Evolving FM in the Kingdom of Saudi Arabia

It’s old, it’s new, and it’s different!

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Today’s Presentation

Moderator:
Josh Amos, IFMA Components Liaison

Presentation Title:
Evolving FM in the Kingdom of Saudi Arabia (KSA):
It’s old, it’s new, and it’s different!

Presenter: Stephen Brown
FM-adviso, ltd.
Presentation Logistics

• Q&A at the end of the presentation
• Quick survey at the conclusion of the Webinar
• PowerPoint & Recorded Webinar will be available online via FMCC’s Website (fmcc.ifma.org)
• Your Participation is Greatly Appreciated!
Evolving FM in Saudi Arabia

DIFFERENCE

EVOLUTION

AWARENESS

OPPORTUNITIES

UNDERSTANDING

IMPACT
About FM-adviso

- FM consulting and training.
- International experience and support (US, UK/Europe, Caribbean and Middle East)
- Allied with IFMA, DRI, NREP as well as other global consultants
- Focus on improving service deliverables.
About the presenter

• BA/MBA and post-graduate studies

• Credentials/Certifications include CFM, FMP, SFP, CPE, CBCP, CESCO, REM

• Qualified by IFMA, DRI and others as trainer for credentials and other programs

• More than 25 years experience in Facility Management roles.
Experiences
Arabian peninsula today
Oil Industry Development
Oil Industry Development
<table>
<thead>
<tr>
<th>Year</th>
<th>Population</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950</td>
<td>3,000,000</td>
<td>80% non-urban</td>
</tr>
<tr>
<td>1980</td>
<td>10,000,000</td>
<td>65% urban</td>
</tr>
<tr>
<td>2010</td>
<td>30,000,000</td>
<td>80% urban</td>
</tr>
</tbody>
</table>
Dubai
Growth of Jeddah – 1900’s / 1950’s
Jeddah in 2013
Jeddah in 1958
Jeddah in 2013
Rain Water
Jeddah flood - 2009
Potable Water

- No rivers in Saudi Arabia
- Little rainfall
- High demand
  - 2x global average (265l / 70g per day)
- 40% sites in Jeddah do not have piped water
  - 30 desalination plants
  - 18% of global desal production
  - Capacity to double by 2025
- Riyadh source is Persian Gulf
  - 470km / 300 mi
Jeddah in 1970’s to 1990’s
Electric Consumption (kWh)
King Abdullah University of Science and Technology (KAUST)
Thuwal – location of KAUST
Delayed understanding of FM

Buildings not designed for maintenance
- mindset to consume, then replace
- utilities not given proper consideration
- industry evolution was sluggish

Buildings not ‘maintained’, but were cleaned and kept functional - just

Rapid functional obsolescence resulted
Wise shift toward FM

Building designs improved.
Concepts of pro-active equipment maintenance were implemented.

BUT,
Excessive focus on cleaning and comfort continues.

Consideration for energy and the environment is advancing slowly.
Transition from reacting to leading

Saudi Arabia is becoming a leader in energy efficiency

- LEED projects
- Efficient residential developments
- Significant energy research
Strong focus on independence

KSA has evolved to become a regional leader and a global economic force.

• Ready to exert influence rather than to be influenced
• Independent standards and parameters are in play – even as there is desire to reflect other best practices.
Foreign national workers
The contractors are developing the technical understanding but many recruit less capable workers

- Technicians and tradesmen are improving, but not at the pace required

- Quality, reliability, safety and records still need significant improvement
ARAMCO was among the first to adopt and to benefit from investment in education, knowledge, training, etc. Multi-national organizations in KSA are also leading the change. Today, government-supported operations are evolving faster. > private sector contractors are starting to catch up.
‘Western-format’ contracts are often misunderstood and challenged.

- FM leaders must know current systems as well as legacy operations.
- Some organizations require to define a process map or flow chart to appreciate where they are vs. where they should be vs. where they need to be.
Measures of Efficiency

The newer concepts can be alien to the trades workers.

Careful instructions and detailed SOPs are necessary combined with reminders to achieve desired results.

Focus on results to be made in a personal context is helpful.
Safety Concerns

• Many expat laborers display a general lack of awareness of the most basic HSE information.
• Even when instructed, success is difficult and requires more oversight.
• Beliefs that support predetermination gives rise to the notion that a person is fated to their experience.
Demographics

- High Schools Graduates
- Admitted Students at Universities

Yearly data from 1993 to 2013.
Rapid advancement of nationals

Investments made in education and training to grasp fullest understanding of ‘best practices’.

Risk of too much ‘book knowledge’ that is not tempered by ‘real world’ experiences.

Expanded use of SOP’s, mentoring and ‘job shadow’ programs help.
Age Demographics

Saudi Arabia - 2011

United States - 2011
Make up of the work force

Challenges to Program Success

• Lack of desire for non-managerial roles.

• Disdain for labor, trades, and non-technical roles.

• Resistance to change to become more trade-oriented.
Operational Efficiency

Lack of experience reveals lack of understanding of typical standards and results.

- SOP’s should include more details
- Increased ratio of supervisor to workers
- Motivation and retention demand more efforts
Make up of the work force

- All non-Saudi’s must have a residency permit that identifies ones profession.
- Saudization Program has a goal to reduce unemployment.
  - Reduce demand for foreign workers
  - Increase the percentage of Saudi workers.
Entrepreneurial Spirit
KSA is allied closely with GCC members (includes Kuwait, UAE, Qatar, Oman)

KSA also allied politically and economically with other Islamic neighbors (i.e. - Egypt, Pakistan, others) who provide labor in return for the fiscal support.
Cultural Sensitivity

• 5x calls to prayer each day
  • strength of beliefs
  • respect
• Conservative attire required
  • modest
• Family centric
  • close ties
• Social
Cultural Sensitivity

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Non-Muslims must acknowledge and respect the practices.
SUMMARY THOUGHTS

DIFFERENCE
Respect that it is not the same. Approach just as you do with travel.

EVOLUTION
From ancient to old to current...
✓ Rapid change has occurred.
✓ More change is occurring.
SUMMARY THOUGHTS

AWARENESS
Appreciate that many sites may require much remedial support before advancing to more current practices.

OPPORTUNITIES
Aside from current fiscal downturn, KSA remains in a significant growth mode.
SUMMARY THOUGHTS

UNDERSTANDING
The culture is more conservative than most and your compliance is required.

IMPACT
You can make a difference that is both visible and is appreciated.
FOLLOW - UP

Questions.....

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Stephen Brown

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