Facility Management History and Evolution

Noor Azman Mohamat Nor
Department of Property Management, Faculty of Geo-information Science & Engineering, University of Technology Malaysia
Email: azmanmn1@hotmail.com

Abdul Hakim Mohammed
Department of Property Management, Faculty of Geo-information Science & Engineering, University of Technology Malaysia
Email: hakim@fksg.utm.my

Buang Alias
Department of Property Management, Faculty of Geo-information Science & Engineering, University of Technology Malaysia
Email: buang@fksg.utm.my

Abstract

There has been a lot of debate and confusion in many of today’s literatures on the origin of Facility Management (FM) as a discipline. Its existence is still questioned today. This paper will attempt to rationalize the existence of FM through the analysis of historical practices that gave rise to a “need” for a more organized management practice. The paper argues the emergence of FM practice was in fact far earlier than the dates prescribed in today’s literature. It is to railroads in general and US railroads in particular that many authors ascribe the origin of the coordinated multi-functional but dispersed firm, which is the basic methodology of FM organization. They were succeeded by enterprises like mills and mines which tended to be owner managed whilst railroad was managed by professional managers. For a long period the management of the railroad facilities was part of the core competence of the company and was as such an accepted part of line management that manufacturing was to the likes of Ford 100 years later. Did the need to provide a separate name to describe the management of facilities arise as the nature of business moved from core competence to business critical? The main aim of this paper is to provide a lucid rationalization to this question via carefully synthesizing FM history and evolution. The information gathered in this paper is based on various published research materials, journals, internet publications, the author personal email correspondences, both with active researchers in this area, and with authors of FM historical events, and also cross-referencing from various history and FM books. Nonetheless, some of the discussion in this paper is the author’s opinion formed from information gathered from past readings.

Keywords: Facility Management, Definition, History, Evolution, Culture
Introduction

Why it is important to know FM History? As with any other history, it is imperative to know the legacy of a particularly event especially one making its presence felt in the service industry at large today. Price (2003) claimed FM services as a global market that is worth at least USD100 billion but also suggested the size of which no one agreed on. This contradicting yet captivating assessment compels one to ponder why.

Today, many literatures have recognized FM as an emerging discipline that is getting recognition by the day in every corners of the world including nonnative Western countries. Price (2003) eluded that FM roots lie in the custodial role of a building superintendent/caretaker largely concern with operational issues of maintenance, cleaning, and tenant security. Here Price (2003) further elaborated that the growth in the complexity of buildings and the significance cost of their operation has led to a need to introduce both tactical and strategic management functions, thus raising the profile of the discipline alongside other support functions such as the management of human resources and information technology. While, FM failed to meet Alexander’s prediction of becoming part of the language of business by the turn of the century, it continues to command what appears to be growing attention (Price, 2001). Hence, Price (2003) argued that Facility or facilities management is struggling to define precisely what it is and where it is going.

The question is why FM’s presence as a discipline remains strong and in fact consistently increases by the day in today’s service-oriented business management world. To understand this misconception, it is crucial to have sufficient background knowledge as to why this FM term was used in the first place and where it is heading in the future. Therefore, it is important to learn the history of FM in order for practitioners of FM to appreciate the emergence of this term and the reasons behind its existence to date, even while the common perception remains as FM has not yet commanded the center stage in today’s business language lingo.

FM Definition

FM appears to have spread into the industry in a short space of time i.e. within the last 40 years. The divergence of its definitions has been so rapid that it may not have firm root or might have been defined according to the originator’s taste, surroundings and demographics at that point in time. The definition and scope of Facilities Management remains a contentious issue and definitions depend on the local culture, organization’s interest and people’s personal interest (Anna-Lissa, 2005). Stuart (2003) quoted Jones and Goffe (1996), who said that as the new FM cultures take shape, the facility adapts to it. Each actor of the FM business writes and proclaims their own definition of facility management (David et. al, 2000). Though most of them do agree in principle, the definition seems far from clear in providing direction on the objectives and scope of FM (Linda et. al., 2001). Eleven members of a 1999 Delphi group (Green and Price, 2000) offered 11 definitions of FM as shown in Table 1 which indicates the average and individual response in rating their agreement on a scale of 1 (strongly disagree) to 5 (strongly agree). The results indicated that for every definition row, there is at least one disagreement and
all have at least one supporter, normally at the strong agreement level. Price (2003) quoted Green and Price (2000), who stated that the sample was not statistically valid while reproducing the disagreements that were found and left unresolved, in the earlier research. It appears that the definitions reflect the background and activities the definer was involved at that point in time.
<table>
<thead>
<tr>
<th>Definition</th>
<th>Average</th>
<th>Individual Scores</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Total management of property, plants and human resources to improve service quality, reduce operating costs, and increase business value to provide competitive advantage.</td>
<td>4.31</td>
<td>3 4 4 5 2 5 4 5 5 4 5 5 5 5</td>
</tr>
<tr>
<td>2. Facility Management is a business, which derives profit in exchange for managing risk transfer between the user and the supplier of a service infrastructure.</td>
<td>2.00</td>
<td>2 4 3 2 1 1 2 2 1 2 1 2 3</td>
</tr>
<tr>
<td>3. The development, co-ordination and control of non-core business services managed to deliver competitive advantage to the supported business.</td>
<td>2.85</td>
<td>3 3 2 1 3 5 3 2 2 3 2 3 5</td>
</tr>
<tr>
<td>4. The creation of an environment within the core business can be undertaken.</td>
<td>3.46</td>
<td>2 5 2 1 4 4 4 4 4 4 2 5</td>
</tr>
<tr>
<td>5. A process of continuous improvement in the workplace and its technology to achieve beneficial improvement in human, social and business outcomes.</td>
<td>3.69</td>
<td>3 2 4 1 3 5 3 5 5 4 5 4 4</td>
</tr>
<tr>
<td>6. The management of spatial environments to actively support the business.</td>
<td>3.92</td>
<td>4 3 4 3 3 5 5 4 5 4 4 3</td>
</tr>
<tr>
<td>7. Integrating operational needs with property and plant assets.</td>
<td>3.85</td>
<td>4 2 5 4 2 5 4 3 5 5 4 4 3</td>
</tr>
<tr>
<td>8. Management of all facilities in the built environment (except frame and construction).</td>
<td>2.92</td>
<td>2 1 4 4 3 5 4 2 4 1 4 2 2</td>
</tr>
<tr>
<td>9. Any service, or range of services, we can provide for a client more economically than they can provide for themselves, whilst delivering an acceptable margin for our business.</td>
<td>1.85</td>
<td>2 1 3 1 2 1 2 4 2 2 2 1 1</td>
</tr>
<tr>
<td>10. Supplying support for integral non-core activities.</td>
<td>2.46</td>
<td>3 4 2 1 2 3 4 2 2 3 2 2 2</td>
</tr>
<tr>
<td>11. Property related support service.</td>
<td>2.85</td>
<td>3 2 2 4 2 4 4 2 4 3 3 2 2</td>
</tr>
</tbody>
</table>

Table 1. Responses to a survey question regarding a set of definitions of Facility Management (FM), (Price 2003) (Slightly modified from earlier version)
To further understand the various definitions of FM, a list of definitions by various FM gurus and recognized NGO’s are presented below. The diversity of FM definitions observed herein is well proven through the survey findings revealed in Table 1 above.

<table>
<thead>
<tr>
<th>Author</th>
<th>Definition of FM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Becker (1990)</td>
<td>FM is responsible for coordinating all efforts related to planning, designing and managing buildings and their systems, equipment and furniture to enhance the organization’s ability to compete successfully in a rapidly changing world.</td>
</tr>
<tr>
<td>Nourse (1990)</td>
<td>FM unit is seldom aware of the overall corporate strategic planning, and does not have bottom line emphasis.</td>
</tr>
<tr>
<td>NHS Estates (1996)</td>
<td>The practice of coordinating the physical workplace with the people and work of an organization; integrates the principles of business administration, architecture, and the behavioral and engineering science.</td>
</tr>
<tr>
<td>Alexander (1999)</td>
<td>The scope of the discipline covers all aspects of property, space and environmental control, health and safety, and support services.</td>
</tr>
<tr>
<td>Then (1999)</td>
<td>The practice of FM is concerned with delivery of the enabling workplace environment – the optimum functional space that supports the business process and human resources.</td>
</tr>
<tr>
<td>Hinks and McNay (1999)</td>
<td>… common interpretations of FM remit: maintenance management; space management and accommodation standards; project management for new-builds and alterations; the general premises management of the building stock; and the administration of associated support services.</td>
</tr>
<tr>
<td>Varcoe (2000)</td>
<td>… a focus on the management and delivery of the business “outputs” of both these entities (the real estate and construction industry); namely the productive use of building assets as workplace.</td>
</tr>
<tr>
<td>Nutt (2000)</td>
<td>The primary function of FM is resource management, at strategic and operational levels of support. Generic types of resource management central to the FM function are the management of financial resources, physical resources, human resources, and the management of resources of information and knowledge.</td>
</tr>
<tr>
<td>IFMA (2003)</td>
<td>The practice of coordinating the physical workplace with the people and work of the organization; integrates the principles of business administration, architecture, and the behavioral and engineering sciences.</td>
</tr>
<tr>
<td>BIFM (2006)</td>
<td>“Facilities management is the integration of processes within an organization to maintain and develop the agreed services which support and improve the effectiveness of its primary activities”.</td>
</tr>
</tbody>
</table>

**Table 2 Examples of FM Definition (Modified from earlier Linda et. al., 2001 version)**

The initial impression obtained from various literatures is that it appears that the definition of FM really depends on the observer’s objective and motive.
Nonetheless, after reviewing the above definitions of FM, it is quite clear that FM definitions although quite diversified, still have a common vision and mission. In the context today’s world, it can be seen that FM actually revolves around key areas of management of financial resources, physical resources, human resources, and the management of resources of information and knowledge as accurately defined by Nutt (2000) not long ago. At the corporate level, FM definition is really looking at ensuring continuous productivity and sustainable business growth through integrating all facets of management principals in a synchronous form. From another angle, if the definitions are to be jumbled up in one huge mixing bowl, the outcome can be said to be the FM discipline namely, from execution standpoint, really emphasis on the idea that workspace environment and activities are defined, measured, analyzed, improved and controlled to sustain continuous longevity and profitable growth as covered by Hakim et al. (2006).

**FM: The Evolution**

Since late 1980s, FM has gradually gained a foothold as discipline and profession within the property and construction industry. The establishment of professional FM institutions around the world (e.g. IFMA in the USA, JFMA in Japan, BIFM in UK, FMA in Australia, etc.) testifies to its growing importance (Linda et al., 2001). Though the popularity of this subject has been on a steady upward trend, to date there are still people who don’t really appreciate and to certain extent are misguided on the roles and responsibility of FM. It is therefore very pertinent for FM practitioners to understand the evolution of FM, which has developed from just looking at “hardware” such as buildings, furniture, which is reflected by Becker (1990) and equipment to looking at “software” such as people, process, environment, health and safety which is depicted by Alexander (1999) and Then (1999).

Cultivating an accurate understanding of the evolution of FM is important, so that when the FM subject is diversified the essence of the subject remains consistent in order for the later outcome to not stay undiluted with newer components and elements of FM knowledge that could cloud the core subject areas. In Europe for instance, many actors use the terms facilities management to impress clients, but do not provide professional FM services (David, 2000). Such usage can only be understood if we try to understand the evolution of FM from its point of origin. The phrase “facilities management” is somewhat new in continental Europe, and some subcontractors or service providers use the term without thinking about what it means. There is a trend among service companies to add the two letters FM in order to look professional. This phenomenon even led Sodexho Alliance to avoid using the term facilities management, opting instead for terms like “multi-services”, even though they offer facilities management (David, 2000). This tragic event of oblivion and misconception could lead to the deletion or shall I say “death” of the work of FM. Is this what we want to see happen to a subject that has evolved over the last century? Price (2003) stated that as a topic for research and further management education, FM is lucrative niche market that many universities have found it profitable to pursue, as an adjunct to architectural faculties, to construction centers, to property economic courses and to business schools. Yet there is no agreement on what it is! WHY is it this the case for a subject that is receiving so much attention in
the industry today? As vigilant FM practitioners, it is of the utmost importance for us to learn and develop appreciation on the roots of FM and its evolution.

The research work done by Anna-Lissa (2005) revealed how different countries with dissimilar social economic milestones adopt FM. The study showed the diverse approaches adopted by societies in cultivating leadership and organizational growth are directly influenced by societies and social economic historical progress. Every country has its own culture, type of organization and leadership resulting in different levels of Facilities Management at different stages of development (Anna-Lissa, 2005). To indicate this difference in leadership and organization structure from one country to the other, John Mole (1996) in his research has come up with the Mole-Map Figure 1 below which basically rates leadership and organization in different countries. Due to this different leadership and organization structure, it would be logical, therefore, that the demands set for the facilities manager will differ and the quality realized will be valued differently. Countries starting with FM later will skip the first development stages and perhaps begin directly with corporate resource Facilities Management. Anna Lissa (2005) has quoted Freling (2000) who claimed that the USA and the UK have gone beyond the life cycle of FM and are already thinking about next step. This reveals how fast the FM discipline is progressing. Where will it go? No one knows!

![Figure 1 The Mole-Map (Mole 1996)](image)

**US & UK FM Practice: Significant Impact of Cultural Differences**

A comparison between the American and the British approach from a social and demographic standpoint will serve as a good benchmark to understand the variance in FM practices due to cultural differences. This comparison is particularly pertinent because the term FM is said to have originated from the US and slowly found its way to the UK? The discussion will focus on subtle differences in US and UK societal evolution background history and will correlate the reasons why the US and the UK differ when it comes to FM practice. Knowing how the subject evolved as a
result of cultural differences will further strengthen the claim that FM practice widely varies across different cultures in different continent of the world. Strong sense of historical reasoning can be seen to have caused this different appreciation towards FM.

Diagrams 1 and 2 shown below are intended to summarize the principles of FM practices in the US and UK based upon the author’s interpretation of information gathered from various FM books and journals. The rationale behind these diagrams will be elaborated in the subsequent paragraphs.

**Diagram 1: American Approach towards of FM**

![Diagram 1: American Approach towards of FM]

**Diagram 2: British Approach towards FM**

![Diagram 2: British Approach towards FM]
When one compares the two FM practices above, it is clear that the American and the British FM styles vary in terms of their approach and execution. This confusion is not new but has been proven through established research work. The term Facility Management emerged in North America during the late 1970s to describe the developing field of study into the design and management of workplaces and their impact on the business organizations that occupied them. Price (2001) quoted Price (2001a), Loard et. al. who stated that in crossing the Atlantic the same putative body of knowledge became known in the UK as Facilities Management and confused the original sense of workplace design with the provision, and especially the outsourcing of building support services. Records survive of Sir Monty Finniston speaking in April 1983 to the Manchester Society of Architects:

_I should like the architect to become involved in what I believe the Americans call facilities management, giving constant attention to improving the efficiency of the building ... enhancing the environment inside ... and keeping it in good repair, (providing the after sales service which is often lacking)_

Thomson (1998) stated that it is clear he was referring to what the Americans referred to as facility management however in the UK ‘Facilities’ become the preferred term; one adopted by both workplace design specialist and the operational managers of buildings, in particular in the computing and electronics industries (Price, 2000). This clearly indicates the confusion that FM went through once it evolves from the US to the UK.

The American FM style is more process oriented, as the focus is towards planning and coordinating activities. The advantage seen here is that there are detailed work processes in existence for monitoring and auditing purposes, but the drawback of this approach is that it is not human focused and can be perceived as a non-socially obligated model. It is construed as more profit driven; end result oriented, but without the necessary elements in place to provide a human touch to doing business. The American FM style describes the work processes clearly without much room for creativity. As such, consideration for feelings and emotions is not in the forefront of business decision. This is to say that people could just be treated as a soldier in a war game. They are there to do the defined work. If they are not there, another soldier can be deployed to replace them amicably. Alternatively, if the soldier is not effective, replace it with a more effective soldier.

While the British on the other hand stress the quality of environment and good support services, which is essentially quite general in the sense it is more open to one’s creative interpretation and at the same time indicates less dependency on predefined work processes. This approach can be perceived as meaning that it’s effectively up to the practitioner’s prerogative to make the process more transparent and systematic. Of course, with this more generic principle it is also possible to be more chaotic. Nonetheless, the human touch part is definitely emphasized in the British system, which essentially means appreciation towards fellow employees is part and parcel of doing business. Hence, corporate social responsibility and obligation rolls in. The British FM style does take into consideration the emotions and feelings of people, which is very important in fostering high productivity and hence, efficiency in running the office.
It looks like culture and history does play an important role in the orientation of definition and perception of the way business needs to be handled. It is interesting to see the differences in the two approaches of FM from the two separate continents of the world. Could it be that the reason the approach is different is due to the demographics and history of evolution of the society? Supposedly, demographics and evolution must have impacted society significantly in terms of how things are perceived and executed.

**FM: How & When it begin?**

Some say IT technology outsourcing in the late 60s and some say property management in the early 70s. Some even refer FM development way back to the old American railroad in the mid1800s. To date, the author has personally accounted various interpretations of theories of how FM begun but none of the claims besides the one by IFMA appears to be cast in stone.

According to Price research work, the first documented existence of the FM term was noted through a snowball research in 1968. The following is a passage from an email, which started as a result of my investigation into the origin of FM, dated 8 September 2006 from Dr. Price to the bureau of Wisconsin State Facilities, which laid out his research findings on FM history.

*Some 6 years ago I was asked to compile a history of Facility and Facilities Management, a project which included a worldwide survey of practitioners, an electronic literature search and a survey of the major professional bodies. The oldest date any practitioner could recall hearing the term was 1968 and the early literature (from 1971 on) refers to "Facilities" Management as IT outsourcing. Some people claim Ross Perot coined the term in EDS. The US Facility Management Association (the property people) dates their foundation and first use of the term Facility Management to 1978. They became the International Facility Management Association in 1981. "Facilities"used to refer to the property aspect came into use (Wisconsin apart) in the UK from ca 1983.*

Price set up a 'snowball' survey of other authors and their networks asking people when they had first heard the term. One respondent claimed 1968 and another had heard of it, and become involved, in 1974. The oldest reference Price (2006) could find on an electronic database (Scott, 1971) described 'Facilities Management' as the practice of banks outsourcing their data-processing operations. Price (2006) mentioned that only the abstract survives online but it states:

*The credit-card opens a new set of problems requiring intelligent communication between credit card processing centers on a nationwide basis. With this requirement comes a need for large terminal networks to allow merchants to obtain immediate credit information and also to record and process all information pertinent to a sale.*
Price (2006) also quoted (Anon, 1972) who stated the term as follows:

Facilities management is the complete takeover and operation of a client's data processing by a service firm.

However, in a separate historical chronology of the event by Wisconsin State Facility Services Department, in the article 90 years of DSF History, it was noted that the first usage of the term FM referred to property management rather than IT as agreed by Price in his email dated 8 September 2006 to Jon A. Jensen below.

The practice of having buildings from which to conduct 'business' and managing those buildings probably goes back around 5,000 years. However, in the interesting history you located the Office of the Supervisor of Territorial Property did not get renamed the bureau of Facilities Management until 1971. That is still interesting because it takes the first recorded instance of use of the term to refer to property rather than IT back by some 12 years ahead of any other documented instance of using the term Facilities Management to refer to any aspect of property supply.

According to Jon A. Jensen, the principal author of the 90 Years of History the States of Wisconsin States Department of States Facilities, he is not able to identify the origin the usage of the term FM and this is presented in his email to me dated 8 September 2006 below.

I am the principal author of the history of the Division of State Facilities. I do not know why our office began using the term "Facilities Management" in the titling of our office in 1971. Frankly, the term was a misnomer, because the Bureau of Facilities Management did not manage facilities. The primary mission/services of the BFM office in 1971 were to analyze potential projects (new buildings, remodeling, and additions) and supervise their development. This is conjecture on my part, but I think the term "Facilities Management" originated in the U. S. real estate industry and it means a business approach to maintaining facilities. I have no idea when it began.

A review of Jensen (2006) work showed vividly that the “need” for facilities administration actually initiated in the 1840s whereby the first function of DSF (Department of State Facilities) was created and it was the Office of Superintendent of Territorial Property. Could this be the point of origin of facilities management? No one could testify.

To date, there has not been a clear indication on the actual initiation of the term FM but from literature reviews it is clear that the term originated in the US and it appears that the term must have come from property management when the American railroad come into service in the mid 1800s as presented by Brian Akin. Nonetheless, there is not much literature that could prove this. The closest I could infer is as follows.
Anna-Lissa (2005) quoted Atkin (2003a) who claimed that the origins of Facilities Management can be traced back to the late 1800s, when the American railroad companies first conceived of the idea of providing facilities as opposed to providing buildings. From an anonymous Internet source, it was noted that railroads have employed conductors, ticket sellers, engineers, construction workers, accountants, clerks, and payroll officers since the 1800s. This literally forms an organization with personnel doing different activities under the same roof. This is when the railroad realized that they need someone who could act on their behalf to coordinate and administer the activities; hence, the emergence of a ‘manager.’ Coordinating the movement of people and goods, maintaining roundhouses, railroad lines, and stations, and making a profit were now the manager’s job (Smithsonian, 1998). This could have been the starting point of origin of the coordinated multi-functional but dispersed firm, which is the basic methodology of a FM organization. As demand for the railroads' services increased, more and more managerial employees were hired and a hierarchy of managers took its place on the corporate organizational chart. By 1840 or 1850, management was a permanent part of the railroads' organization, and managers began to think of railroading as a lifelong career with chances for advancement. This was the beginning of modern business and its offices (Smithsonian, 1998). Hence the initiation of workplace focus which leads to the arising of the “need” to look into the social welfare of workers, real estate operations and maintenance for the very sole purpose of ensuring sound profitability for the investor through utilization of professional managers who acted on behalf of the owners. This is what I would consider as the seeding point towards the development of today’s facility manager’s role.

In his doctorate dissertation, Steven W. Usseiman of University of North Carolina at Charlotte examined technological innovation in the American railroad industry from 1850 to 1910, through a detailed study of a few significant innovations—steel rails, braking systems, and automatic signals—and by examining the managerial practices of four major railroads—the Pennsylvania, the Baltimore and Ohio, the Philadelphia and Reading, and the Chicago, Burlington, and Quincy—it suggests that railroads took a variety of steps to manage technological innovation. The key phrase here is ‘managerial practices’ which is intended again to show the significance of managers in railroad services.

Facilities Management is about management. It is not a technical approach but a managerial approach (David, 2000). The history of management as a distinct social function began hundreds of years ago with the discovery that resources can be managed for productivity (Drucker, 1980). This is seen through the early development of the American railroad, which focuses on managerial practices. By the 1880s, this organization and hierarchy would be duplicated by Western Union, the banking industry, and insurance companies. These businesses, like the railroads, were big, complex, geographically dispersed, and responsible for huge amounts of money not owned by one person or family. Their success was replicated by large manufacturers, importers, and chain stores. The railroads' administrative organizations had successfully proved that they could increase productivity, volume, and profits. Every other large business followed their example (Smithsonian, 1998).
In substantiating the above evidence, though the term is not used, under the history of Wisconsin State Facilities Department in 1915, the term railroad commission was quoted. This to certain extent supported that the American railroad plays an important role in early State Facilities Department development during the early days.

Linking the above documented history of American railroads to the development of the States Facilities Department, it can be perceived that the practice of Facility Management does seem to take place much earlier than 1971 in comparison to the current understanding on when the term was started to be used. The above chronology of events indeed appears to reveal that Facility Management originated from the realm of property management and services.

The other possible source that I can suggest for the origin of FM is the United States of America Veterans Affair (VA) when services were rendered to war veterans and casualties of war as presented in the Office of Facilities Management: Historic Preservation: A Brief History of the VA in Table 2 below. The chronology of VA history revealed that the term Office of Facilities was only formally used in 1986 though the practice based on the described activities appear to have taken place as early as 1811. This is also supported by David G. Scott (1999) which claimed FM or large and diverse facilities has long been practiced by the military, government, and North America College and University Campus officials under the name of engineering, public works or plant administration.

<table>
<thead>
<tr>
<th>Year</th>
<th>Historical Event</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>1636</td>
<td>The United States comprehensive benefits system of assistance for veterans traces its roots back to 1636, when the Pilgrims of Plymouth Colony were at war with the Pequot Indians. The Pilgrims passed a law, which stated that disabled soldiers would be supported by the colony.</td>
<td></td>
</tr>
<tr>
<td>1736</td>
<td>The country's recognition of its responsibility followed the precedent set by English law and enacted in 1736 by the Pilgrims of colonial America. It read &quot;If any man shall be sent forth as a soldier and shall return maimed, he shall be maintained competently by the colony during his life.&quot;</td>
<td></td>
</tr>
<tr>
<td>1776</td>
<td>The Continental Congress of 1776 encouraged enlistments during the Revolutionary War by providing pensions for soldiers who were disabled. Direct medical and hospital care given to veterans in the early days of the Republic was provided by the individual States and communities.</td>
<td></td>
</tr>
<tr>
<td>1789</td>
<td>The first U.S. Congress passed a law to provide pensions to disabled veterans and their dependents.</td>
<td></td>
</tr>
<tr>
<td>1798</td>
<td>The Public Health Service, preceded by Marine Hospitals in 1798, provided physical examinations to veterans.</td>
<td></td>
</tr>
<tr>
<td>1811</td>
<td>In 1811, the first domiciliary and medical facility for</td>
<td>The word</td>
</tr>
<tr>
<td>Year</td>
<td>Event Description</td>
<td></td>
</tr>
<tr>
<td>------</td>
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<tr>
<td>1818</td>
<td>In 1818, the Secretary of War assumed responsibility for administering veterans programs.</td>
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<tr>
<td>1833</td>
<td>In 1833, the program was assigned to the Bureau of Pensions.</td>
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<tr>
<td>1849</td>
<td>Sixteen years later, this activity was moved from the War Department to the Department of the Interior.</td>
<td></td>
</tr>
<tr>
<td>1866</td>
<td>The National Home for Disabled Volunteer Soldiers, founded in 1866, provided domiciliary, hospital and medical care for disabled veterans.</td>
<td></td>
</tr>
<tr>
<td>1900+</td>
<td>In the 19th century, the Nation's veteran’s assistance program was expanded to include benefits and pensions not only for veterans, but also their widows and dependents.</td>
<td></td>
</tr>
<tr>
<td>1917</td>
<td>Congress established a new system of veterans benefits which included programs for disability compensation, insurance for service personnel and veterans, and vocational rehabilitation for the disabled when the United States entered World War I.</td>
<td></td>
</tr>
<tr>
<td>1921</td>
<td>Congress established the U.S. Veterans’ Bureau to consolidate the powers, functions and duties of the independent agencies which administered veterans’ benefits, including some phases of medical care.</td>
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<tr>
<td>1930</td>
<td>Congress established the Veterans Administration on July 21, 1930 to &quot;consolidate and coordinate government activities affecting war veterans.&quot; The VA experienced enormous growth near the end of World War II with the return of some 16 million veterans and the passing of the GI Bill and education and housing benefits.</td>
<td></td>
</tr>
<tr>
<td>1944</td>
<td>The World War II GI Bill, signed into law on June 22, 1944, is said to have had more impact on the American way of life than any law since the Homestead Act more than a century ago.</td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Event</td>
<td></td>
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<tr>
<td>------</td>
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<td></td>
</tr>
<tr>
<td>1945</td>
<td>The VA healthcare system has grown from 54 hospitals in 1930, to include 171 medical centers; more than 350 outpatient, community, and outreach clinics; 126 nursing home care units; and 35 domiciliaries. VA health care facilities provide a broad spectrum of medical, surgical, and rehabilitative care. The responsibilities and benefits programs of the Veterans Administration grow enormously during the following six decades.</td>
<td></td>
</tr>
<tr>
<td>1973</td>
<td>The Veterans Administration assumed another major responsibility when the National Cemetery System (except for Arlington National Cemetery) was transferred to the Veterans Administration from the Department of the Army.</td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>In 1986, the Administrator announced his decision to place all facility-related programs into an independent organization by realigning the Department of Medicine and Surgery's Facilities Engineering, Planning, and Construction Office and the Office of Construction into the new <strong>Office of Facilities</strong>. The first formal introduction of the term “Office of Facilities”</td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>On October 25, 1988, President Reagan signed legislation creating a new federal Cabinet-level Department of Veterans Affairs to replace the Veterans Administration effective March 15, 1989.</td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>At the official establishment on March 15, 1989, President Bush hailed the creation of the new Department saying, &quot;There is only one place for the veterans of America: in the Cabinet Room, at the table with the President of the United States of America.&quot;</td>
<td></td>
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**Table 2: Chronology of Events: Office of Facilities Management: Historic Preservation: A Brief History of the VA (Summarized from Original Article of US Veterans Affair, May 2006)**

Due to the vagueness in the FM point of origin as demonstrated above, the most practical approach is to adopt the most widely accepted definition of the history of FM. In principle, the most tangible recorded history of FM is captured by IFMA. According to the US Veterans Affair (2006), the largest and oldest professional association in the field is the International Facility Management Association (IFMA), which has a clear origin story:

*In December 1978 the search branch of the office furniture supplier Herman Miller Research Corp. hosted a conference, “Facility Influence on Productivity,” in Ann Arbor, Mich., USA. The three founders of IFMA met and David Armstrong of Michigan State University voiced a need for an organization comprised of facility professionals from private industry. In May 1980, one of them hosted a meeting in Houston to establish a formal organizational base for a facility management*
In 1980, the National Facility Management Association (NFMA) met for the first time in Houston, Texas to provide support, education, research, and networking opportunities for other Facility Managers. At this time a constitution was written and officers were selected. In 1980, NFMA had 47 members and today there are more than 18,000 members in 56 countries. NFMA also changed its name to the International Facility Management Association (IFMA) to reflect its growing international membership. NFMA was originally headquartered in Ann Arbor, Michigan, but eventually moved to Houston, Texas. In 1992, IFMA created a certification program for Facilities professionals. The Certified Facility Manager (CFM) designation is recognized worldwide as the premier certification for Facility Managers. There are now over 80 degree programs offered by 65 different universities around the world (Anna-Lissa, 2005).

FM became international when a Canadian chapter was incorporated and now has many international chapters (Price, 2006). Facilities Management entered Europe in mid 1980s from the USA. Based on the research done by Price, the first recorded FM market entry in the UK is 1981 though the data is not provable as the information is only from the website. From its first entry into the UK in the mid 80s, it rapidly spread into Europe from 1986 to 1992 as shown by Figure 1 below. On its way, many of the American concepts went through a big change while merging with existing local Property Management cultures. The original purpose of supporting core business by creating the best possible working environment has remained the goal, but the ways of attaining it have altered with local conditions and traditions (Anna-Lissa, 2005). By 1980 there were two distinct terms in existence in the North American professional literature, Facilities Management describing outsourcing (primarily of computing but also of other office services) and Facility Management focusing on the workplace (Price, 2006).

Figure 1 Facilities management in Europe (Leväinen 2001b, p.5) by Anna-Lissa (2005)
According to the European Union, the USA and the United Kingdom are well ahead of France, the Netherlands and Germany. The other European countries are even further behind. This is shown by David (2000) on the diagram of evolution represented on Figure 2 below.

![Diagram of Evolution](image1.png)

Figure 2 Implementation of FM according to time Adapted from the course given by Professor Atkin (David, 2000).

According to Makoto (1990), Facility Management (FM) is a concept from the US that was introduced into Japan around 1985 (Price, 2006). This could have been the first introduction of FM within the Asia Pacific region. To understand this would be the subject of a different discussion, which would focus on FM influence, evolution and development in South East Asia.

**Conclusion: Where is FM today?**

Today everyone use the term FM casually as though there were no original reason why this term developed many decades ago. In the interest of knowledge, it is prudent for us to understand the underlying meaning of the term ‘Facility Management’ in order to appreciate its existence. The term ‘facilities’ in a business context means ‘the premises and services required to accommodate and facilitate business activity’ (Bernard William, 1994), while the term “Management” refers to the act, art or manner of managing, or handling, controlling, directing as defined by Webster’s New World College Dictionary. Since late 1980s, FM has gradually gained a foothold as a discipline and profession within the property and construction industry. The establishment of professional FM institutions around the world (e.g. IFMA in the USA, JFMA in Japan, BIFM in UK, FMA in Australia, etc.) testifies to its growing importance (Linda et. al, 2001). Though the popularity of this subject has been on a steady upward trend, to date there are still people who don’t really appreciate, and to certain extent are misguided on the roles and responsibility of FM. It is therefore very pertinent for FM practitioners to understand the evolution of FM, which has developed from just simply looking at “hardware” such as buildings, furniture as analogized by Becker (1990) and equipment to covering “software” such
as people, process, environment, health and safety as depicted by Alexander (1999) and Then (1999).

As presented by Anna-Lissa(2005), Facilities Management is a relatively new profession that some people may not know a lot about either with regards to its current meaning or its history. According to Kent County, Michigan USA FM Department Review (2005), Facilities Management is responsible for planning, development, maintenance, and operations of County owned and leased buildings, infrastructure, and property. Over perhaps fifteen years, a diverse mix of office designers, office managers, property managers, building services managers, institutional services managers, consultants in all the above disciplines, commercial suppliers of the different mixes of service and ‘in-house’ providers have found some common ground in laying claim to being part of FM; a far cry from the office workplace traditions in which the subject originated. Price (2001) suggested that the status of Facility/Facilities Management (FM) as a profession or market is still debated in the field of academic inquiry and future direction. This shows the FM subject can be misconstrued and hence, as practitioner of this subject, it is prudent to know how this subject begins in order to be able to understand the true application of FM.

From the standpoint of academic research, the subject is so diverse and confused that some researchers are even trying to understand the phrase “Facility Management” itself and whether it is just another type of management fashion. Price (2006) covers the study elaborately in his quest to define the term Facility Management under the scope of mimetic to understand the behavior that influences the development of the phrase “Facility Management”. It can be seen that FM has survived as a management discourse for nearly 40 years, has one international professional association dedicated to its replication, and a range of national institutions or associations in every continent but it is still moving strong. In some countries FM is also regarded in as a major business sector. Price (2006) stated that there are research and teaching groups at several universities and readers of this journal may be surprised to learn that they are frequently found in departments of Human Ecology in the USA. All these developments have happened without any real agreement in that community as to what FM is!

For the above reason some researchers today are still attempting to define the fundamental substance of the term FM just like one wants to study the mimetic of the term ‘Engineering’ which would have been a proponent of the science of matter under any circumstances. As proven from centuries of academic evolution, no matter what happens today or tomorrow the term ‘Engineering’ will not evolve or change. Price (2004) quoted Grimshaw (2003) who stated that domains of knowledge acquire a permanence and a status as a profession when they are perceived as portraying, not only expertise but also a certain code of ethics. The question is whether “Facility Management” commands the same stature and acceptance. As such, cultivating an accurate understanding of the evolution of FM is important so that when the FM subject diversifies the essence of the subject stays authenticity and undiluted by newer components and elements of FM knowledge that could cloud the subject core areas.
From a management development standpoint, Facility Management appears to cover every aspects of running a business. Naturally there is a good deal of overlap between various branches of FM, and also some blurring of the boundaries between the functions of FM and those of other departments or units within organizations, such as finance, human resource and IT (Rick et al, 2003). Nonetheless, this overlapping is necessary in order for FM to satisfy sound business needs. As FM evolves, higher level of involvement of FM is seen in today’s business organization. Increasingly the focus of FM is on strategic management of facilities, with facility managers devoting their attention to a very broad range of concerns including human resource management, real estate portfolio management and quality management, as well as more traditional operational concerns that relate largely to building maintenance (Rick et al, 2003).

Since the aftermath of 911 in 2001, FM roles and responsibilities have even included risk management including planning for unforeseen disasters, something that has been highlighted worldwide by the events of World Trade Center in 2001, and conflict management.

Currently, FM has extended far beyond the realm of real estate management and the legacy of building maintenance. Today, facilities are viewed as strategic business resources. The position of facility manager has been elevated to a higher level in the business organization (Richard, 1998). As organization drives for higher profitable earnings and workforce becomes leaner, the focus of facility management has changed to concentrate on the effective management of scare resources. The underlying premise is space; ultimately it is not about real estate. It is about using all of an organization’s scare resources to their fullest potential to meet pressing business challenges (Becker, 2000). Those scare resources include finances, physical assets (from whole buildings down to pieces of furniture), information and, above all, people and their skills and knowledge (Rick et al, 2003). FM will continue to strive for its place in the market and industry as its roles expand in every direction of business management. The question that remains is whether FM will ever command a center stage in business and rightly receive the recognition it should receive in the business world today.

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Jensen, Jon A., Architect, Project Manager, Email to author Clarify Existence of FM wording, Div. of State Facilities (DSF), Dept of Admin. (DOA), State of Wisconsin Mailing Address: PO Box 7866, Madison, WI 53707-7866, Office Location: 101 E. Wilson St., 7th Floor, Madison, WI 53703 v: 608-267-7985; cell: 608-219-4680; fax: 608-267-2710, DSF Website <http://www.doa.state.wi.us/dsf/>

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