

# Facilities Benchmarking

## Establishing Comparative Measures for Your Real Property Portfolio

**M**aking decisions about capital investments often involves the comparison of many different yardsticks. How much did we spend last year on this type of system or facility? What are the current renewal costs for a particular facility, and how do they compare to other buildings? How does the condition of buildings in one campus or region compare to another?

Comparing such key metrics as condition index, requirement cost, and replacement value across systems, facilities and building types provides valuable insights for capital planning. However, to place these data points within a larger context requires information about how your organization compares to others like it, and to best-in-class practices overall.

### Benchmarking helps your organization:

- Understand how its facilities compare to others and the reason for differences
- Validate that planned investments are appropriately targeted
- Justify requests for funding based on industry-wide or market-wide benchmarks
- Target areas for improvement and track progress toward your goal over time

### Putting Your Facility Metrics in Context

As a leader in the capital planning field, VFA manages facilities data for hundreds of organizations across a wide range of industries, including government, education, healthcare and corporate markets.

Using aggregate data from our clients, we help individual organizations understand how their facilities compare to their peer group within their market and across sectors. More importantly, we help them interpret the numbers, understanding what comparative differences mean for their portfolio and developing strategies for targeting improvements.

### How Does Your Organization Compare?

VFA's benchmarking services begin by defining the performance measures that are most critical for your organization in its capital decision making process, and the questions you most want to address as part of this process. Some examples include:

- How does your portfolio's overall FCI compare with that of other organizations in your sector?
- How does your organization's replacement cost per square foot compare with that of other similar organizations nationally or locally?
- How do the deficiency costs of particular types of buildings – such as hospitals, classrooms, data centers, or retail outlets – compare with those of your peers?

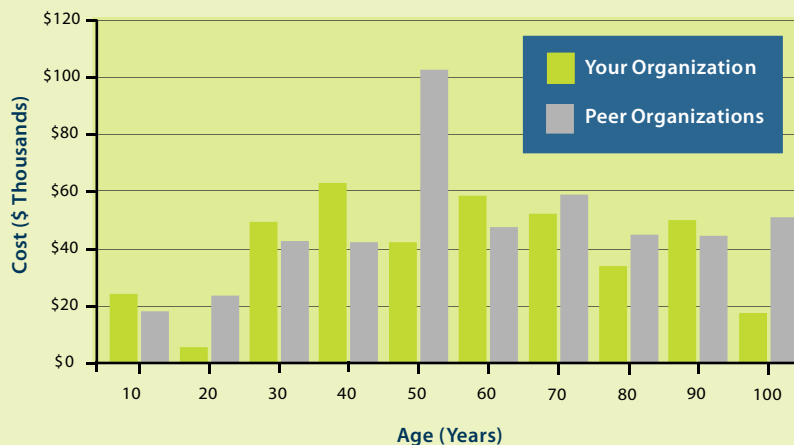
Next, we work with your organization to establish a peer group that will form the basis for comparing facility metrics. Parameters for selecting this peer group may be based on such criteria as market; region; asset use, size, and type; building system; asset replacement value; and other relevant categories.

Based on aggregate data from this peer group, VFA consultants

is, the resulting numbers and charts never tell the whole story. Why do your administrative facilities, for example, average a much higher requirement cost than those of your peers? Which particular systems are driving higher SCI values? Why is the replacement value of your laboratories much lower than average?

To ensure your organization derives the greatest value from the benchmark data, VFA provides in-depth analysis of select areas of customer interest, and conducts workshops with your team to both present findings and provide insights into their implications for your portfolio and your long-term capital strategy.

**Average Requirement Cost by Asset Age Group**



*VFA helps your organization understand how its facilities compare to peers' and target areas for improvement.*

benchmark your portfolio based on a set of comparative metrics including:

- Facility condition index (FCI)
- Requirement cost per square foot
- Replacement value per square foot
- Asset renewal per square foot
- System condition index (SCI) in aggregate or for individual building systems
- Percent of systems consumed

### Going Behind the Numbers

VFA delivers a detailed report of benchmark findings, including analysis, interpretation, and recommendations. However, we recognize that no matter how detailed a benchmarking analysis

### The VFA Advantage

A leader in facility capital planning since 1998, VFA draws on a wealth of experience in facility assessment methodology as well as a vast repository of facility data managed within our software to develop relevant benchmarks for our clients. Whatever your organization's market or region, we can help you to understand your strengths and weaknesses relative to your peers in your market and across sectors, target the most appropriate strategies for improvement, and measure your progress over time.

Our Facilities Benchmarking service is part of a range of VFA consulting services designed to help clients optimize their investment in facilities capital. Contact us to learn more about how we can help your organization increase the efficiency and effectiveness of its capital planning processes.

To learn more about how VFA can help your organization to benchmark its facility performance, contact a VFA office or email [info@vfa.com](mailto:info@vfa.com).

Contact us to learn how VFA can help your organization to optimize its facilities investment.

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