

MEFMA conference

Bradley Robbins, director of services, Khidmah, discusses how Abu Dhabi can learn lessons from Dubai with the impending Strata Law

MEFMA has joined Global FM, the worldwide alliance of facility management organisations to further strengthen its ties with professionals in the industry.

The announcement was made by Sinéad Bridgett, event and membership director, MEFMA, at its conference on Yas Island in Abu Dhabi last month.

"Global FM is the governing association for facility management associations worldwide. MEFMA is very proud to announce its membership of this organisation, further strengthening our communication and network with IFMA, BIFM and FMA, to name but three of its members," she said.

"We see this as a step in the right direction, confirming MEFMA's progression as being the Middle East's leading FM association. The benefits from this partnership will bring knowledge sharing and FM education to a new level."

Jamal Lootah, president, MEFMA, said the Middle East association was now one year old and urged more professionals to show their support by becoming members.

He said 'now the time is coming' and the market needs stronger FM companies.

"The time has gone when FM was known as just a maintenance provider. It is about the integration of different services to give back to the client. Most people want to understand what FM is and this year we will try to cover as much of the GCC as we can where we need more FM awareness."

Key topics at the conference included Bradley Robbins, director services, Khidmah, discussing the Strata Law and Peter Nasrallah, senior operations manager, Musanada about the challenges of FM in Abu Dhabi. Musanada is the latest company to become a member of MEFMA.

According to Khidmah's Robbins, a lot of FM companies will have to change their

current business model to accommodate the new Strata Law.

He said the law, otherwise known as the Jointly Owned Property (JOP) Law, continues to receive a lot of publicity as it gains momentum but facilities managers need to be involved with developers from day one, six months prior to handover so they can take an integrated approach.

"Dubai has already introduced the Strata Law and Abu Dhabi is on the verge of introducing it. We need to ensure its success because it has a lot of benefit to owners, associations and FM providers," he said.

"Times are changing and it's now more of a 'customer comes first' attitude whereas before it was the developer. Going are the FMs that engage a contractors to sub contract work. Abu Dhabi is a whole new ball game. We have to get rid of this reactive mentality, the fix it when it's broke strategy and move into a more proactive era."



Ahmed Hussain, director FM operations, Du.



“There is a greater acceptance and understanding of the Strata Law in Dubai with a limited understanding in Abu Dhabi.”

Abu Dhabi Strata law

Robbins said it took five years from initiation to bring the JOP regulations into force in Dubai. He said Abu Dhabi can learn from this and use the time to take action and make changes.

Comparing the two Emirates he said Dubai is an established freehold market with approximately 25,000 units scheduled for handover in 2011. In comparison, Abu Dhabi is a relatively new freehold market with about 5,000 units scheduled for handover in 2011.

"There is a greater acceptance and understanding of the Strata Law in Dubai whereas there is a limited understanding of it in Abu Dhabi," he said.

"In Dubai, we have a higher percentage of non UAE National owners, traditionally developer affiliated FM providers, a high percentage of owner occupied buildings, a weak job market and a higher percentage of apartments. In Abu Dhabi, there is a higher percentage of National owners, traditionally lender (mortgage) appointed FM providers, a higher percentage of leased properties, a stronger job market and a balanced number of apartments to villas. We can see that there are major differences between the two."

Robbins sees three factors favouring the Abu Dhabi FM freehold. These are the delays in handovers, with many freehold developments ranging from six to 18 months. The Strata/JOP Law has not yet been enforced and is unlikely to occur until next year. Also, the economic climate, with many developers reviewing the appointment of FM providers to get reduced FM rates on the start of delayed handovers.

"Due to delays in property handovers and only a handful of freehold developments currently handed over, along with the pending implementation of Abu Dhabi Strata Laws, which we expect to be similar to Dubai, we can assist in the shortfalls and challenges, which we saw in Dubai, to benefit the developers and owners of Freehold developments in Abu Dhabi," he said.

Areas to focus on include: the handover of projects, utility metering including District Cooling, training on various systems, defect liability coverage, systems to reduce costs, contract term versus targets, a Sinking Fund and FM representation on an Owners Association (OA) Board, .

FRUSTRATION AT MEFMA ENERGY GROUP CONFERENCE

The Middle East Facility Management Association (MEFMA) has extended the deadline on a survey after a lacklustre response by members.

The organisation sent out 50 surveys to members in a bid to canvas the types of buildings their members are involved in managing. The organisation asked facilities managers to submit the type of building they manage, its location and what year the building was built.

It also includes questions about electrics, chilled water energy, LPG, BMS, swimming pools, sub metering systems for utilities and alternative forms of energy.

MMG business development manager Mehiedin El Kalach urged FMs to go onto the MEFMA website to complete the survey online and send it back to them. It has extended the deadline for completed surveys to be returned by one month.

"It is important for us to establish a framework of set guidelines to compare old and new buildings versus occupied and non occupied buildings. We sent out surveys to MEFMA members but only received 13 back and we are looking for more support," he said.

"Time wise, we are restrained in terms of delivery. We believe we only got 13 surveys back



because the developer doesn't have the information or it takes too long for facilities managers to put the details together.

"We tried to make the survey as simple as possible. But even the 13 surveys are not 100% complete and there is a lack of data on the owner/developer side. There seems to be some reluctance on their part. Maybe they don't have permission to print these details or they simply don't have the figures to hand."

El Kalach stressed the importance of the focus group and said if people did not return the surveys, they were missing a golden opportunity as Dubai has a good mixture of buildings with 11 floors or more for office and residential use.



Bradley Robbins, director services, Khidmah.

"The Abu Dhabi freehold Strata market is currently developing and it is a lot smaller than the Dubai Strata market at present, although there is a distinct opportunity to enable FM providers to align themselves with the imminent Strata Laws, especially with the 'Abu Dhabi 2030 Economic Vision' upon us," added Robbins. "By doing this, it will really show the value FM providers

can bring to owners and developers once planned correctly, offering factual examples, lessons learned, improved services and cost savings."

FM certification

Nasrallah, senior operations manager, buildings services, Musanada, believes FM is going through a maturity phase, gaining popularity but the industry is faced with a skills shortage despite the growing market.

"We have a shortage of skilled labourers and good organisational skills. We need to deliver good quality but we don't have the people to do that. We're in a market that's squeezing price, yet we have to deliver higher quality. We need more FMs to be recognised for adding value. It's a tough market, but little knowledge is dangerous knowledge," he said.

He argued that as more regulations come into force, it will beat out the bad operators and said FM has great management structures at the top end but this is not cascaded down through an organisation.

"MEFMA is in its infancy but Masanada would like to see some certification taking place for FM professionals so that anyone wanting to operate in the industry has to adhere to and get regular professional development updates.

"Certification is long-term but it should be part of the association's strategic plan," added Nasrallah.

"We need to reign people in as an organisation because if there are weak links in the chain the whole structure will fall down. This industry has grown from a maintenance provider and we need to get people to move out of the engineering mindset to a systems and services mindset."

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Speaking of the internal challenges FMs face, Nasrallah said companies need to operate in an open, transparent way.

"If we want to make a difference in this market, we need to operate differently. Honesty is the best policy. We are in an industry which operates on low margins,

we can't survive without honesty. Investors have had enough of paying for services where they cannot tell what benefits they are getting for their money.

"We need to get to a stage where we are willing to work on an open book basis with clients," he added.

He suggested lowering costs by utilising labourers more effectively; improving management and supporting it with new technology and systems and actively promoting sustainability.

"FM is still a follower when it comes to sustainability," he said.

"A lot of organisations are lagging way behind. FM should be actively promoting



Ali Al Sawaid, senior manager, facility management, Abu Dhabi Ports Company (ADPC)



Peter Nasrallah, senior operations manager, building services, Masanada



Guests listen intently to the MEFMA Conference speakers.

sustainability issues and environmental practices, educating the market about energy and water management.

"We have the highest consumption of energy and water per capita in the world. We have a lot to do and it is our professional obligation. We are in the spotlight in the world in terms of environmental management. We have to do it and we might as well do it right.

"We also need to be actively involved in making sure new regulation and legislation is applied and done affectively. We have to be ruthless, unforgiving when it comes to breaches of life and fire safety. Often we take a casual stand but health and safety in our operations should be tough.

"The aim of FM is to make the living/working environment comfortable, safe and healthy for the people who live/work in a building."

Nasrallah added that 20% of the cost of a development is in construction, 80% is to do with management and operation of a building. "It is good to see a shift in the owners' thinking. They are now focusing on the 80%," he said.

"The demand has come and it's beyond reactive maintenance. Reactive maintenance and doing as little as possible is over, people realise they have a lot at stake. Rather than fix something when it is broken, they realise they have to look after the future lifecycle of a building.

"The FM industry has to make sure it does add value and that value is delivered. Not involving FM at the design stage and commissioning is getting better but we lack way behind in the industry. We need to communicate to the owners how we have added value and create more awareness of these campaigns."

To sum up, Nasrallah added that the market recognises a professional organisation for FM.

In the future, he said we will see a high calibre of FM in the market and we need to start pulling the lower performers up on what they are doing wrong to raise the bar in terms of competition.

"We need to change the mindset of the owners. They need to realise FM is an integral part of the asset life of a building. We are not just a cost we are a value to the organisation. There is a big market ahead for the right players," he added.

Dilip Khatwani, chief executive and co-founder, Reliance FM.



MEFMA is launching a five day Foundation in FM course at DREI (Dubai Real Estate Institution) in April.

The course is open to anyone who works in the FM industry to get more of a basic understanding about the profession. It is open to frontline staff, hotel staff, general managers etc.

Topics include operations in maintenance and sustainability. To register go to www.mefma.org or call Sinéad Bridgett on 04 426 7725

RERA has also set up a five day Owners Association Management Training course. As a result of the new rules and regulations by Dubai Government, RERA has introduced this course to assist all members of the community, including any interested parties, i.e. owners, developers, management companies, association manager, financiers etc, to get a better understanding of the implications and effect these regulations will have on the real estate market in Dubai. **fmME**