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**Moving towards a customer-focused approach in Facility Management:
Lessons from a case study**

Matteo Campanerut *, University of Udine, via delle Scienze 208 – 33100 Udine,
matteo.campanerut@uniud.it, +39 0432 558043

Alberto Felice De Toni, University of Udine, via delle Scienze 208 – 33100 Udine,
detoni@uniud.it, +39 0432 558330

Mattia Montagner, University of Udine, via delle Scienze 208 – 33100 Udine,
mattia.montagner@uniud.it, +39 0432 558043

* Corresponding author

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Abstract: In the last decade the outsourcing market of Facility Management (FM) has significantly grown in the major developed countries. Private companies and governments have seen in the FM contracts a convenient way to gain competitiveness. However, these contracts have often failed in the delivery of excellent services to end-users. The emphasis towards compliance with the contract terms has often led clients and suppliers to a loss of attention to the real needs of end-users.

This paper presents a four-years case study in which the client, an health agency, and its supplier have established a customer-focused approach for FM, developing services from the real needs of end-users. The work highlights how the customer-focused approach has allowed both the client and the supplier to identify concrete opportunities for service improvement and to increase service value. The paper reports the tools, the practices and the skills developed to focus on customer needs.

Keywords: Facility Management, Service Quality, Customer needs.

1. INTRODUCTION

“The history of managing facilities is as long as the history of complex buildings. As long as there have been buildings, there has been a need to plan and organize their use and maintenance, which is the essence of ‘facilities management’” (Svensson, 1998: 3).

The management of non-core activities has been consolidated since the late 70s. As a matter of fact, it is accepted to date back to those years the early experiences of US corporations, which recognized how non-core services could hold a strategic role in the achievement of business results (Cotts, 1999).

In the last decade, public and private companies have increasingly outsourced non-core services, thereby contributing to the emergence of a new sector, i.e. the Facility Management (FM) (De Toni *et al.*, 2009). The FM sector has nowadays reached a relevant dimension. According to IFMA Italia, the FM market in the top six European countries (Germany, the Netherlands, the United Kingdom, Italy, France and Spain) amounts to almost 160 billion euro. Furthermore, the value of the outsourced market is just half of the potential one, which means that the FM sector can grow further (IFMA Italia, 2009).

However, it seems like FM is not yet able to hold a strategic role to support the core business. Instead of an opportunity to increase the business value, FM is too often associated with cost cutting. Following this approach, only costs-based, FM is lowered to a commodity service that is offered at the lowest price by unspecialized suppliers (Loch, 2000).

Consequently, in accordance with the costs-based approach, facility managers have developed only economic and financial measures to evaluate the performance of services (Tranfield and Akhlaghi, 1995). Typical examples of those measures are €/m², unit costs of maintenance or cleaning, occupancy cost to m², total revenue, total expenditure, etc. Those assessments are very restrictive because they give purely economical insights about FM performance, while they do not consider the real needs of end-users. (Shaw and Haynes, 2004).

Thus, new and customer-focused performance models should be developed by facilities managers, in order to change the perspective of FM from an expensive operating cost to an user-centered and essential business component. (Shaw and Haynes, 2004; Tucker and Smith 2007). Effective customer service does not necessarily entail increasing the FM operating costs. Rather, actively involving the provider's personnel in taking a minimum of extra effort towards appropriate customer needs should enhance customer service with minimal costs (Bandy 2002).

This paper presents a four-years case study in which the client, an health agency in Italy, and its supplier have established a customer-focused approach for FM, developing services from the real needs of end-users. The work highlights how the customer-focused approach has allowed both the client and the supplier to identify concrete opportunities for service improvement and to increase service value. The improvement of services has been possible thanks to the practical cooperation of the parties and their improved attention to the Voice of the Customer.

The paper is structured as follows. The part 2 proposes a review about customers' needs in service industries. The part 3 reports the research method. In part 4, the FM case study in the health-service sector is presented; it describes the systems adopted by the case enterprises to develop a customer-focused approach. Finally, in part 5, the discussion sums up the relevant points as far as the turn to a customer-focus is concerned.

2. CUSTOMER'S NEEDS IN SERVICE INDUSTRIES

The service sector has significantly grown in developed countries during the last part of the XX century, with the US taking the lead (Heineke and Davis, 2007). Service companies consider quality of services extremely important, and dedicate great efforts to evaluate and keep records of service quality levels (Akter *et al.*, 2008). Contextually, the demand to offer new and improved services to satisfy customer needs is growing worldwide (Menor *et al.*, 2002).

The set of beliefs putting the customers' needs on the top is called customer focus (Nwokah, 2009). This concept does not exclude the interests of all other stakeholders such as managers, owners and

employees in order to develop long term profitability (Nwokah and Maclayton, 2006; Nwokah, 2009). Unlike customer service, which tends to be generic and to determine a prior knowledge for all of its customers, customer focus is about striving to provide a specific service to the individual customer (Griffiths *et al.*, 2001).

In the academic literature, customer focus has been explained in different ways and several times associated with themes like marketing concept, marketing orientations and “customer first” (Nwokah, 2009). However, putting customer at the center of company’s strategic focus, a construct of the marketing concept, definitely remains its fundamental goal (Doyle and Wong, 1998).

Many organizations, indeed, get into difficulties because of an inappropriate vision of their customers, being not able to identify customers’ real needs (Nwokah, 2009). Ekdahl *et al.* (1999) define the “true customer focus” as a prerequisite to develop the companies’ activities more effectively.

Cai (2009) reports that two literature gaps exist. The first gap refers to diverse definitions of customer focus. On the one hand, many researchers (e.g. Flynn *et al.*, 1994; Powell, 1995; Morrow, 1997) define it in terms of customer relationship practices, such as organizational systems, procedures and practices that deal with customer needs. On the other hand, other researchers (e.g., Ahire *et al.*, 1996; Samson and Terziovski, 1999; Douglas and Judge, 2001) claim that organizational customer orientation, i.e. customer care within an organization, is also an integral part of customer focus.

The second gap deals with the previous studies that investigate the effects of customer focus on organizational performance. In fact, Cai (2009) highlights that researches, that had investigated the relationship between customer focus and various organizational outcomes, are scanty.

According to Nwokah and Maclayton (2006), following a marketing concept that demands to place the needs of customers first, consider customer focus to be the most fundamental aspect of corporate culture. In particular, Deshpande *et al.* (1993) consider customer orientation as being part of the overall culture of the company whose values strengthen and highlight this focus.

Nwokah (2009) asserts that a customer focus can be positively adopted in different strategic situations, e.g. when there are several competitors or where markets are not fully developed. McCole (2004) claims that it is important to focus on lead users when markets are growing, because they represent a reference point for late adopters.

Furthermore, when markets are fragmented and buyers' power is low, customer needs are not well understood. Then, a customer orientation should have a greater impact on performance (Slater and Narver, 1994). Brooksbank and Taylor (2002) suggest that companies should have a customer-focused approach for better exploiting dynamic markets, highly segmented and with shifting mobility barriers.

Sousa (2003) points out that customer focus has a great relevance, because it represents the starting point of any quality initiative, while for Cox (1997) being customer-focused keeps firms conscious of quality, or rather it drives their quality initiatives on what really matters to the customer. Flynn *et al.* (1994) assert that establishing and maintaining an open relationship with customers is a critical issue for the process of product design. These relationships facilitate the identification of customers' requirements and needs. Some authors (Ahire *et al.*, 1996; Cai, 2009) emphasize that customer needs and expectations are dynamic in nature and, consequently, an organization must verify such desires regularly and address its operations accordingly. Also Cox (1997) agrees that an organization must be customer-focused in order to stay close to its market and that it must quickly develop its business in accordance with market needs.

However, to better understand customer voice, the priority is not just listen to their requirements but often to anticipate them. According to Narver and Slater (1990), the customer focus approach requires a sufficient understanding of the customer. To increase the understanding, companies must acquire information about the customers and comprehend the nature of economic and political issues that face them (Nwokah, 2009).

Although some authors claim that companies that have moved to a customer-focused approach tend to trade-off resources' efficiency for increased responsiveness to their customers' demands

(Griffiths *et al.*, 2001), others say that focusing on customers' needs allows to create products and services of best value for them (Narver and Slater, 1990; Nwokah, 2009). Furthermore, since this creation of value is achieved by increasing desired benefits to the buyers, while decreasing their actual costs (Nwokah, 2009), some authors (Nwokah and Maclayton, 2006; Nwokah, 2009) conclude that having a customer-focused approach can impact on business profitability, competitive advantage, and market share, leading up to new successful businesses.

2.1. Research purpose

The aim of the paper is to develop a set of lessons about when and how FM companies should move to a customer-focus approach. In particular, since FM scientific literature does not support companies to turn towards this approach effectively, the researchers aimed to identify which systems and practices should be adopted by FM companies.

3. RESEARCH METHODOLOGY

The paper presents a four-years case study in which the client, an health agency in Italy, and its supplier have established a customer-focused approach for FM, developing services from the real needs of end-users. The choice of a case study is one of the most appropriate method of empirical inquiry and definitely fits with our purposes, because qualitative studies give explanation of quantitative findings in operations management (Meredith, 1998; p. 441). In this study, a single longitudinal case study has been realized.

To acquire a deep understanding of the dynamics involved, multiple data collection methods were adopted. These are participant-observation, documentation and interviews. The aim was twofold: to increase information basis and to diversify data, in order to reduce biases (Eisenhardt, 1989; Patton, 2002; Yin, 2003).

One of authors was actively involved in the case for over four years. He acted as participant-observer; indeed, he became part of the process being observed, in order to record what participants

had experienced (Flynn *et al.*, 1990; p. 258). Frequently he met with client's and supplier' managers to talk about the contract and he took part at the contractors' meetings for improving the services. Spontaneous interviews and discussions formed an opportunity for data collection. He also cooperated with the companies to implement service improvements. This way he could cover events in real time, taking in the context of events (Yin, 2003, p. 86).

The same author collected documentation throughout those years. The aim was to support by documentary evidence what he was drawing from the experience. For this reason, he gathered minutes of the meetings, which include emerged criticalities, taken decisions and realized changes (note that minutes were not realized by the researcher, but by members of companies). Documentation proved exact and broad coverage, allowing the researchers to review details of events (Yin, 2003, p. 86) and to triangulate information with participant-observation.

Finally, another of authors, which has never been involved in the contract, interviewed the main managers of companies. An external interviewer was employed in order to avoid incidental biases that the participant-observer author could introduce into the research. Multiple respondents were considered in order to reduce subjectivity and biases of single informants (Voss *et al.*, 2002, p. 205). The respondents were the customer's Administrative Director, the provider's Facility Manager, and the provider's Contact Center Manager. They were chosen as they had followed the contract since the very beginning, then they could relate about the contract both before and after the customer-focus.

The interviews were semi-structured (Arksey and Knight, 1999), in that a previously prepared list of questions was used as guideline. However, the list was used in a way that let the respondents feel as free as possible to talk about the overall subject, sharing their own ideas and feelings to ensure that no important arguments were left out. All interviews were taped and transcribed accordingly. Furthermore, to find clarification for conflicting answers, the transcription was e-mailed to interviewees, so that they could read again their answers and send their review back.

The transcriptions were analyzed by the authors and then compared with previous documentation and with the experience of the participant-observer. The researchers gave meaning to the bunch of data by reorganizing them in four patterns:

1. The reasons that induced the client and the provider to move towards a customer-focused approach (the why question);
2. The circumstances that allowed them to move (the when question);
3. The changes they had to employ (the what question);
4. The way they put into action the changes (the how question).

4. THE CASE STUDY

4.1. Contract description

In this study we have considered a six year contract between “Azienda Sanitaria n.1 di Trieste” (ASS1, customer) and Consorzio Nazionale Servizi (CNS, prime contractor). ASS1 is an Italian medical service authority which supplies different health-care services, such as rehabilitation therapies, health education, drug and alcoholism addiction treatment, etc., to individuals and communities. To realize these aims, it uses about 60 buildings and medical centers (over 200.000 m³) and has contracted out their facilities management to a single operator in 2003.

The contract established the management of both technical services or “hard FM services” (census of the real estate portfolio, plants and buildings maintenance, Heating Ventilation and Air Conditioning, energy management) and non-technical services or “soft FM services” (cleaning and environmental sanitation, catering and food-stuffs supply, laundering, logistics).

CNS is responsible for managing and coordinating the FM, but it does not supply services directly. In order to provide these services, CNS became the leader of a Temporary Association of Companies (TAC), a consortia that groups four firms.

The group of stakeholders involved in this contract is very heterogeneous. There are different departments on the client side (e.g. Information Technology, Quality, Procurement, Plants and

Buildings, Administration). About a hundred ASS1 employees, working in different centers, regularly deal with the contractor to request services execution. On the contractor side, other than the TAC companies, there are three sub-suppliers.

There are two reference persons in this contract: the CNS Facility Manager and the ASS1 Administrative Director. Both of them are in charge of the management of the contract and of the relations with the counterpart. Finally, three typologies of end-users receive the services: patients, ASS1 attendants and the community of citizens.

Therefore, the whole process can be seen as a four tier supply chain, established to satisfy end-users (Figure 1): the customer (which leads service levels definition and monitors service performance), the prime contractor (which manages and coordinates the services), the members of the consortia and the subcontracting companies (which in turn provide the services).

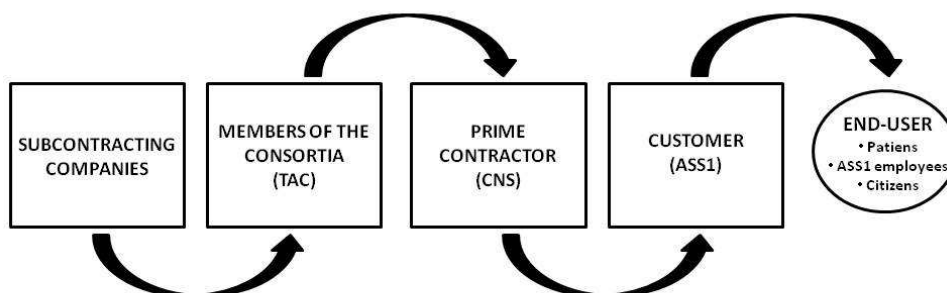


Figure 1 – The facility services supply chain.

The case study suited our research. In fact, two previous studies (De Toni *et al.*, 2007; De Toni and Montagner, 2008), were developed in this environment. The former has highlighted the lack of common information about service performance across the considered supply chain. The latter analyzed the three major criticalities that came out between ASS1 and CNS after two years from the contract beginning: small budget for the maintenance activities; poor trust between the ASS1’s managers of the technical services and the provider; different service level perception between customer and provider about ordinary maintenance.

4.2. *The contract before the customer-focus*

4.2.1. The early years of contract

The early years of contract between the ASS1 and the CNS were characterized by the birth and the reinforcement of a client-provider partnership. That partnership was almost unthinkable at the very beginning of the contract. Actually, the opening of the contract had been critical.

The contractors had to face many problems about the services management and provision. The main challenges lied in satisfying the needs, which were continually changing, of both the client and the end-users. In fact, these dynamic variables contributed to changes of the contract context and their changing required continuous adjustments of the provided services. The required changes were anyway prevented by two major constraints (De Toni *et al.*, 2009):

1. an inadequate integration between the parties, due both to:
 - the lack of systematic coordination between the parties to overcome problems in a quick and joint way;
 - the lack of shared information to define contract changes and improvements;
2. a low contract flexibility, combined with a significant contract incompleteness.

Thus, in order to give body to the required changes, the contractors had not only to re-design a proper services delivery system (somewhere different from the one provided by contract), but also they had to adopt a new system for managing the contract: the Open Facility Management.

4.2.2. The contractors moved towards the Open Facility Management model

The Open Facility Management (OFM) is a management model based on the openness of the contractors (where its name comes from) towards FM changes, current or potential, such as end-users' new needs, new technological opportunities, new organizational models, etc. (De Toni *et al.*, 2009).

It is not just this kind of openness that shapes the model. In fact, the OFM requires the parties to be open not only to the “traditional” FM players, but also to the “new” ones. The former ones are generally subjects involved in the contract (the customer, the service providers, the sub-suppliers and the end-users). The latter ones are those players that are not usually considered in the contract (like consultants, researchers from universities, etc.). Opening to new players means to consider their needs/proposals as regards services changes or improvements. They can contribute, as well, to the contract development thanks to their own experiences, skills or, at least, perspectives.

In the OFM model, the openness is a fundamental for continuously changing and improving service management processes. With this purpose, the OFM leverages on three principles: 1) organizational coordination among players, 2) sharing of the performance measurement systems and 3) contract flexibility. The first two principles combine to develop a cooperative relation between client and provider. In this kind of relation the parties do not act opportunistically to achieve their own business goals, but they strive to create a reciprocal integration to reach both optimal results. To put OFM into practice, these principles are supported by three operative tools deriving from three different fields (Table 1).

Table 1 – The tools of the Open Facility Management model (De Toni *et al.*, 2009).

PRINCIPLES			
Integration among partners			Contract flexibility
Coordination among players	Sharing of the PMSs		
TOOL	Partnership Table (PT)	Shared Performance Measurement System (PMS)	
TOOL FIELD	Organizational	Management	
TOOL DESCRIPTION	It is the place where information on service, SLA and technical, managerial and organizational contract aspects are discussed and shared.	It collects the indicators that the parties consider necessary to evaluate the contract.	
EXPERIENCES IN THE FM	<ul style="list-style-type: none"> • Houston and Young (1996) • Okoroh <i>et al.</i> (2001) 	<ul style="list-style-type: none"> • Brackertz and Kenley (2002) 	<ul style="list-style-type: none"> • Okoroh <i>et al.</i> (2001) • Pratt (2003)

The tools are integrated into a new services management process, the OFM one, that enables the customer and the provider to quickly recognize the underway or potential changes, to share the action plans and, if necessary, to modify the contractual elements (Figure 1).

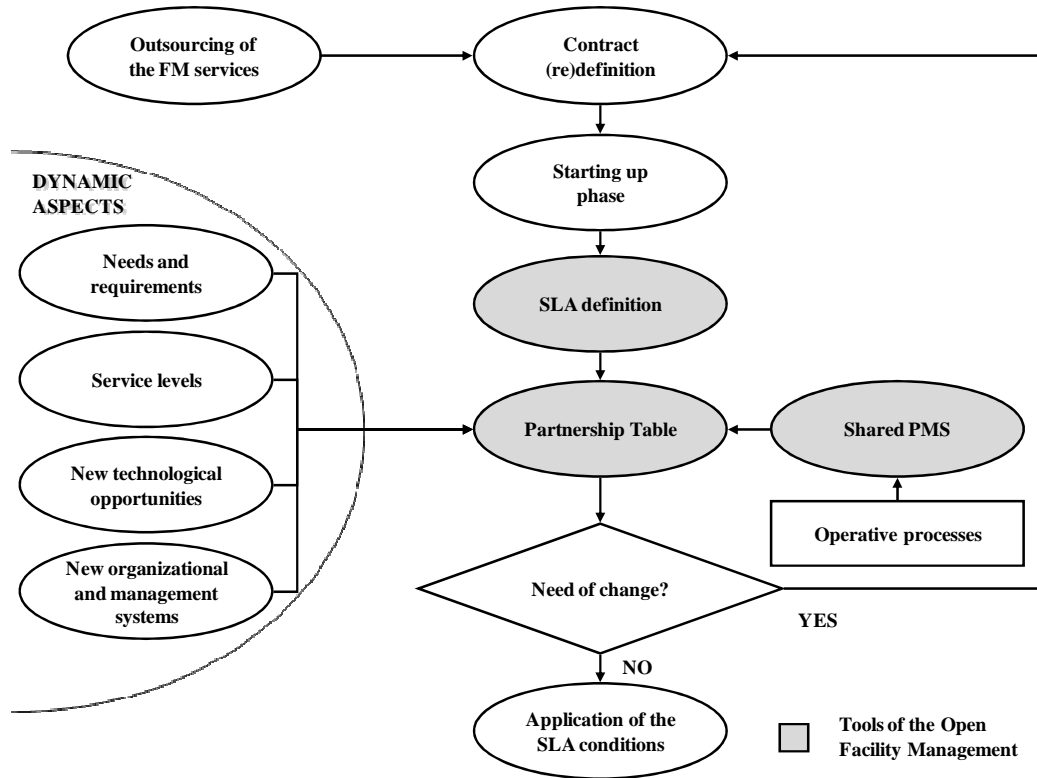


Figure 2 – The Open Facility Management process (De Toni *et al.*, 2009).

The adoption of the OFM model has allowed the partners to overcome problems about contract management and services provision. In particular, it favored the raise of an effective partnership between them: the model gave them the tools and the procedures to support both problem solving and decision making activities. The OFM resulted an effective model to manage the relationship between the customer and the whole FM supply chain. However, the OFM did not press the partners towards a customer-focused approach, since its implementation at least.

In fact, throughout the first two years from the OFM introduction, the parties debated about relational and contractual issues mainly, while the needs of end-users were less considered. This is

not to say that the contractors were not interested on the end-user opinion about the services, but only that they needed to solve economical and contractual criticalities firstly.

In particular, they adopted the OFM tools and procedures to overcome contract-related disputes. Indeed, a previous work (De Toni and Montagner, 2008) highlighted that fewer initiatives were realized to improve services on behalf of the end-user than those that were carried out to improve relationship and contract management. Minutes of the PT meetings were analyzed and it emerged that about 70% of the initiatives regarded either:

- ways to reduce the costs of FM services;
- systems to reduce bureaucracy between the customer and the FM supply chain;
- how to create the database about the facilities (buildings, equipments and systems);
- the education of customer's departments about when and how to call for service restoration;
- ways to get a win-win situation for both the customer and the provider;
- how to exchange and join information and competences between the contractors;
- the service planning.

They debated about end-users satisfaction, service effectiveness and improvements to service delivery during the remaining 30% of time only.

4.3. The process towards the customer-focused approach

In order to report exhaustively all the factors that have led the health agency and its FM services provider to switch towards a customer-focused approach and in order to describe in detail this step, the following paragraphs have been organized around four main questions:

- Why the switch? (Table 2)
- When was it employed? (Table 3)
- What has it involved? (Table 4)
- How was it employed? (Table 5)

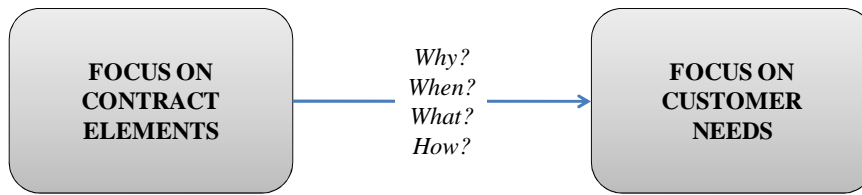


Figure 3 – The focus switch.

4.3.1. Why the switch?

During the first two years of contract, the ASS1 and the provider had to face several contract and services criticalities (De Toni and Montagner, 2008). The Partnership Table (PT), designed for discussing and overcoming the problems, exhibited a high level of complexity as regards the coordination of its members. According to the ASS1’s Administration Manager, since the plurality of involved actors did not allow easy conversations, the PT underwent structural changes, including a focus on end-users’ needs. This new approach has allowed the parties to limit the number of PT participants to anyone who is close to the end-user.

Furthermore, the shift was prompted by the parties’ necessity to find out hidden criticalities and to know deeply end-users’ opinion about services. This way, the ASS1 hoped to find common views with the provider in order to reduce the arguments and to improve the climate during the PT.

Finally, there were two more reasons that drove the ASS1-TAC partnership to move towards the new approach: first, to increase the ASS1 organizational culture so that it can better allocate resources to real needs; second, to decrease customer workload about service monitoring by listening to the Voice Of the Customer (VOC) through end-user satisfaction surveys.

Table 2 – Why the switch? Responses from the interviewed.

RESPONSE	CUSTOMER	PROVIDER	
	Administrative Director	Facility manager	Contact Center Manager
To find out hidden criticalities		✓	✓
To know end-user opinion about services		✓	✓
To simplify discussion during the PT	✓		
To find common views with the provider	✓		
To increase the organizational culture of the customer	✓		
To decrease customer workload about service monitoring		✓	

4.3.2. When was it employed?

All the respondents, who normally attend the PT, agree on when the switch happened. As a matter of fact, they report that the new approach arised after the PT had overcome the major critical issues. Moreover, another important factor concerned the change of the ASS1's managers for hard and soft services. According to the Facility Manager, the new leaders take more responsibility in communicating with the companies directly and in solving critical situations, thereby reducing the issues that were usually brought to the PT and giving the PT members more time to discuss about the customers' needs.

Table 3 – When was it employed? Responses from the interviewed.

RESPONSE	CUSTOMER	SERVICE PROVIDER	
	Administrative Director	Facility Manager	Contact Center Manager
After major contract criticalities were solved	✓	✓	No response
After new customer managers have succeeded		✓	No response

4.3.3. What has it involved?

All the respondents agree that the turn to a customer-focused approach has involved mainly three changes. First, “technical meetings” between supply chain's executives and ASS1's technical and non-technical service managers were introduced. This helped to eliminate the critical situations existing before the contract's start up and to create a positive climate among the PT members. Consequently, also the PT board organization was changed. Indeed, the number of participants was reduced and the CNS became the sole interlocutor between supply chain's executives and ASS1's managers. In turn, this produced a higher consciousness about the interests and the needs of the counterpart.

Second, both the parties had been demanded for higher transparency and objectiveness about services performance, in order to build a shared comprehension on where to concentrate the improvement efforts.

Third, the interviews highlighted that the PT changed the discussion topics. This finding has been also convalidated by the analysis of PT minutes. In fact, while end-users' needs were discussed for 30% of the time before the swich, the parties have put this subject on the top of every meeting's agenda since the switch.

Table 4 – What has it involved? Responses from the interviewed.

RESPONSE	CUSTOMER	SERVICE PROVIDER	
	Administrative director	Facility Manager	Contact Center Manager
Better climate between the parties	✓	✓	✓
Higher consciousness about counterpart needs	✓	✓	
New organization of the PT		✓	✓
Higher transparency and objectivity about performances		✓	✓
Switch from contract based discussion topics	✓		
Higher dialogue with lower levels of the customer		✓	

4.3.4. How was it employed?

Five tools were adopted or extended to support the focus on the end-users' needs and requests. Firstly, all the respondents acknowledge that the introduction of customer satisfaction surveys was the key aspect that has facilitated the adoption of a customer-focused approach. More than others aspects, systematic surveys allow constant access to information about customers perception of services. As a consequence, the periodical discussion of services performance among the parties has given timely hints for continuously improving the services provided.

Secondly, the analysis of service failures has represented another useful tool. Periodically evaluating official complaints, indeed, has allowed the parties to bring to the PT all unsolved criticalities or even those apparently solved.

Thirdly, the creation of "technical meetings" between the hard and the soft services managers and the provider's executives left to the PT more time to focus on the most significant customer requirements.

Fourthly, the development of a customer intranet with a “Carta dei Servizi”, i.e. a list of procedures and priorities of the ASS1, has appreciably improved the level of communication from the partners to the end-users of the services.

Finally, the exploitation of the contract information system’s functionalities has further improved the comprehension between the ASS1 and the provider, augmenting the entity of information about end-users’ needs and facilitating a conjoint effort in the identification of improvement areas.

Table 5 – How was it employed? Responses from the interviewed.

RESPONSE	CUSTOMER	SERVICE PROVIDER	
	Administrative Director	Facility Manager	Contact Center Manager
Customer satisfaction surveys	✓	✓	✓
Exploitation of contract IS’s functionalities	✓	✓	
Periodical discussion of service evaluations	✓	✓	
Development of customer intranet (“Carta dei Servizi”)	✓		
Analysis of service failures		✓	
Reduction of participants that attend PT			✓
Creation of “technical meetings” for specific criticalities		✓	✓

5. DISCUSSION

In the previous sections, it has been showed that the shift from the focus on contract elements towards the focus on customer has meant substantial improvements within the health agency and many practical benefits for the relationship between the ASS1 and the provider.

In summary, four main changes have occurred within the ASS1-CNS partnership, as reported in Figure 4.

The first change regards the role played by the PT. Before, its purpose was solving out the major arguments within the PT. Then it has evolved and, instead of managing the critical situations between PT members, it has become a tool for identifying possible areas for improvement.

The second change is the way of settling disputes between contractors. Before that the customer-focused approach was undertaken, disputes resolution was a formal and structured activity, carried out during the PT. Afterwards, the creation of “technical meetings” for solving out specific

criticalities and a higher dialogue with lower organizational levels of the health agency, made disputes resolution more informal and unstructured.

The third change regards the communication with the end-user. When the focus was on the contract, the way of communicating was unidirectional and the health agency could hardly interact with end-users. Now, the ASS1, jointly with the provider, pays much more attention to real needs of end-users. Furthermore, information exchanges with the final customers are clearly improved and communication has become bidirectional.

Finally, the last aspect that has been definitely changed is the measurement of service performance. When the ASS1-CNS partnership was focused on the contract, these measures were mostly economic and financial ones, while now, multidimensional measures have been introduced, which include also, but not only, customer satisfaction analysis.

ROLE OF THE PARTNERSHIP TABLE					
			To solve out disputes	To identify possible improvements	
DISPUTES RESOLUTION BETWEEN CONTRACTORS	Informal and unstructured		CUSTOMER FOCUS	Bidirectional	COMMUNICATION WITH THE END-USER
	Formal and structured	CONTRACT FOCUS		Unidirectional	
			Economical and financial	Multidimensional	
MEASURES OF SERVICE PERFORMANCE					

Figure 4 – The shift from the contract-focus to the customer-focus.

6. CONCLUSIONS

The interests on customer needs is lively both in academia and in practice. Researchers are analysing thoroughly the topic and companies are still looking for new ways to be closer and closer to their end-users. The increasing market competition and the growing need to satisfy customer needs, is demanding companies to sharpen their offers and to improve the interaction with the users. Conversely, FM sector is still anchored to contract elements, rather than to changing needs of end-users. FM providers often fail to provide adequate services not just because of a lack of technical competence, but quite because of a lack of “listening to signals from the environment”.

Recently, Open Facility Management model has been proposed as a solution to overcome contract criticalities that lead to an inadequate services provision. The fundamental of the model is the contractors’ “openness” towards underway or potential changes in the environment, included those changes coming from end-user’s needs. However, its implementation in a real case highlighted that the contractors used OFM to solve contract-related and relationship-related disputes above all. Thus, they persisted to consider contract elements like the drivers of FM.

But, these contractors moved to a customer-focused approach for FM at last. They put end-users’ needs and opinions about the services on the top of their discussions. Consequently, contract organization underwent some major changes in order to allow the customer and the provider to make the turn.

In this paper, the shift to the customer-focused approach has been deeply analysed in order to develop a set of lessons about when and how FM companies should move. It has emerged that the shift was realized after major contract criticalities were solved and after new customer managers have succeeded, highlighting that a sort of organizational breakdown was needed. Four main changes were required to make the shift:

1. To change the discussion topics during contractors’ meetings (from solving out disputes to identifying possible improvements);

2. To change the pattern to solve disputes (from formal and structured discussions to informal and unstructured ones);
3. To enlarge the set of key performance indicators (from financial/economical only to multidimensional measures with customer satisfaction surveys);
4. To improve the communication with the end-users (from unidirectional to bidirectional).

Findings are not generalizable, obviously. More case studies should be carried out in order to realize a complete picture on this topic. FM sector would benefit from these kind of studies, indeed, as they could support those companies whose aim is to move FM department from an expensive operating cost to an user-centered and essential business component.

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