

## **Facility management major player in cost saving.**

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After the pandemic situation is end or come in control there will be so many challenges are waiting for organization and it is predicted that in initial stage the organization was more focus on optimization of cost in every area.

From the experience we have seen there is very limited focus was given on facility and administration function as it is consider cost center for organization and always get less attention but at the same time these function is dealing with so many activities which are related with cost and the foresighted and strong facility and administration team will help organization to reduce the cost and ultimately help to book more profits.

With reference to optimize the cost following are the few areas which help organization to balance their Profit and Loss statement during this period as well as in future

- 1. Work from Home:** Considering the nature of business it is highly recommended to the organization to induce their workforce to work from home as this will help to considerable reduction in operation cost like electricity cost, bus shuttle services, canteen expenses, housekeeping consumables etc. this will also give the advantage to workforce as they will save considerable time require for travel, work life balance etc.
- 2. Reduce the number of branches:** Inducing the work from home model will help organization to

reduce the branches which was open by the organization to accommodate the large workforce which was hire due to expansion plan or providing services to their customers. Such reduction in branches will help to save the rental charges which are considerably high as most organization set up their branches in commercial areas where the rents are high. When branches are reduce then ultimately the other operational cost will also save.

- 3. Operate from shared workspaces:** It is more profitable by operating from shared workplaces instead of renting offices. Most of metro cities have share workspaces and operating from these places is more profitable then operating from setting and operating from own branches. In India per workstation cost is approx. INR 4.65 lakh per annum in city like Mumbai while per workstation cost at share workspaces in Mumbai is approx. INR 3.50 lakh per annum. This will give organization a straight way saving of approx. 24.75% per workstation. Apart from this it will help you to save direct investment in various equipment purchase like HVAC, UPS, DG Set, electronic surveillances system, photocopier, scanners etc. and their further maintenance cost.
- 4. Reducing the cost of support staff:** Organization can also reduce the cost of Housekeeping manpower by planning and working with minimum support staff. For weekend deep cleaning

the organization can avail the various deep cleaning services offered by facility management companies and same is more cost saving then going with large manpower. This kind of arrangement help to reduce the actual number of housekeeper deployed and simultaneously contractual obligation. As well as organization will get the benefit of saving cost by deploying minimum workforce and paying them even not availing any services during such pandemic or any other extreme conditions.

#### **5. Reducing charges of**

**communication:** During this lockdown period we witness most of our communication was done through various apps like Zoom, Duo, Teams, Webx etc. and all are running with data even we do the phone calls through Wi-Fi calling all these shows we can communicated one on one and with groups of people with minimum cost. All these help to save the cost which we conventionally paid to do conference calls/ bridge calls/ extension through phone and require cost for PRI lines rental, per minute call charges, capital investment on EPABX and additional expenses on their cards to add lines. All these stuff cost a lot as compare to data.

#### **6. Reduce travel cost:** Now we all are very comfortable to have meetings, group discussion, presentation etc. through various online solution and same is not only give convenience but also save the time of travel. Now we can connect with anyone at any

place with one touch and keeping same continue in future will help to save lot of cost which organization spend on flight tickets, car hiring etc.

At the end the intention of this article is just to help the organization to save the cost and for same we try to list out few areas where organization generally avail the lot of cost saving benefits and ultimately add to their profits.

The facility teams of the organization can do the in depth analysis of their function and find the ways to save the cost as the cost saving avenues is different from organization to organization and business to business.

In future the stronger administration and facility function of the organization who analyze minutely all the areas and take the opportunity to save the cost will remain more in demand and help the management to play strongly in these difficult time.