seen to be focused around the behaviour and attitude of people, the individuals and teams who are employed to provide the service.

### **Introduction**

The ISS Group, head quartered in Copenhagen, has grown to become one of the world's leading Facility Services companies with a commitment to self-delivery and a global employee base of over 530,000. The Group's vision is to become known the world's greatest service organisation. Understanding exactly what this means to our customers is clearly critical in pursuit of that vision and ISS UK, commissioned research to understand customer perceptions of service excellence. They contracted CFMD to undertake the research.

The commission specified a knowledge review of service excellence, with particular reference to FM, then in depth interviews with 12 client organisations (including some who were not formal ISS customers). The interviews were held at customer sites and comprised a circa one hour discussion with the most senior client manager available. Where possible they also included a site tour and short conversations with members of the host organization's staff as internal users of Facilities Services. The interviews were confidential and subject to the Sheffield Hallam University's code of ethics. The report, placed [on line](#) in December 2013, provides more detail than this paper.

### **Knowledge Review**

As a concept, service excellence, as opposed to service quality, remains more strongly associated with the B2C than the B2B environment. As Robert Johnston commented in 2004:

*Service excellence is both obtrusive and elusive. We know when we have received it and, rather more frequently, we know when we have not. Such service, both excellent and poor, has a strong emotional impact upon us as customers, creating intense feelings about the organisation, its staff and its services, and influencing our loyalty to it. Yet many organisations seem to find service excellence elusive, hard to grasp, and also difficult to deliver. Paradoxically, we, as individuals, instinctively know what it is and how simple it can be.*

Johnston went on to ask 20 senior managers within service organisations and some 130 randomly selected members of the public what they understood as the difference between excellent and poor service from the viewpoint of service consumers. The distilled results identified had a consistent theme. People identified excellent service that was hassle-free and "easy to do business with" as opposed to an experience that exceeded expectations or involved big gestures. A determining factor for many centred on either the effective or ineffective resolution of an issue. Nearly 50% of the statements described excellent service as being about problem handling and 64% of statements around poor service focused on complaint handling.

Johnston's senior managerial interviewees were responsible for primarily B2C service quality in their organisations. We could not locate specific literature on recipients / purchasers of B2B service nor on

excellence specific to FM. It is of course obvious that the value of facilities and customer experience is appreciated in those industries - such as hospitality, tourism or retail – where the physical space is integral to what Mary Jo Bitner has dubbed the *Servicescape*. In other sectors FM research and guidance tends to emphasise buildings and their management at the expense of impacts on customers and business.

### **Research Design**

We chose, deliberately, to seek views across a range of industry types and between public and private sectors. We interviewed twelve of the highest ranking 'buyers' we could engage. Table 1 provides details. We used two interviewers (from CFMD), one to lead and one to watch the process and intervene if needed. It is a format designed to encourage a relaxed but searching conversation. The interviewers had a list of topics they wished to explore (Table 2) but did not generally structure the interview to follow the list. We did though start by asking each interviewee to recall an example where they, as individuals, had received excellent service and whether they felt that such excellence was transferable to facilities services. The format led naturally into discussions as to what specifically supports or inhibits excellence, addressing factors including procurement, retention, staff and attitude, contract KPIs and flexibility. Where possible, we also toured the facilities and asked users of the services at the interview location for examples of excellence or the opposite they had received from FM at their specific workplace. Interviews were professionally transcribed, coded and analysed according to standard qualitative methodology.

### **Findings**

#### ***Polarity of opinion***

Some main interviewees, and all the users we spoke with, saw excellence very much in the same terms as Johnston's research group. They recalled experience of a critical moment when a problem they had faced was lifted.

*"Within a nanosecond (I switched) from almost never dealing with these people again to thinking 'I'm always going to go there'."*

Others equated excellence with luxury

*"You pay to be wowed" "Grand prix engineering: Money no object"*

This may be why some organizations find excellence elusive and difficult to deliver if there is a managerial concern about being seen to over spend, especially in times of financial austerity.

#### ***Transferability to Facilities Services***

The 'excellence as a critical moment' interviewees were unanimous about its transferability to FM.

*I think so. In fact it should be shouldn't it?*

*What people have started to realise, is that actually FM is about delivery to customers that live in a building.*

For those who gave precedence luxury, pressures within the FM environment and challenging market conditions meant it was not a viable objective. Being seen to deliver excellence ran the risk of appearing extravagant and overspending and as such sent out the wrong message particularly at a time of austerity. They did though give examples of areas of their business – retail sites, the experience of high wealth customers, or the maintenance of critical data centre – where excellence was an objective. In general, and in contrast to much of the FM literature, business critical aspects of facilities had been identified and were being managed as such.

Organisation	Description	Principal interviewees	Location	Nature of visit
TRUST	An Acute Hospital	Assistant Director FM	Trust HQ	Interview and tour of projects enhancing the patient environment
PSERV1	An international professional service firm	Head of FM for UK	Local Office	Interview in a 'client side' meeting room and tour 'staff-side'
TELCO	An international mobile phone operator	Head of FM Operations UK	Company HQ	Interview in a 'staff side' meeting room including 2 staff and site tour
BANK1	A UK owned international bank	FM Procurement specialist	Company HQ	Interview in staff side catering facility and tour.
PSERV2	An international professional service firm	Director Operations UK	London Office	Interview in a 'client side' meeting room.
EDOP	A local authority	Contract Manager and FM Contract Manager	Council Office	Interview in a former office. Visit to three schools
TECHCO	A US owned international technology company	Head of Property and FM UK and Ireland	Local Office	Interview in a 'staff side' meeting room and tour
BANK2	A European owned international bank	Head of Client Services UKMEA	London Office	Interview in attached fitness facility
BANK3	A European owned international bank	Head of FM UK	London Office	Interview in a 'staff side' meeting room
MILOP	A British military base with	FM for 6 bases in the area	HQ	Interview in a 'staff side' meeting room and visit to one mess
AIRCO	An operator of a major international airport	FM Manager for a terminal	HQ Building	Interview in a 'staff side' meeting room
MANUF1	A manufacturer of luxury motor vehicles	Engineering contracts manager and manager of a waste management contract.	Main factory	Interview in canteen and the customer tour

Table 1 Scope of interviews

If excellence in FM is possible what are the enablers and inhibitors, with examples?		Conversely if not, why not with examples?	
Does it vary with industry, service encounter or particular service?		Whether the client prioritised particular services	
Looking ahead is that going to change?			
What --promotes / inhibits excellence in FS?		<ul style="list-style-type: none"> <li>Contracts KPIs</li> </ul>	
<ul style="list-style-type: none"> <li>Trust and relationships</li> </ul>		<ul style="list-style-type: none"> <li>Flexibility</li> </ul>	
<ul style="list-style-type: none"> <li>SLAs and KPIs</li> </ul>		<ul style="list-style-type: none"> <li>Procurement</li> </ul>	
<ul style="list-style-type: none"> <li>Retention</li> </ul>		<ul style="list-style-type: none"> <li>Staff and attitude</li> </ul>	
<ul style="list-style-type: none"> <li>Measurement</li> </ul>		<ul style="list-style-type: none"> <li>Delivery by either ISS or by the industry generally</li> </ul>	

Table 2 Abbreviated interview checklist

This did not mean that the quality or consistency of service was poor or compromised, but that striving for the exceptional was not felt to be appropriate in the context of their business and wrong for their brand. Here, excellence was perceived as a glossy optional extra that would probably not be reintroduced even when the economy improves.

*I've been in banking 25 odd years, so I've seen many ups and downs. This is by far the longest. There is no real end in sight. And we're doing things that we would never have contemplated even as little as two years ago. So you can see the mind shift.*

On the other hand strong proponents of critical moment excellence saw it as compatible with budget and attainable for all areas of the business within a budget environment. Choosing to pursue excellence was a business led decision with tangible gains from generating a valuable return on investment, from financial savings to greater payback from staff.

An example from a professional service firm highlighted that the investment required to run service excellence programme for key teams and new inductees was relatively small in comparison to other areas of expenditure across the business, and to the significant payback achieved when one critical threat to business continuity was averted. The hospital and the education board offered other examples of savings and improvement to the experience of patients or pupils.

*But the schools that then said it can't be done, six months later, said, I don't believe how you've managed to do, and our school is as clean. .... So it's about a different way of working.*

### **Five models**

We saw five models, or perhaps points along a spectrum

1. **Deliberate economy** where, excellence is pursued only areas of a business that were seen to contribute most to the client's value proposition. In locations that customers did not see the emphasis was on reducing cost in standard ways.
2. However we saw examples of **economy plus** where staff reported events such as help desk responses to critical incidents that they saw as excellent. Although excellence was not seen as affordable 'even for directors' it was being delivered to individual users who did not expect the earth but did welcome a responsive service.
3. **Two tier services** were apparent at some sites that combined both client facing areas (including front of house 'business lounges') or dining experiences for officers or high wealth customers with much more basic accommodation for lower ranks or staff. Again however we saw examples of local incident led excellence by the service providers.
4. One interviewee described **qualified excellence**: a journey driven by the recognition that the experience of passengers transiting an airport could affect repeat business and their consequent search for greater integration between aspects of cleaning and maintenance. Others, who described journeys they had been on spoke of the final category.
5. **Excellence for all** where, a general drive for excellence was described by the respective businesses that as not only affordable, but, by making the most effective use of existing resources and actually a means to best value.

## Conclusions

### ***FM and customer experience***

Organizations outside the traditional physical servicescape sectors are increasingly aware of the aspects of FM that affect their customers; or a selection of same in high wealth services. Some of them are expecting contributions from their Facilities Service providers.

### ***Excellence is not expensive***

For those who saw excellence as luxury and gave precedence to the economy, pressures within the FM environment and challenging market conditions mitigated against excellence as a viable objective, except perhaps on specific customer pathways. Being seen to deliver excellence ran the risk of appearing extravagant and overspending to the client and as such sent out the wrong message particularly at a time of austerity. Yet we saw examples of facilities staff in such environments delivering what recipients saw as excellent service.

### ***Rigid service specifications can be a barrier***

We were given examples of a stringent SLA regime acting as a barrier to the FM response when service users had a problem. Three of the 'excellence for all' interviewees spoke about the need for smart procurement emphasising relationships and avoiding undue commoditisation. Compare

*The problem that we have is, to be honest, if someone turns up today and they forgot the key for their lock-up, the SLA on that is like 30 days, that's huge, because in our grand scheme of our business, that's been deemed to be not that important, but if I turn up there and I've forgotten my key and laptop's locked in there, 30 days really gives me a bit of a problem.*

*We ran it as we wanted a partnership with the cleaning provider. So we didn't include any penalty clauses in. If something's not right we'll have a meeting, we'll have a discussion and talk it through.*

and

*My answer is based on yes it can be procured but you really do need some pretty high end procurement skills to do that and you need some pretty high end business skills to do that.*

*Actually running a tender that was very different. So it wasn't just about cost and all those great things, it was about "where do we find an organisation that culturally and behaviourally would fit with this organisation or has the right ethics and is about people and is about training and is about longevity and is about a true definition of partnership.*

### ***Consistency***

In accordance with Johnston's findings, the research has underlined that service excellence is widely recognised as something extra that goes beyond consistency and good service which tend to be an expected minimum standard. Excellence is underpinned by consistency, and an absolute confidence in delivering to an agreed set of standards. However, this consistency on its own is not enough. There needs to be that element of positive surprise, the unexpected experience above and beyond what is normal, that moment which exceeds anticipations.

With the unexpected extra a prevailing theme, it follows that the more diverse and flexible the offering, the better equipped the business is to respond to issues with an effective solution. Therefore the bundle of services, innovative culture and holistic approach more likely to be found in an integrated services environment suggests that an integrated provider is well-placed to deliver excellence.

## People



Across the board was a general recognition of FM as a people discipline is evidenced by 'people' being the standout word in over 100,000 words of interview transcripts. At ISS we believe that this capacity to surprise, to exceed expectations in the day to day delivery of services, is rooted in the individual empowerment of the people who work for us. We call it *the power of the human touch*.

### Strategic contribution

At ISS our vision is to become the world's leading service organisation and understanding better what service excellence means to our customers is clearly critical in pursuit of this. We are using the insight from this research to develop a series of focused approaches to delivering excellence that recognises that the one size fits all approach is simply inadequate to meet the variety of expectations of our customers. By tailoring our approach in this way, underpinned by our consistent commitment to empowering people and teams, we truly believe that we can create the right experience of service excellence to fit seamlessly with our customers' own core business models.

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