



IT and Facilities Management Find Common Ground in Technology

TO NAVIGATE THE CONVERGENCE, ENTERPRISES SEEK SINGLE PARTNER WITH EXPERTISE ACROSS BOTH FIELDS.

The rise of technologies like automation, analytics, and the Internet of Things is closing the long-standing gap between IT and facilities management. Savvy IT and business execs are seizing the opportunity presented by that convergence, creating a holistic framework that can be brought to bear on shared goals—from boosting revenue growth to driving operational efficiencies.

BOTH DISCIPLINES, UNSURE OF THEIR ROLES IN A MORE INTEGRATED ENVIRONMENT, CONTINUE TO STRUGGLE TO COLLABORATE EFFECTIVELY TO DELIVER OPTIMAL VALUE FOR THE BUSINESS.

IT and facilities have historically been worlds apart. IT leadership has a mandate to build out infrastructure to store and manage information flow and support key business strategies. Facilities grew out of a real-estate function with a charter to oversee HVAC (heating, ventilation, and air conditioning), lighting, security, and other building-specific systems. The clear delineation of labor gave birth to separate organizations, each with different priorities and best practices. The two groups rarely interacted or shared data unless a problem arose, and siloed systems and separate networks ensured there was little transparency across functions.

The domains are even further apart on key measures of success. Facilities responds to “keeping the lights on” metrics such as maintaining low operating costs or reducing enterprise energy consumption, while IT is assessed on how well it can meet service-level agreements (SLAs) and enable business strategies.

There are also marked differences between the two camps from a cultural and technology adoption standpoint. IT has grown up with rapid-fire technology change, and thus expects to continually learn about and implement the latest innovations. Facilities management, on the other hand, hasn’t been faced with the same pace of technological advancement. As a result, IT generally perceives facilities as less technically astute. For its part, facilities is skeptical that IT has full understanding of the systems under its jurisdiction, as well as the impact of data center operations on the broader enterprise.

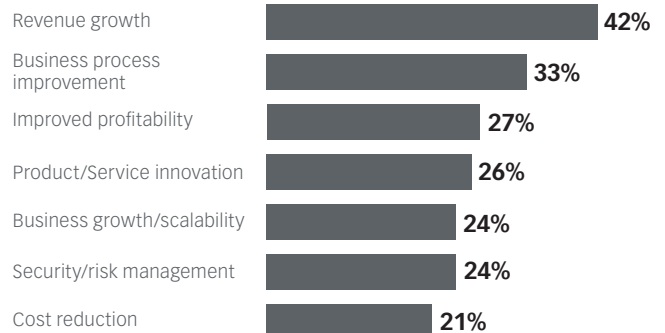
While there’s been some convergence through the years, driven by a common IT network infrastructure based on the Internet Protocol (IP), the promise of efficiency and a common agenda has been thwarted by misunderstanding and skepticism that the groups can collaborate effectively and work toward shared goals. Both disciplines, unsure of their roles in a more integrated environment, continue to struggle to collaborate effectively to deliver optimal value for the business.

CHANGE IS COMING

The maturation of both domains and a common set of external pressures are combining to open the door for change. Soaring



Top Seven Business Priorities for the Next 12 Months



SOURCE: IDG RESEARCH SERVICES, JULY 2014



energy costs coupled with environmental regulations are pressing companies to take a hard look at energy consumption and develop strategies to bolster efficiency and reduce costs. Uptime, reliability, and business continuity are now essential to competing effectively in this era of technology-driven business. Confronted by these mandates, IT and business leaders are recognizing that a partnership and a shared technology vision with facilities leaders are critical to achieving objectives across such a broad scale.

The need for such a partnership is reflected in the priorities identified in an April 2014 CIO/IDG Research Services survey of IT and business leaders. The survey finds that revenue growth is a top business priority over the next 12 months (42%), followed by business process improvement (33%) and improved profitability (27%). Large enterprises (those with 1,000 or more employees) are significantly more likely to cite cost reduction as a top priority (41%) compared with the 7% of small- and mid-sized companies that emphasize such reductions.

IT process improvement ranks as very important to nearly two-thirds of survey respondents as a way to reduce operating expenses (OpEx) while improvements to facilities management is second, ranked as significant by slightly more than a third (35%) of participants. In comparison, downsizing (15%), upgrades to HVAC systems (15%), and reduced travel (9%) are not viewed as significant factors for reducing OpEx.

There are also signs of convergence related to budget allocation. IT management is primarily tasked with managing budget for facility maintenance specific to the data center. Building and facilities management, on the other hand, has responsibility for determining the budget and spending specific to building maintenance. Even so, the demarcation in budget priorities is not as pronounced as one might anticipate, according to the

survey results.

Moreover, with facilities systems starting to mirror what's happening in IT, the groups are finding even more common ground. Traditional building system silos are being replaced with open systems that trade up proprietary protocols for open APIs and Web interfaces that can facilitate the design of smart building systems, the proliferation of wireless technologies, full building integration, and support for a single IP/Internet bus,

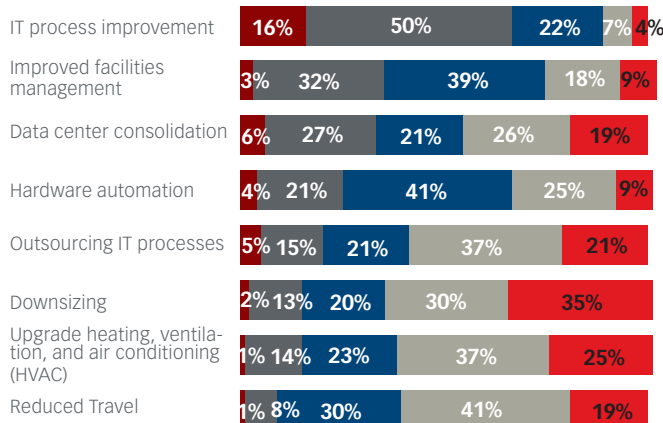
WHILE FACILITIES MANAGEMENT IS APT TO DEVOTE THE LION'S SHARE OF ITS BUDGET TO MAINTENANCE AND REPAIRS, IT TENDS TO EARMARK BUDGET TO FUND NEW DEVELOPMENTS AND PROJECTS.

according to analyst firm Frost & Sullivan. Software, as opposed to hardware, is becoming central to building automation, as is integration with the Internet. Finally, building automation systems (BAS) are becoming a fixture on the information systems backbone.

There is precedence for convergence. The Frost & Sullivan report cites the running of voice, data, video, and business applications on the same network as one example. The transition to enterprise Voice over IP (VoIP) is another. In these cases, while voice domain experts were initially reluctant to partner with IT decision makers, they eventually realized they could benefit from IT's data expertise to help orchestrate the migration to VoIP and take ownership of the IP PBX purchase decision, Frost & Sullivan finds.



Cutting OPEX: IT Process Improvement Leads Way



SOURCE: IDG RESEARCH SERVICES, JULY 2014

IT PRIORITIZES INNOVATION SPENDING

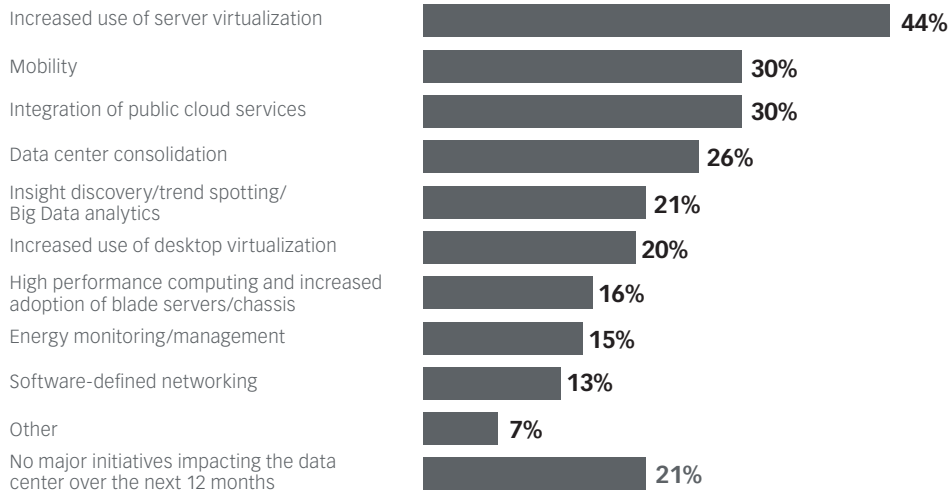
Despite signs of coalescence around goals, there are still differences in how IT and facilities prioritize their agendas. While facilities management is apt to devote the lion's share of its budget to maintenance and repairs, IT tends to earmark budget to fund new developments and projects.

For example, of the respondents to the CIO/IDG Research Services survey who provided estimates for their building/facilities management budgets, 2 in 5 (42%) say they plan to direct more than 80% of their budgets toward maintenance and repair projects as opposed to new developments over the next 12 months. The budget not earmarked for maintenance and repairs will be put to use to fund renovation, new technology implementation, and expansion efforts.

Slightly more than one-fifth of respondents (21%) indicate that their organizations will refrain from any major building- or facility-related initiatives outside of routine maintenance projects. Moreover, the majority of respondents say they are satisfied with the reliability and operations of facilities and building manage-



Hotbed of activity: Data Center to Feel Impact of Server Virtualization, Mobility and Public Cloud



SOURCE: IDG RESEARCH SERVICES, JULY 2014

ment, with fire safety and building security, in particular, ranked highest. With approval of such systems relatively high, it makes sense that companies aren't directing significant budget to major facilities transformation.

In contrast, the data center appears to be a hotbed of activity. Survey respondents say they have major initiatives planned for server virtualization (44%), mobility (30%), and integration of public cloud services (30%). To support those plans, survey participants have specific IT investments in their sights, including network security and firewall upgrades (45%), deploying managed services (30%), and upgrading networks to 10GB performance (31%).

There also appears to be a slight IT bias in how to address the shared business priorities, particularly when it comes to revenue growth and reducing OpEx. For example, while two-thirds of respondents cite IT process improvement as critical for reducing operating expenses, only 15% say upgrades to large-scale facilities systems like HVAC would have an impact, and even then, only slightly more than reduced travel.

The disconnect illustrates there is still more work to be done to align the priorities of IT and facilities while promoting a holistic approach to achieving shared objectives. This can also be interpreted from another survey data point: One-third of respondents report dissatisfaction with building automation systems, indicating companies see the potential in integrating building automation into the IT infrastructure, so building-related data like energy consumption can be easily accessed via the Web and managed alongside enterprise application data.

DATA CENTER CONVERGENCE AND BEYOND

Alignment and a long-term partnership between facilities and

IT have great potential to transform a host of facilities-centric functions within the enterprise.

Some examples include:

» **Energy efficiency:** As the primary energy consumer, the data center needs to be the primary target of any energy-savings initiative, but there are other opportunities to reduce usage and optimize spending. Without IT and facilities cooperation, there is no holistic view of energy consumption, putting mission-critical IT applications at risk or prompting companies to prematurely invest in building out additional power and cooling infrastructure

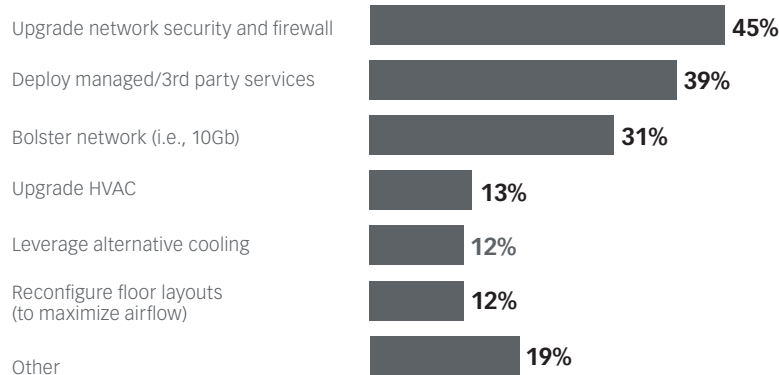
ALIGNMENT AND A LONG-TERM PARTNERSHIP BETWEEN FACILITIES AND IT HAS GREAT POTENTIAL TO TRANSFORM A HOST OF FACILITIES-CENTRIC FUNCTIONS WITHIN THE ENTERPRISE.

when there is no formal need.

With a unified view, organizations can more readily optimize energy consumption in a number of ways, from dynamically provisioning servers to respond to changing business requirements, to intelligently balancing workloads to optimize consumption while controlling costs. Energy-usage information can also be merged with other enterprise data—for example, financial data to aid in more accurate budget forecasts, or productivity data to find correlations between employee comfort and



Organization Will Upgrade Network Security, Deploy Managed Services and Bolster the Network



SOURCE: IDG RESEARCH SERVICES, JULY 2014

increased workloads.

» **Fire systems:** Integrating fire safety systems as part of an overall IP-based building system opens the door to a number of benefits. Whether for advanced planning purposes or during the course of an actual emergency event, building maps, maintenance records, and spec sheets can be made readily available to firefighters and company managers via smartphones and other mobile devices, aiding in the response effort.

Building automation: By integrating building automation capabilities into the overall IP-based IT architecture, building managers and IT managers can centrally access, monitor, and troubleshoot specific building systems and controls using the same familiar Web-based technologies. A centralized Web architecture will also ensure that notifications about building status or problems can be issued via texts, voice messages, or email to smartphones, enabling more widespread sharing of data, particularly when staffers are remote, and to facilitate improved problem solving.

» **Building security:** A security command and control system that encompasses safety, alarm, surveillance, intrusion detection, and communications systems and is integrated into the enterprise IP network infrastructure can readily deliver prompt emergency communications via audio alarms and SMS messages.

BILINGUAL PARTNER CAN STEER THE COURSE

Given that IT and facilities have traditionally been worlds apart, companies may find it advantageous to bring in a technology

partner fluent in both disciplines to serve as a mediator. Such a partner, with domain expertise across IT, data center management, building automation, and security and safety systems, can be an effective resource for developing a roadmap for holistic IT/facilities management integration. Such a partner can also help translate the high-level integration strategy into tangible business benefits while ensuring each discipline under-

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stands the impact of an action on the enterprise as a whole.

The competitive business climate and stricter energy mandates are pushing IT and facilities in similar directions. Rather than pursue the isolated efforts of the past, it makes sense that the disciplines combine their respective strengths around a common technology foundation. With the right partner to help navigate, IT and facilities can lead the enterprise to a future of innovation and efficiency, reducing OpEx while increasing revenue. ■