

when implementing sustainable practices. Seventy-nine percent reported linking their goals to business strategy. While recycling and energy conservation initiatives are being practiced by the vast majority of facility practitioners, financial challenges still present the biggest impediment to going green.

In April 2009, IFMA released *Strategic Facility Planning: A White Paper*, a report that outlined the key principles of strategic facility planning and details all stages of the process, including understanding, analyzing, planning and acting. The SFP is a two-to-five year plan encompassing the entire portfolio of owned and/or leased space that sets strategic facility goals based on the organization's strategic objectives. Linking facilities to core business strategies is one of the imperatives of refined facility management now and in the future. The white paper is a free download at [www.ifma.org](http://www.ifma.org).

In May, IFMA participated with Johnson Controls, Inc. in the third annual Energy Efficiency Indicator (EEI) survey, a research report targeting professionals responsible for energy management. The 2009 survey went to 1,400 business executives, several hundred of whom were IFMA members, and revealed barriers to investing in energy efficiency—including limited funding, uncertainty about future prices, government incentives, and energy and climate legislation. According to EEI results, 71 percent are paying more attention to energy efficiency than the year previous. Fifty-eight percent responded that energy management was extremely or very important. Forty-five percent identified energy efficiency in buildings as their top carbon reduction strategy. The EEI press webcast also helped magnify the facility professional's and IFMA's roles in the pursuit of energy efficiency and sustainability from the business case perspective. The next rendering of IFMA's strategy map also will include "Sustainability" as a fourth vertical theme, alongside "Global Influence," "Community" and "Operational Excellence."

Also in May, IFMA released *Distributed Work: Research Report #31*, a comprehensive resource that details trends in both on- and off-site distributed work strategies and defines the common terms associated with these work settings. The report features 10 case studies that demonstrate how companies around the world—including AT&T, Bank of America, BP, Hewlett-Packard, Microsoft and Sprint Nextel—are implementing their own distributed work programs. Sixty percent of facility professionals responding to the survey report using unassigned workspace in their facilities, with 40 percent either dedicating or assigning all workspace. Telecommuting was the most common off-site workplace strategy reported, with 56 percent noting its use within their organizations.

In June IFMA released *Operations and Maintenance Benchmarks: Research Report #32*, a study outlining the facility trends affecting workplaces throughout North America. Among the report's findings are that the average space per person has risen nearly 40 square feet since 2007—likely due to recent corporate layoffs. In addition, companies are seasonally adjusting their thermostats higher or lower by an average of one degree Fahrenheit, compared to data

Sincerely,



*John McGee*

John McGee, MBA  
Past Chairman

from three years ago, in an effort to minimize energy use and cut costs. The amount of square footage per building occupant, a measurement IFMA has calculated for the past 15 years, has increased to an average of 435 square feet in 2009, up from 415 in 2008 and 396 in 2007.

In the area of international relations, IFMA renewed its Partners in FM Excellence agreements with the British Institute of Facilities Management (BIFM) and FMA Australia. Originally signed in 2004, the new agreements call for collaboration on services, standards, research, professional development and advocacy. The agreements also expand upon the benefits available to the membership of each organization. As you may know, since 2004 IFMA members may access the members-only portions of BIFM's and FMA Australia's Web sites and participate in educational offerings at member rates.

Other international involvement included continued participation with the Global Facility Management Association (Global FM), partnering with the European Facility Management Network (EuroFM) on the European Facility Management Conference (EFMC), 16-17 June 2009 in Amsterdam, The Netherlands. In addition to the Holland Chapter of IFMA, the institutional supporters were: Facility Management Nederland; Center for People and Buildings; Loofd Landelijk Overleg Opleidingen Facilitaire Dienstverlening, Technical University Delft; and Wageningen University.

IFMA's *FMJ* also contributed articles to EuroFM's *European FM Insights* electronic newsletter; *Deco* magazine, the publication of the Painting and Decorating Contractors of America; and the Brazilian facility management publication *Revista INFRA*. *FMJ* also partnered with *Today's Facility Manager* magazine to produce "FM Alert," an ongoing blog for facility management professionals.

Other important collaborations include support of the Open Standards Consortium for Real Estate (OSCRE), where IFMA has a board seat. OSCRE's mission is to effectively facilitate the standards development process among key real estate stakeholders, to enable the industry to work more efficiently in a digital economy. IFMA also entered into a memorandum of understanding with ASHRAE. It was signed at World Workplace 2008.

In March 2009, IFMA President and CEO David J. Brady, after 16 years of IFMA service, announced his retirement, effective in the first quarter of 2010. To facilitate a seamless leadership transition, a special blue ribbon committee was formed to identify a successor. Whoever that will be will inherit a 30-year legacy of association management excellence, a top-notch staff and numerous milestones of successes. IFMA's Vision 20/20 will serve as a platform for the transition and the next levels of growth.

In the interim, the board, senior strategy team and important stakeholders like you already are transforming IFMA to navigate through change and uncertain economic times. The effect will be to reposition IFMA as the unequivocal world leader in facility management and workplace strategies.



*David J. Brady*

David J. Brady  
President and Chief Executive Officer



## Year in Review 2008-2009

Dear IFMA Stakeholders:

Change is only catastrophic if you are ill-prepared to deal with it. Preparation and a systematic approach to managing the association once again have proven prudent. The fiscal year ending in 30 June 2009, was both challenging and pivotal. Due to a continuation of the worldwide financial crisis, 2008-2009 was the most difficult in the International Facility Management Association's 29-year history. In an unprecedented move occurring in January 2009, midpoint in the association's fiscal year, IFMA recast the 2008-2009 operating budget to reflect the new reality. The association's risk reserve model with predetermined spending cuts also was engaged.

Despite the economic conditions, we surpassed the previous fiscal year by more than a half million dollars with a 2008-2009 revenue of US\$10,968,000, this is before accounting for the substantial unrealized loss in the investment portfolio. The actual operating loss was US\$289,818, which includes a one-time forgiveness of US\$200,000 for IFMA Foundation operating expenses due to IFMA for increased costs in administering the Accredited Degree Programs (which moved from IFMA to the foundation in 2008). The total expenses were US\$11,419,000, up \$937,000 from 2007-2008. We spent US\$6.7 million on program services; US\$2.9 million on management and general services; and US\$1.8 million on membership maintenance and development. For a comprehensive picture, refer to IFMA's 2008-2009 Statement of Financial Position and Statement of Activities in this report.

In October 2008, IFMA membership hit an all-time high of 19,527. However, as economic factors worsened, membership began to decline monthly. Thankfully, as the economy began to show signs of rebound, membership stabilized. We nevertheless ended the year on 30 June at 19,114, a net decrease of 192 members. In the previous fiscal year we reported a gain of 662 members. Retention also slipped from a strong 79 percent to 74 percent and we are working diligently to turn that around. Membership development was also a major part of four chapter leader workshops held from February through May, in Boca Raton, Fla.; Indianapolis, Ind.; Vancouver, British Columbia, Canada; and Philadelphia, Pa. One-hundred and thirty one chapter leaders participated. On a positive note, in May 2009, the Trinidad and Tobago Chapter of IFMA was

chartered, following numerous educational programs IFMA has brought there over the years.

In response to the prolonged financial decline, IFMA's headquarters' staff was reduced by 20 percent, through a layoff and not filling open positions. The pay freeze already in effect was extended to a second year, training budgets were dramatically reduced and increases in health care costs were passed directly to employees.

At the same time, this past year was strategically pivotal. After five years of pursuing balanced scorecard initiatives, the IFMA board and senior strategy team supplemented the initiative with a new Vision 20/20 document, now an addendum to the association's strategic plan. Led by IFMA Past Chairman John McGee, Vision 20/20 introduces a visual acuity aspect to IFMA's planning process by projecting out into the future several possible scenarios as to where the profession, practitioners and the association may be headed. Moreover, the exercise was both forward looking from the present and backward looking from the future. Vision 20/20 details were provided in columns and corresponding articles in the March/April and May/June issues of *Facility Management Journal (FMJ)*. The most significant aspect points to reinventing the profession and moving it from an image of "business support" to a reality of being "business critical." This will be accomplished by focusing on the lifecycle optimization of total building portfolios and linking the quadruple bottom lines—financial, social, sustainability and workplace diversity. The facility profession will become much better known, from secondary schools, to community colleges, universities and the C-suite. The document also mentions the emergence of CFMOs—chief facility management officers.

Every two or three years IFMA conducts a comprehensive membership survey to gauge some key indicators, such as member satisfaction, demographic changes, etc. Since 1990 the answer to one question has remained constant. In response to "What is your primary reason for joining IFMA?," the number-one answer has been "networking with facility management peers." That answer was number two in IFMA's January 2009 survey. For the first time, the number-one answer was "professional development and education." This new reality is consistent with a 2007 American Society of Association Executives' study of 18 associations titled "The Decision to Join."



2008-2009 IFMA Board of Directors; left to right:

Marc S. Liciardello, CFM, MBA, CM; David J. Brady; Peter M. Winters, CFM, CFMJ, AIA; Helena Ohlsson, CFM, MScA DIPL FM; Christopher Hodges, P.E., CFM, IFMA Fellow; Gary P. Broersma, CFM; Eileen McMorrow; William A. Rodgers, Jr.; John McGee, MBA; Thomas L. Mitchell, Jr., CFM, CFMJ; Mark R. Sekula, CFM, LEED® AP; Francis J. Kuhn, CFM, CFMJ; Kathy O. Roper, CFM, CFMJ, LEED AP, IFMA Fellow; Paul A. Ratkovic, CFM, FMP; José Garcia Cuartero, MIM.

In the fall of 2008 IFMA launched a major education initiative to define the practice of facility management from a truly global perspective. This was achieved by conducting the most comprehensive Job Task Analysis survey in IFMA's history. With 36 percent of respondents from outside the U.S., the analysis will advance the worldwide facility management profession by clearly defining what it means to be a competent facility manager in today's global environment.

The goal of the project was to establish a set of universal standards for the facility management profession which will transcend boundaries, cultures and types of facilities by:

- Determining the current, global body of knowledge for the profession;
- Identifying those activities and responsibilities common to facility management practitioners in all countries; and
- Defining the core performance standards accepted as relevant by all members of the profession.

This comprehensive project is just the stepping stone to the next phase of revamping all of IFMA's core competency courses, starting with the Facility Management Professional® (FMP) courses in the fall of 2009.

In January 2009, IFMA and the international credentials committee announced that the Facility Management Association of Australia (FMA Australia) has replaced the accreditation system it had in place since 2000 with IFMA's Certified Facility Manager® (CFM®) and FMP credentialing programs. David Duncan, CEO of FMA Australia, noted in the press announcement, "The international recognition, rigor and continuous professional development requirements make

the CFM and FMP programs highly relevant in Australia."

IFMA's credentials are the global standard for the facility management industry. In the 2008-2009 fiscal year, 552 people earned the FMP credential, a 102 percent increase over the previous year. The number of countries where there are FMPs also rose from 19 to 26, a 37 percent increase. There are 1,093 FMPs worldwide—a remarkable achievement in just five years. Also in the year just completed, 262 individuals earned the CFM designation, an 8 percent increase, to bring the total number of CFMs to 3,692 in 33 countries.

IFMA's online, classroom, corporate and government educational sales also set records in the 2008-2009 fiscal year, thus further confirming the aforementioned research findings that members increasingly want top-notch educational content to advance their careers. A total of 375 people attended the fall and spring symposiums.

Facility professionals with specialized knowledge have a distinct advantage in the workplace and IFMA is positioned to maximize this potential growth engine. After weathering a decline in membership of 4 percent, IFMA councils picked up energy in the spring with their third Industries Forum event in Vancouver 31 March-2 April 2009. The three-day event offered educational sessions, facility tours and networking opportunities centered on best practices. More than 150 IFMA council members attended. Also in March, IFMA announced the creation of the City and Country Club Council for facility managers and service providers. This new council serves professionals from public and private clubs offering recreational activities, event hosting and gourmet dining. The council held its first event 22-24 March in Charlottesville, Va. Previously, in July and August 2008, IFMA announced two new communities that expanded council reach further into industry-specific markets. The first is for hospitality facility managers and engineers, and the second for restaurant and food service facility managers.

Seeing the potential to reach new audiences and appeal to multiple generations, IFMA became active in social media beginning in May 2008. Since then, the association has increased its outreach and opened its doors to opportunities that seemed out of reach only a few years back. The year 2008-2009 brought the association a strong presence on Facebook, LinkedIn, YouTube, Flickr and Twitter. In only 12 months, IFMA acquired 670 participants on Facebook; 2,621 on LinkedIn; 216 on Twitter and posted 30 videos on YouTube. This was also the year that social media was integrated into World Workplace—shooting videos from the conference and uploading them to the sites in real-time. Social media outlets have become additional daily communication vehicles used for promotional, educational and networking purposes within the association. IFMA's social networking sites continue to thrive and grow at exponential rates.

The 2008-2009 fiscal year also brought along the formation of IFMA's emerging leaders task force. Primarily focusing on building a structure within IFMA's existing framework, the group's goal is to promote a network of new facility professionals. Task force members began taking on leadership roles with this initiative by engaging members of local chapters/councils, other associations, similar groups and individuals.

IFMA's corporate connections team continues to develop and guide the important relationship between facility management practitioners and the companies providing product and service solutions therein. No other organization provides such a critical link in the decision making process. IFMA members annually purchase

more than US\$103 billion in products and services and manage more than 37 billion square feet of space. This year *FMJ* advertisers have the opportunity to add video advertisements to *FMJ* Online or link how-to videos to IFMA's YouTube pages. *FMJ* advertisers also can purchase "belly bands" that wrap each issue and accentuate their brands. To help pass along real savings to IFMA members, we introduced the FM Deals and Discounts program, whereby special product and service offerings are made available by virtue of IFMA membership. A portal on the IFMA Web site connects the sellers and buyers. The FM Resource Guide, an annual comprehensive directory, was greatly expanded in 2009 to cover IFMA and facility topics from A to Z. The guide lists vendors by both region and category. A CD-ROM version also is sent to all members outside North America.

The corporate connections department also has an important role in the financial viability of the association because nearly a quarter of the association's revenue is derived from exposition, sponsorship and advertising sales. World Workplace 2008 Conference & Expo in Dallas, Texas, 15-17 October, attracted an estimated 4,500 attendees from nearly 40 countries. The event generated about US\$12,853,728 in revenue for the city, according to estimates from the Dallas Convention & Visitors Bureau. As the "youuniversal" workplace event, World Workplace 2008 marked IFMA's 28th annual conference. Industry leaders, educators and government representatives joined more than 300 international exhibitors from companies such as AT&T, IBM and Microsoft to focus on the future of the work environment. The event also featured 83 educational sessions on topics such as sustainability, emergency preparedness and global facility planning. In all, the conference once again proved to be a great success—both financially and functionally.

IFMA's government relations efforts focus on sales, advocacy and relationship building. Efforts in 2008-2009 led to blocks of new members from the Architect of the U.S. Capitol and the U.S. Food and Drug Administration. These additions complemented existing blocks with the U.S. General Services Administration, Internal Revenue Service, Public Works and Government Services Canada and others. The U.S. Department of State also once again exhibited at World Workplace 2008 to recruit facility professionals to work at U.S. embassies worldwide. William A. Rodgers, Jr., president and CEO of GoodCents Holdings and IFMA second vice chair, also was selected in May to serve on the State Department's Industry Advisory Panel, formed under the Federal Advisory Committee Act. The panel provides the department's Bureau of Overseas Building Operations with the expert counsel it needs to provide safe, secure and functional facilities for U.S. diplomatic missions and to oversee real property assets.

On 9-10 September, the Society of American Military Engineers (SAME), the National Academies of Sciences' Federal Facilities Council and IFMA met in Washington, D.C., for the second annual Facilities Management Workshop. SAME also hosted an IFMA CFM Exam Review course, 9-11 June 2009, in Frankfurt, Germany.

In February, IFMA joined the High Performance Commercial Green Building Partnership, a consortium of leading organizations from the building community that seeks to provide guidance and technical expertise on sustainability issues to the U.S. Department of Energy's Building Technologies Program. The partnership was formed by the American Society of Heating, Refrigeration and Air Conditioning Engineers (ASHRAE), along with a steering committee of nine other leading organizations.

On 22 April 2009, members of the 111th Congress and IFMA met to discuss energy efficiency and high performance federal buildings during IFMA's second annual advocacy day. Congressional speakers included: Rep. Dennis Moore, D-Kan.; Rep. Russ Carnahan, D-Mo.; Rep. John Culberson, R-Texas; Rep. Pete Sessions, R-Texas; and Rep. Mario Diaz-Balart, R-Fla. These presentations provided an overview of the U.S. government's funding priorities in federal buildings, including investment in education and training for federal facility managers. In the afternoon, IFMA board members visited Capitol Hill to discuss recommended public policy initiatives as outlined in the IFMA publication, *Investing in America: A Comprehensive Approach to Rebuilding America's Infrastructure*. On the Senate side, IFMA also proposed the formation of a high performance commercial building caucus similar to the partnership formed by ASHRAE on the House side.

The research function is another important component of IFMA. It supports facility practitioners, service providers and helps magnify the importance of the facility management professional worldwide (objective three of the IFMA balanced scorecard and strategy map). Leading the effort is a new floor area measurement standard. The American Society for Testing and Materials (ASTM) approved and published "E1836-08: Building Floor Area Measurements for Facility Management," a standard that provides a definitive procedure for facility managers to use when measuring and classifying floor area in buildings. ASTM-E1836-08 is essential for allocating and charging back space.

In October 2008, IFMA released *Green Practices 2008*, a study showing facility managers increasingly are following a master plan

### International Facility Management Association Statement of Activities for the year ended June 30, 2009

(Rounded to the nearest 1,000 in US dollars)

#### Revenue:

Member Dues	\$4,062,000
Education, events and member certification	5,295,000
Publication and information sales	1,287,000
Research fees	38,000
Investment return, net	(1,200,000)
Other	286,000

**Total Revenue** 9,768,000

#### Expenses:

Program services	6,724,000
Management and general	2,917,000
Membership maintenance and development	1,778,000

**Total Expenses** 11,419,000

**CHANGES IN UNRESTRICTED NET ASSETS** (1,651,000)

Unrestricted net assets, beginning of year	2,684,000
Unrestricted net assets, end of year	\$1,033,000

### International Facility Management Association Statement of Financial Position for the year ended June 30, 2009

(Rounded to the nearest 1,000 in US dollars)

#### Assets:

Cash and cash equivalents	\$288,000
Accounts receivable	413,000
Prepaid expenses and other assets	631,000
Investments	4,260,000
Property, net	324,000

**Total Assets** 5,916,000

#### Liabilities and net Assets

<b>Liabilities:</b>	
Accounts payable and accrued expenses	671,000
Deferred revenue	3,910,000
Note payable	302,000

**Total Liabilities** 4,883,000

**Unrestricted net assets** 1,033,000

**TOTAL LIABILITIES AND NET ASSETS** \$5,916,000