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## Facilities management: The emerging allied industry in real estate

By Deepak Uppal, Executive Director, Enviro  
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*Booming real estate industry across the globe has paved way for several allied services - Facility Management being one. Demand for this service has witnessed a significant spike in the last one decade as it aids in reducing costs, increasing end-user satisfaction and minimising risks.*



Facilities Management (FM) service is a booming industry in the real estate sector, which encompasses an effective building management service with multiple serious disciplines. The industry comprises of services like housekeeping, security, cleaning, transportation, parking management, electrical - mechanical and civil engineering services. Facility Management services ensure smooth functioning of organisations.

In the past few decades, it has transformed into a key factor for business organisations by enabling a conducive environment for their business activities. It also enhances effective collaboration among the users and works as a support service for the real estate developers. By ensuring safety and sustainability, the service provides a proper building management facility to the real estate sector.

In today's parlance, the FM services industry has been growing as a revolution and is set to witness significant momentum over the coming years. The term has become a buzzword for workplaces as businesses are now investing more on maintaining their facilities and ensuring smooth and consistent performance. The industry is witnessing tremendous growth, especially in the commercial real estate segment. According to an industry report, the FM industry is blooming annually with a strong growth rate of 20 percent, which will reach to about a \$19 billion powerhouse by 2020.

As a third party, the industry functions as a support system for a business organisation and contributes towards the core business achievements. What is worth noticing is that with the operation of urban development and modernisation, demand for such a service has reached its highest peak. Since people are endorsing for an upgraded lifestyle, more and bigger houses/villas/flats have been in demand with modern amenities and facilities. The booming economic growth of the real estate sector has globally driven the growth for this industry. The portfolio of real estate services is consistently increased by FM services which help by reducing costs, increasing end-user satisfaction and minimising risks.

Such services have added much value to the real estate sector by protecting and enhancing a cohesive environment for the employees to achieve their business strategy. In order to achieve the improving performance, the real estate sector has always indicated preference for such suitable workplaces. A recent survey by the Royal Institute of Chartered Surveyors revealed that 61 percent of the respondents felt that improvements to workplace facilities positively impacted their wellbeing at work.

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The FM industry has achieved its highest growth in cities like Delhi, Bangalore, and Mumbai and to some extent Pune and Chennai. Bangalore commands a 40 percent share of the overall facility management industry revenues. With increasing demand for this industry, the real estate developers have incorporated such services as a part of their core business operation. It also helps real estate developers in establishing a prominent professional image in the market. In fact, today the Facilities Management is growing as a key intrinsic in the real estate market for the achievement of higher returns on investment.