

Strategies for Developing Information Systems for Effective Decision Making: Meeting Client Needs

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Agenda - Meeting Client Needs

- Trends in Capital Planning
- Best Practice in Capital Planning
- Case Study: The British Columbia Ministry of Health Project
- Business Value
- Summary

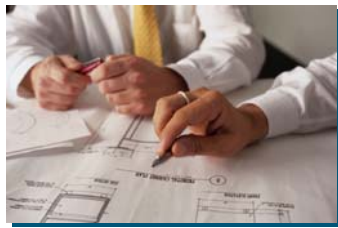
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VFA Corporate Profile



- Provides software and services for facility capital planning and management
- Canadian Office in Vancouver
- ~300 Customers in government, education, healthcare & corporate markets
- Solution deployed over > *two billion* sq. ft.
- Professional staff averages 18 years of experience

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VFA Capital Planning & Management Solution



- | | | |
|---|---|--|
| <ul style="list-style-type: none"> ▪ Facility condition ▪ Systems lifecycle ▪ Functional adequacy ▪ Inventory collection ▪ Energy efficiency ▪ Facility Security ▪ Environmental | <ul style="list-style-type: none"> ▪ VFA.facility® for expert capital planning ▪ VFA.auditor™ for guided facility evaluations ▪ AssetFusion™ for application integration ▪ Hosting & subscription service | <ul style="list-style-type: none"> ▪ Capital planning process ▪ Capital project planning ▪ Decision support analysis ▪ Database management ▪ Capital plan presentations |
|---|---|--|

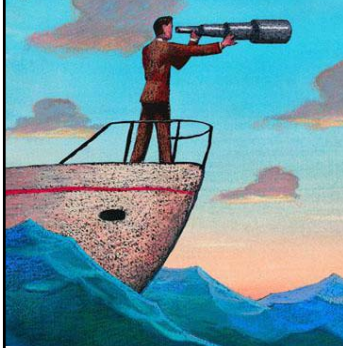
VFA has assessed over 100,000 properties.
VFA software manages over 2 billion square feet of facilities.

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Trends in Capital Planning – Meeting Client Needs



Key issues

- Goals, Objectives, Mission
- Business Issues/Drivers
- Challenges
 - Aging infrastructure
 - Functional requirements
 - Insufficient funds
 - Lack of information

A proactive approach to taking care of buildings and infrastructure enables organizations to get the best out of their facilities while avoiding crises and emergency funding.

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Trends in Capital Planning – Meeting Client Needs

“Our infrastructure is aging rapidly. Almost 60% is more than 50 years old. Some 30% is more than 80 years old and nearing the end of its service life.

The infrastructure deficit is now more than \$57 billion and growing. If left unchecked, it could double in just a few decades.”

Government of Ontario

Key issues

- Your Solution
 - Make the best of it...
- Consequences
 - Not meeting the organizations goals and mission
 - Lack of confidence behind prioritized capital requirements
 - Can't determine where to invest and what is past value (good money after bad)

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Trends in Capital Planning – What Information Do You Need?

1. Provide a service to....
2. Is the building suited for the purpose it serves?
3. What condition is the building in?
4. How to determine and define funding strategies?
5. How to optimize capital management plans?

- Demographics
- Functionality
- Capital Planning System

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Trends in Capital Planning – Which Approach?

IWMS?
CPMS?
CMMS?
CAFM?
Space Planning?
Project Management?
Spend Management?

- Which approach?
 - Determine priority need and build from there
 - Inventory logical starting point
 - Implement using phased approach
 - Use industry best practice methodology
 - Leverage best practice processes imbedded in systems, and limit modifications
 - Look beyond immediate needs - avoid solutions without sufficient depth of capabilities, flexibility, sophistication
 - Avoid solutions that lock out future BIB options
- Results
 - Best of Market Expertise
 - Logical steps to implementation
 - Ability to enhance and grow with human and fiscal resources

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Trends in Capital Planning - Best Practices

- Governance
- Automation Standards
- Benchmarking

Facility Condition Index (FCI)

An industry standard measure used to compare relative building conditions

$$FCI = \frac{\text{total cost of existing deficiencies}}{\text{current replacement value}}$$



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Case Study: British Columbia Ministry of Health Inventory and Assessment Project



British Columbia Ministry of Health: The Organization



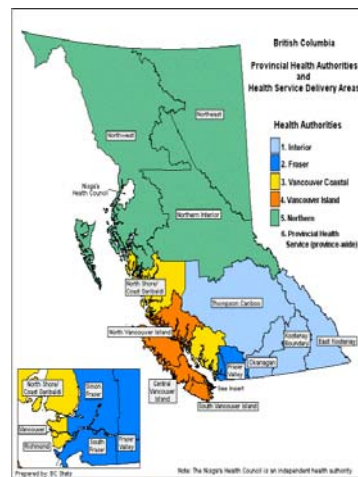
- Responsible for BC's health system
- Provide leadership, direction and support to service delivery partners
- Province's six health authorities responsible for local health service delivery
- Ministry Goals:
 - Improved Health and Wellness for British Columbians
 - High Quality Patient Care
 - A sustainable, Affordable, Publicly funded health system

Mission: To guide and enhance the province's health services to ensure British Columbians are supported in their efforts to maintain and improve their health.

British Columbia Ministry of Health: Organizational Objectives



- Inventory and Assessment Requirements
 - Consistent with Capital Asset Management Policy
- Long-range forecasting for master planning and budgeting strategies
- Analysis tools to gain insight into how funding impacts the value of the portfolio
- Capital Project planning capabilities to leverage optimal procurement strategies



British Columbia Ministry of Health: The Solution

Project Scope:

- Inventory and assessment of hospitals and owned residential facilities

Objective:

- To provide health authorities with:
 - Detailed facility inventory and assessment information
 - Standardized software database
 - Capital planning and forecasting tool for prioritizing projects and budget forecasting
 - FCI measurement
- To provide summary planning data for the Ministry of Health



Prioritization Sample

Priority	Description
1	Currently Critical
2	Potentially Critical
3	Necessary - Not Yet Critical
4	Recommended
5	Does Not Meet Current Standards

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British Columbia Ministry of Health: Benefits / Results

- Satisfy Capital Asset Management Policy requirements
 - Answers the Questions, Where, When and How Much
 - Benchmark and Performance measurement capabilities
- Forward looking forecast for facilities
 - Budget impacts on portfolio condition
 - Where to spend capital dollars more efficiently
- Complete physical assessment
 - Ensure continuity of mission critical systems
 - All Six regional Health Authorities on common software platform
 - Level playing field when requesting capital funding
 - Effective execution of work and updating of plans and budgets



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Business Value – Meeting Client Needs

- Strategic long-term capital planning capabilities
 - analyzing strategic and financial business scenarios
 - maximize building portfolio
 - meet service delivery needs
 - manage facilities lifecycle
- Tools for proactive facilities management
 - Building defensible capital budgets
 - Minimizing risk
 - Prioritizing needs

What information is required for more effective decision making?

- What do you own?
- What is it worth?
- What are the outstanding repairs?
- What is the condition?
- What is the remaining life?
- What are the users' needs?

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Summary

- Provides one repository for all capital data
- Predicts capital investment needs for facilities
- Identifies budget impact on portfolio condition
- Ensures continuity of mission critical systems
- Quantifies, prioritizes and validates data
 - Understand magnitude of Deferred Maintenance
 - Know System Lifecycles and Conditions
 - Established Priorities and Projects
- Build clear, objective data-driven budgets

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