



Research

# Facilities Maintenance Auditing:

**A Short Survey of Practices and Challenges**

February 2006

## Introduction

In late 2005, Hammond Street Developments (HSD) held a business briefing on the subject of facilities management auditing. The audience of senior facilities professionals was invited to participate in an online survey following the briefing.

This report outlines their responses, serving to provide an overview of current auditing practices amongst corporate and government enterprises. It also uncovers the issues faced in the collection of data for effective maintenance planning and budgeting.

## Key Findings

The survey found that:

- ▶ 90% of respondents conduct facilities maintenance audits, with nearly two thirds of these annually
- ▶ the principal challenges in condition-auditing are ability to collect accurate data, reporting and integration with existing facilities management systems and allocating time for the task
- ▶ a quarter indicated their investment in conducting facilities audits (manpower and financial) has at least doubled compared to three years ago
- ▶ of the respondents conducting maintenance audits, half are using a clipboard or other paper-based method
- ▶ 45% rate their current method of auditing either 'average' or 'poor'
- ▶ 53% rate the accuracy of the field data collected as only 'somewhat accurate' and another 9% did not know how accurate this data was
- ▶ two thirds use data collected from a facilities audit to meet OHS compliance or other regulatory requirements
- ▶ three quarters of respondents rate prioritisation of maintenance as an important objective of facilities audits

## Observations

We draw the following observations from the findings of this survey:

### **The facilities maintenance audit process is largely manual and costs are rising**

Only 14% of organisations have seen a decline in maintenance audit costs over the last three years. Businesses are generally experiencing an escalation in both manpower and financial investment.

Those conducting facilities audits are typically managing the audit of many sites on an annual basis, with the majority still using manual means such as a clipboard or paper-based method. It is expected that more savings could have been realised through the adoption of technology and systems that would more effectively streamline the process.

### **OHS and regulatory requirements are gaining importance in the audit process**

In recent years regulatory regimes have made the accuracy of the facilities auditing process more critical. New levels of compliance are required, particularly for publicly-listed companies and their subsidiaries. For example, newly introduced Occupational Health and Safety legislation in Victoria has increased pressure on businesses to maintain safe workplaces.

### **Maintenance planning & budgeting decisions need high-quality data**

A manual approach to the collection of facilities condition data can easily return inaccuracies resulting in poor input into the planning/budgeting process as well as non-compliance issues.

With multiple individuals working on an audit, grading the condition of facilities can also be open to the interpretation of those individuals. Automating the data collection process increases the accuracy of facilities information by including mandatory condition assessment fields. The condition categories used can be given detailed descriptions allowing inspectors to maintain consistency.

More importantly, an automated process allows for the prioritisation of maintenance works according to the urgency or otherwise of identified faults.

### **System integration needs improvement**

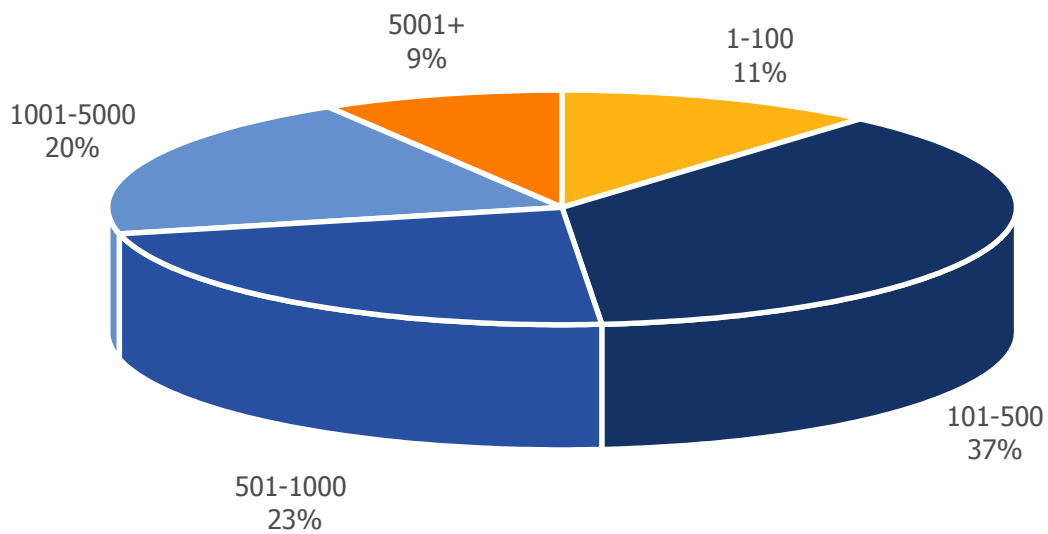
Facilities managers are challenged by integrating data collected during facilities audits into their existing facilities management systems. Given that maintenance planning and budgeting represent the principal uses of this data, it is essential that collected data can feed into and support the decision making process in a timely and accurate manner. Manual integration processes, such as in the manipulation of data in spreadsheets, present further areas for possible human error in the process.

## Methodology & Demographics

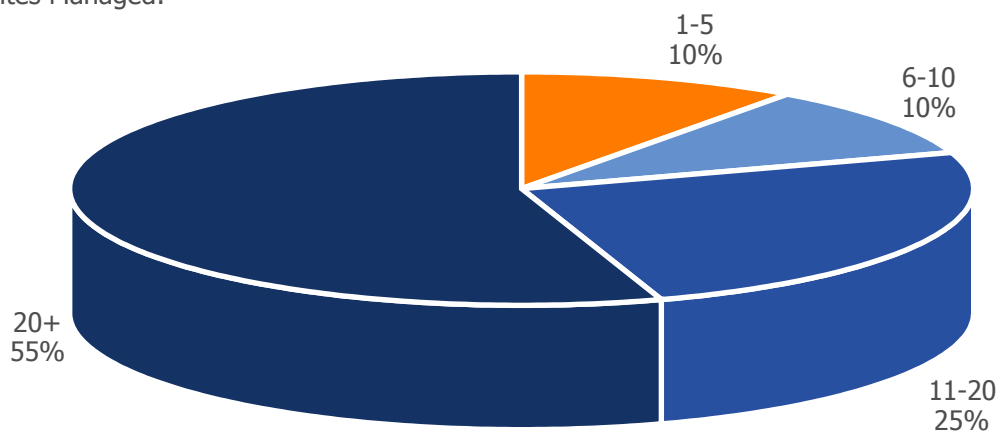
This survey was designed and executed by Green Hat, an Australian company specialising in marketing consulting and research services for the Information and Communications Technology (ICT) sector.

The survey was conducted both online and using telephone interviews. The following charts indicate the demography of the sample of 35 facilities management professionals who responded to the survey.

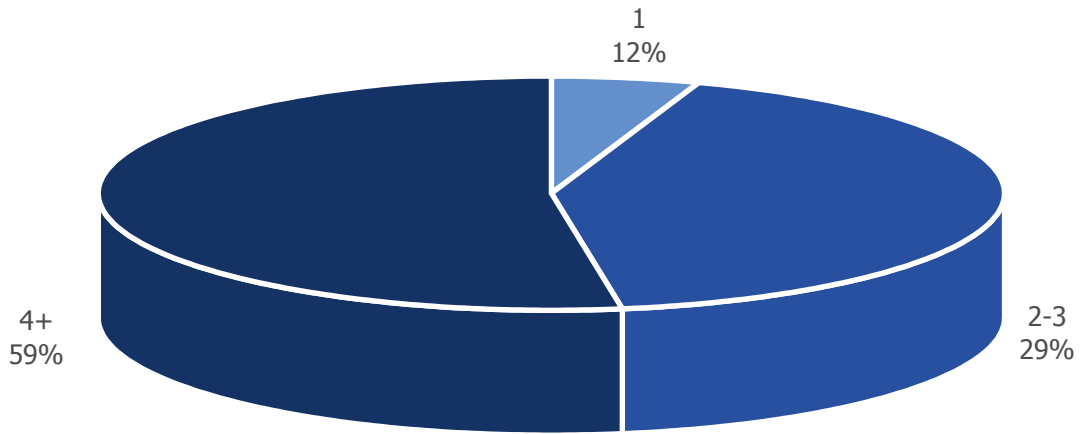
Number of Employees:



Number of Sites Managed:

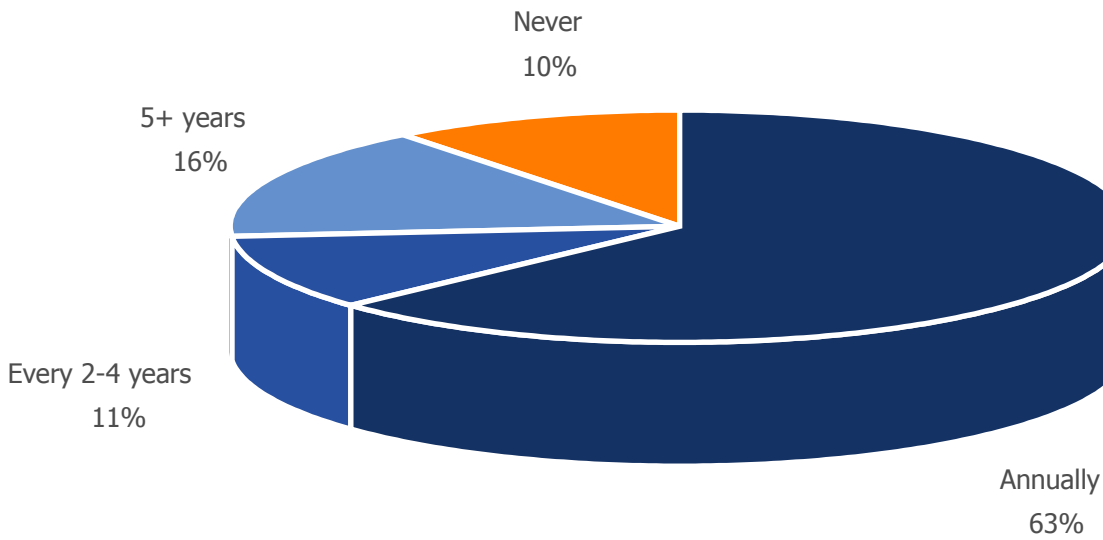


Number of Staff Managing the Facilities:

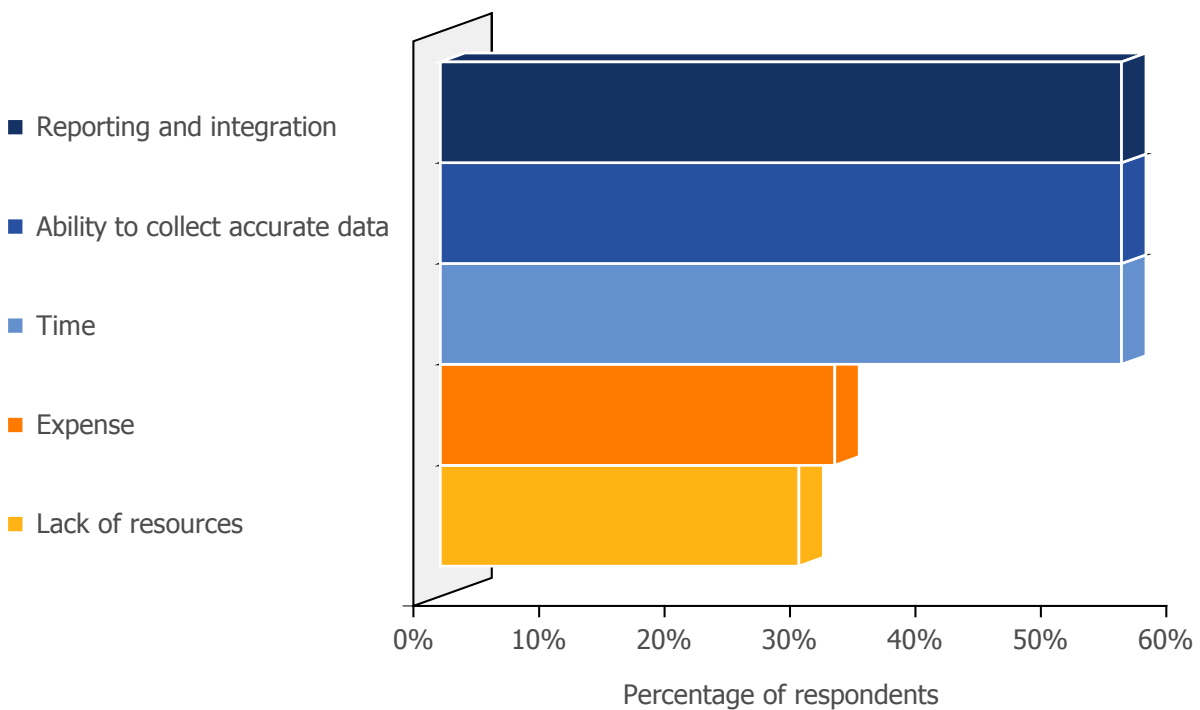


## Survey Results

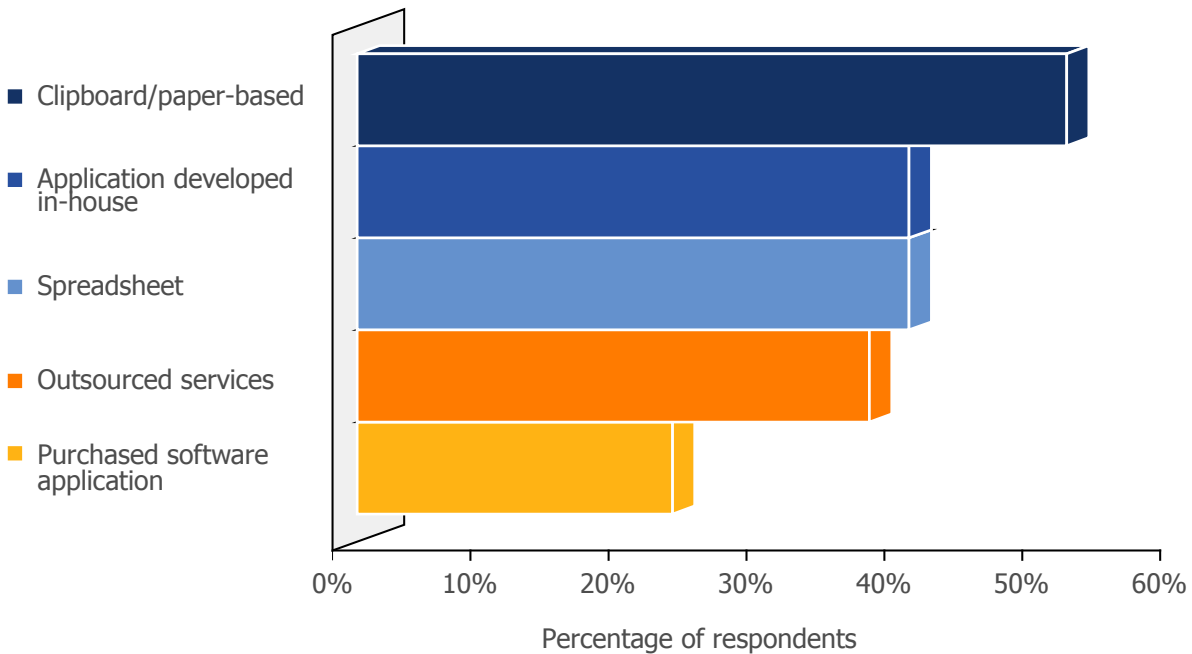
Q1 How often do you conduct facilities maintenance audits?



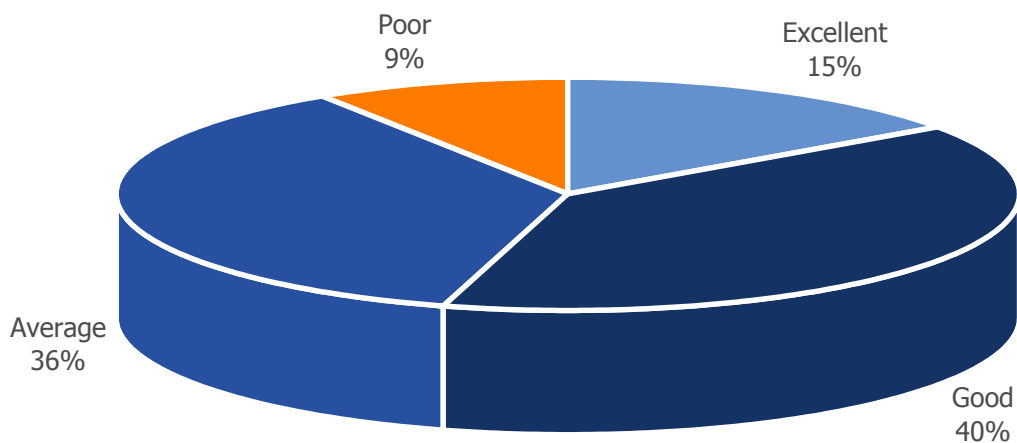
Q2 What are your greatest challenges when considering condition-auditing?



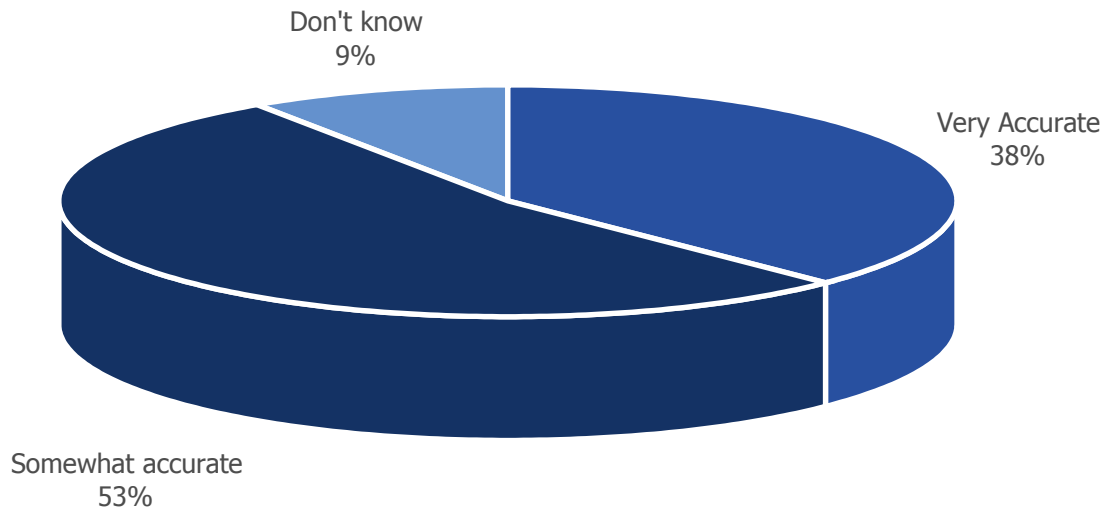
Q3 If you conduct facilities audits, what methods do you currently use?



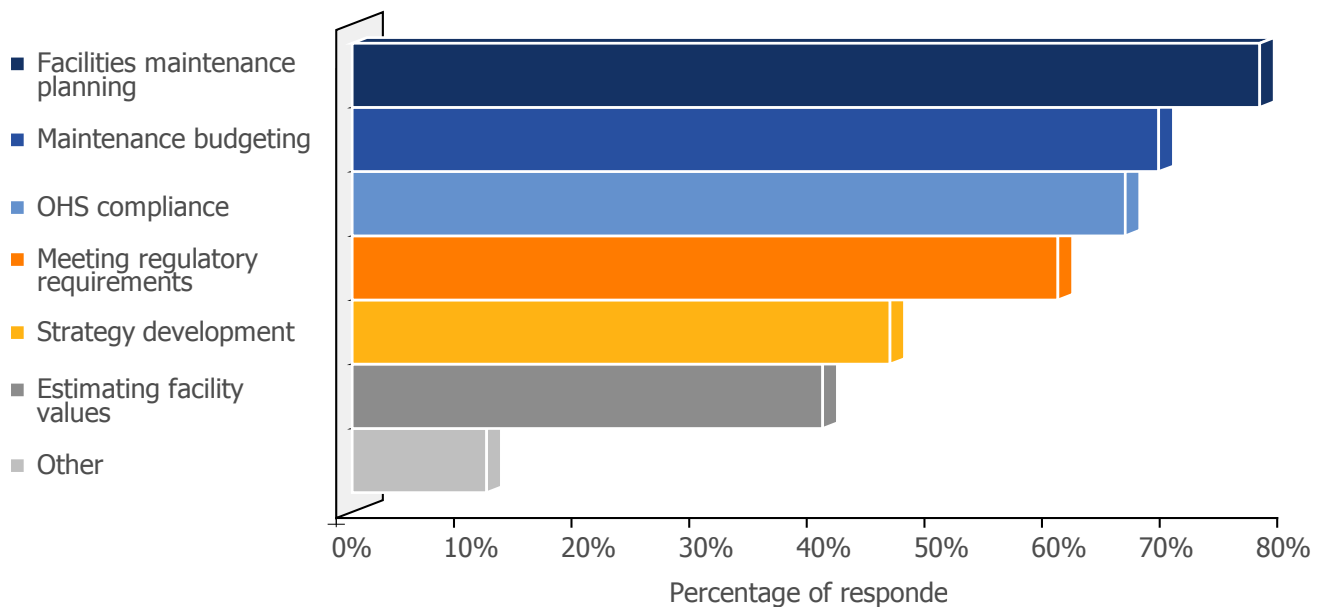
Q4 How would you rate your current method of auditing?



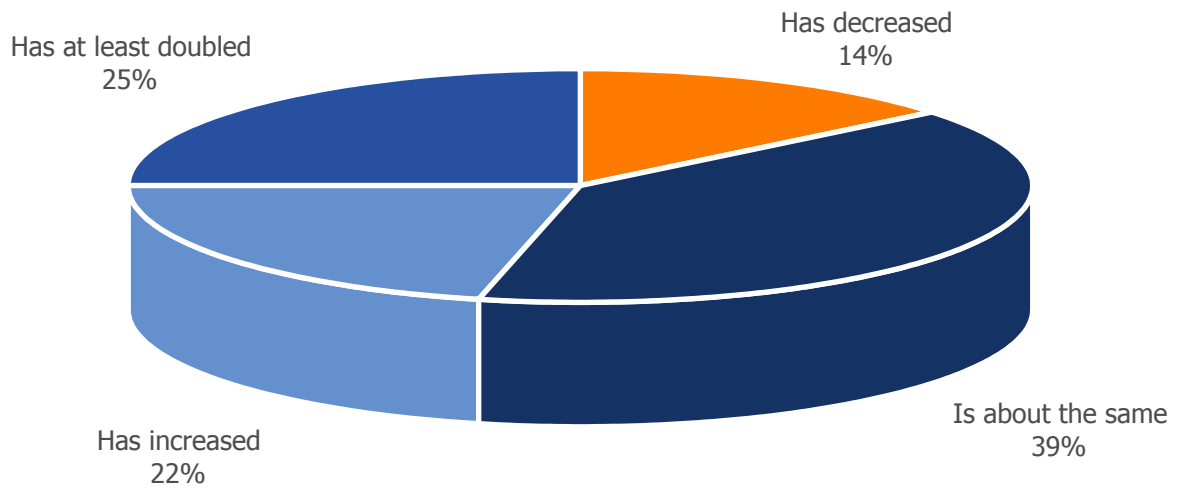
Q5 In your opinion, how accurate is the field data that you collect during a facility audit?



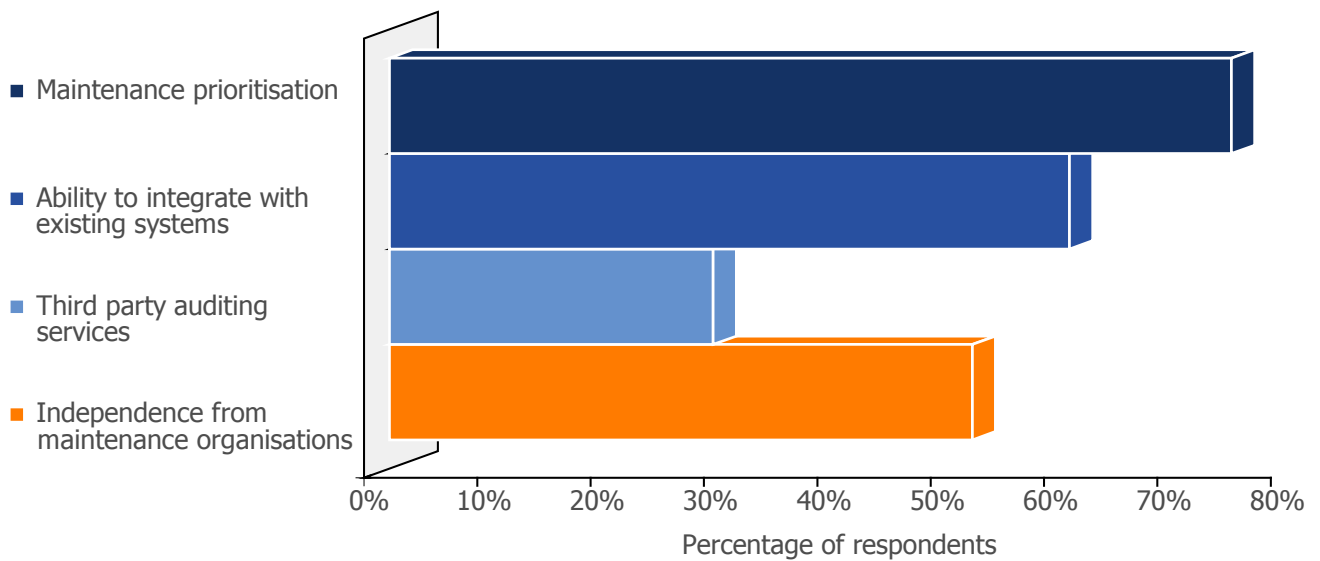
Q6 How do you use data collected from a facilities audit?



Q7 Compared to three years ago, which statement best describes your current estimated investment (manpower and financial) in conducting a facilities audit?



Q8 Which of the following do you rate as important in facilities maintenance auditing?



## About HSD

Hammond Street Developments (HSD) has been developing software solutions since 1996. We offer a portfolio that covers a broad range of market sectors including retail, education, telecommunication and law enforcement. We develop innovative, tailored business solutions with particular expertise in application development, solution architecture, systems engineering and application hosting.

Our project experience includes Facilities Auditing Systems, Geographical Information Systems, Lawful Interception Solutions, Financial Systems, Credit Card Gateways and Electronic Access Control Solutions.

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