

FROST & SULLIVAN



2022 COMPETITIVE STRATEGY LEADER

*SINGAPORE
FACILITY MANAGEMENT INDUSTRY*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. C&W Services (S) PTE. LTD. excels in many of the criteria in the facility management space.

AWARD CRITERIA	
<i>Strategy Innovation</i>	<i>Customer Impact</i>
Strategy Effectiveness	Price/Performance Value
Strategy Execution	Customer Purchase Experience
Competitive Differentiation	Customer Ownership Experience
Executive Team Alignment	Customer Service Experience
Stakeholder Integration	Brand Equity

A Market Snapshot

The Singapore facility management (FM) market is in the advanced stage of the growth lifecycle with a robust outsourcing culture and healthy acceptance of sophisticated technology-driven FM solutions and innovative value-added offerings. The mature market has one of the highest outsourcing rates in the Asia-Pacific (APAC), with 79.5% of FM services outsourced in 2021.¹ This strong outsourcing culture, especially in the public sector, along with the ongoing demand for advanced functionality, improved safety, enhanced cost/energy efficiency, and increased comfort of built environments from the country’s thriving real estate sector, drive stable market growth. Frost & Sullivan’s research estimates the Singapore FM market will reach \$2,489.5 million in 2027, with a compound annual growth rate of about 2.6% between 2021 and 2027.² Moreover, the country’s conducive business environment and mature customer base facilitate a profitable market for integrated FM (IFM) solution providers. As a result, the IFM service delivery model will increase its market share from 31.7% in 2021 to 32.9% in 2027.³

However, certain market challenges restrain the Singapore FM market’s overall growth. The increasingly competitive market’s ongoing workforce shortage issues remain a critical limiting factor. Within this context, the region’s reliance on manual labor and growing costs related to the Progressive Wage Model implementation further escalate pricing pressures and lower profit margins for FM solution providers. Moreover, the increasing saturation in the highly distributed market, further aggravated by the post-

¹ Asia-Pacific Facility Management (FM) Growth Opportunities (Frost & Sullivan, April 2022)

² Ibid.

³ Ibid.

pandemic entry of a growing number of global companies, intensifies competition between market participants. Similarly, budgetary restrictions impact outsourcing decisions and impede market growth, particularly in non-critical business services expenditure.

Furthermore, with rising customer concerns regarding service delivery quality and cost management concerns, market participants must align their offerings with constantly evolving customer needs and provide differentiated, high-value FM solutions to retain their market share in the highly competitive Singapore FM market.

C&W Services: Singapore's Leading Facility Management Service Provider

C&W Services (S) Pte. Ltd. (C&W Services Singapore) is the facilities and engineering arm of leading global real estate services firm Cushman & Wakefield, offering facilities management, expert engineering solutions, energy management strategies as well as innovative facilities management technology to a diverse portfolio of clients such as building owners, occupiers, government bodies and corporate real

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*- Janice Wung,
Program Manager, Energy & Environment*

estate companies. Currently, C&W Services manages two townships and over 97 million sq ft of floor space in Singapore.⁴

C&W Services functions as an extension of its customers’ businesses, strategically leveraging its extensive expertise, industry knowledge, and advanced technological capabilities to offer end-to-end FM services that consolidate and manage their essential daily operations. Aligned to ever-changing customer needs, the company’s fully integrated solutions deliver excellent value by helping

customers balance FM costs, mitigate operational risks, improve service consistency, and ensure compliance with necessary standards. Moreover, C&W Services’ fast, flexible, and scalable service delivery model enhances workplace experiences while facilitating efficient, intelligent, safe, and future-ready built environments.

The company offers a wide range of facility services across various property types and sectors, encompassing IFM, property management, engineering maintenance and support, and agency services management. These FM solutions consistently deliver:

- **Operational excellence:** C&W Services utilizes tried and tested processes, economies of scale, and building management technology to reduce facility operating costs considerably. For instance, the company realizes \$90+ million in energy savings annually.⁵
- **Improved employee experience:** The company enables customers to enhance their workforce’s efficiency, productivity, and peak performance through carefully curated offerings. These solutions include the company’s proprietary Experience per Square Foot Scorecard, Journey Mapping, Service

⁴ <https://www.cushmanwakefield.com/en/singapore/services/facilities-services#capabilities>, accessed October 2022.

⁵ <https://www.cushmanwakefield.com/en/singapore/services/facilities-services#leadership>, accessed October 2022.

Excellence Delivery and Training, Workplace Edge (employee engagement application), and ready access to its fleet of experienced managers.

- **Critical facility management:** C&W Services leverages a programmed operation and maintenance activity approach to offer consultancy and operational services that ensure consistency, predictability, and uninterrupted availability for critical systems.
- **Sustainability:** The company enables customers to reach their specific sustainability goals by customizing its comprehensive and multi-faceted solutions portfolio to their unique needs. Moreover, C&W Services helps them fulfill their corporate social responsibility commitments while increasing savings (by reducing energy use, waste generation, and water usage).
- **Smart buildings:** The company's technology-driven FM solutions improve operational efficiency and occupant comfort by embedding intelligence into built environments, thereby allowing customers unprecedented access to business intelligence and actionable insights.

C&W Services leverages its longstanding working relationship with various Ministries and Statutory Boards in the government sector. The company's extensive in-house self-delivery capacity enables it to effectively meet the high technical requirements of various facilities. These factors contribute to C&W Services' continued leadership in the government sector. The company serves 11+ ministries and statutory boards effectively demonstrating its competitive edge. C&W Services' clients range from government agencies (Public Utilities Board [PUB] and Jurong Town Corporation [JTC]) to large multinational corporations, covering various sectors, such as education (ITE College West), townships, sports venues (Singapore Sports Hub), industrial sites, commercial offices, and research and development facilities (Biopolis and Fusionopolis).

Moreover, C&W Services draws on the synergy of its expansive partner ecosystem, encompassing 1500 approved vendors, to successfully offer holistic FM solutions addressing ever-evolving customer needs. The company outsources its customers' soft services requirements to its partners, leveraging their existing capabilities rather than wasting time and resources developing its own. More importantly, this approach enables the company to circumvent the FM market's ongoing labor shortage challenge.

Frost & Sullivan believes C&W Services is uniquely prepared for today's demands and exceptionally positioned for tomorrow's needs. The company's clear strategic vision and execution underpin its partner-of-choice status and sustainable growth for years to come.

Spearheading The Transformation of Facility Services

With the increasing demand for advanced technology-driven solutions from Singapore's mature customer base, especially the government sector, C&W Services strives to transform the FM space through innovative thinking, implementation of best-in-class processes, and the pioneering use of cutting-edge technologies. To this end, the company leverages its in-house expertise and third-party vendor network to deploy differentiated technology-based initiatives at several FM projects across the country. Some instances of these advanced solutions include artificial intelligence-enabled data analytics, centralized real-time equipment performance monitoring (enables proactive maintenance), autonomous cleaning

robots, drones, remote security surveillance, and intelligent FM Internet of Things (IoT) systems (uses sensors to acquire real-time building information data and monitor overall performance).

Placing data at the heart of its solutions, C&W Services' technology-based FM offerings alleviate the burden on on-site teams, reduce labor requirements, improve operational efficiency, and increase workplace safety. For instance, technology deployment in FM projects reduce workforce requirements by up to 20%.⁶

Use Case Example: Modernizing an aging commercial building

C&W Services supported a commercial building in Bukit Merah in modernizing its out-of-date infrastructure through facility-wide IoT sensor installation. The company utilizes these sensors to collect real-time critical information (from mechanical services, electrical systems, indoor air quality, and sanitation levels) from the customer's building. C&W Services' expert data analytics team then evaluates this data to monitor the building's operational status continually and implement proactive maintenance activities to minimize building operation disruptions.⁷

Use Case Example: Intelligent remote monitoring and unmanned building façade inspection

Kallang's state-of-the-art Singapore Sports Hub facility employs C&W Services' proprietary web-based Total Asset Manager (TAM) software to provide IFM and asset lifecycle management services to their Indoor Stadium and other venues. The company's TAM application and intelligent remote monitoring capabilities continually update all relevant stakeholders with asset performance metrics and actionable insights. As a result, the enhanced reporting capabilities enable the customer to conduct performance benchmarking, make informed business decisions, and reduce response time to any on-site issues.⁸

Similarly, C&W Services employs drones to carry out Singapore Sports Hub's building façade inspection to comply with FM safety requirements.⁹ The company's Civil Aviation Authority of Singapore-qualified and highly trained drone operators perform essential maintenance and security activities, thereby reducing the customer's employee safety risks and labor costs. With C&W Services' advanced FM solutions, the mega sports hub achieved several sustainable outcomes, such as worker safety improvement, improved productivity, and reduced maintenance downtime.¹⁰

Furthermore, C&W Services strengthens the competitive differentiation afforded by its advanced technology solutions with its 30+ years of market experience, extensive industry know-how, and highly competent expert teams. The company employs 2,200+ people in various roles, ranging from engineers, property officers, and property executives to helpdesk operators to facilitate the delivery of superior customer experiences. Moreover, C&W Services employs subject matter experts across different sectors (such as soft services, user experience, monitoring and evaluation systems, and sustainability) to extract

⁶ <https://www.businesstimes.com.sg/real-estate/building-a-workforce-of-the-future-in-the-tech-driven-facilities-management-industry>, accessed October 2022.

⁷ Ibid.

⁸ <https://www.businesstimes.com.sg/real-estate/building-a-workforce-of-the-future-in-the-tech-driven-facilities-management-industry>, accessed October 2022.

⁹ <https://www.cushmanwakefield.com/en/singapore/stories/2019/07/singapore-sports-hub-facility-management-through-drones>, accessed October 2022.

¹⁰ <https://www.cushmanwakefield.com/en/singapore/stories/2019/07/singapore-sports-hub-facility-management-through-drones>, accessed October 2022.

the maximum value from state-of-the-art technology-enabled tools. For instance, the company employs data analysts as an integral part of its centralized real-time equipment performance monitoring operations. These professionals analyze real-time asset performance data to derive customer business intelligence and actionable insights for on-site teams.

Additionally, C&W Services enhances customer value by continually educating its clients about intelligent FM service procurement. To this end, the company works closely with customers to understand their unique business needs, comprehend their service expectations, and identify which services they can outsource without jeopardizing their core operations. Through this approach, the company also ensures that customers only acquire services that truly add value to their organizations. For instance, C&W Services recently revamped its headquarters to demonstrate and educate customers about its ongoing transition from simply providing FM services to creating holistic workplace experiences. The company redesigned its cutting-edge facility as a sustainable, agile, inclusive, and collaborative 'living lab' incorporating intelligent workplace technologies, energy-saving devices, and employee experience innovation.¹¹

A Customer-centric Approach Driving Unmatched Client Experiences

C&W Services meets with customers to assess their specific needs and develop tailored solutions with roadmaps for seamless execution. The company cultivates a partnership approach across its ecosystem of clients, partners, and employees that allows it to curate the right FM solutions for each customer. This foundational approach establishes ongoing trust with customers for long-lasting relationships. Customer trust and favorable market reputation are particularly relevant for companies serving the government sector.

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**- Sama Suwal,
Best Practices Research Analyst**

Moreover, C&W Services provides exceptional 24/7 service through its dedicated team of customer support experts. The company operates a fully equipped multi-platform in-house contact center run by a multinational team that handles 600,000+ cases per annum. The contact center offers voice support (general inquiries, customer hotline, feedback handling, virtual receptionist), non-voice support (email management, social media monitoring and management), business continuity (after-hours call handling service), and business growth (tele-awareness campaigns, database cleaning, appointment setting, event booking) solutions.

C&W Services is committed to delivering exceptional service to all of its clients. Its robust solutions portfolio and dedication to service excellence continue to drive growth and success for the company. In 2021, the company added several new clients, including the Ministry of Social and Family, Nee Soon Town

¹¹ <https://www.cushmanwakefield.com/en/singapore/news/2022/03/cnw-services-reimagines-the-future-of-work-with-the-transformation-of-its-headquarters-at-chai-chee>, accessed October 2022.

Council, and PUB, a statutory board of the Ministry of Sustainability and Environment. It also successfully retained existing clients, such as JTC, Agency for Science, Technology, and Research, and the Singapore Tourism Board.¹²

As a result, Cushman & Wakefield maintains a solid financial position with \$9.4 billion in global revenue in 2021, of which the APAC region generated \$1.3 billion. Frost & Sullivan believes the company is well-positioned to drive the FM space into its next growth phase, capturing market share and sustaining its leadership in the coming years.

Conclusion

Frost & Sullivan believes that innovation and growth opportunities drive future success; many factors contribute, yet having a competitive strategy is critical. C&W Services (S) PTE. LTD. (C&W Services) understands this core concept and is leading the Singapore facility management market, particularly the government sector, due to its focused technology-led solution development, strategic vendor ecosystem, longstanding industry relationships, and customer education initiatives, helping it to outpace competitors. The company functions as an extension of its customers' businesses, strategically leveraging its extensive expertise, industry knowledge, and advanced technology offerings to provide end-to-end FM services. These differentiated services help customers balance costs, mitigate operational risks, improve service consistency, ensure compliance with necessary standards, and enhance workplace experiences. C&W Services draws on the synergy of its expansive partner ecosystem (encompassing 1,500 approved vendors), robust in-house capabilities (proprietary technology solutions and exceptional service delivery), and highly competent workforce to ensure its holistic FM solutions align with ever-evolving customer needs. Overall, C&W Services develops and implements its strategies with its customers in mind, securing its position as a trusted partner and market leader.

With its strong overall performance, C&W Services earns Frost & Sullivan's 2022 Singapore Competitive Strategy Leadership Award in the facility management industry.

¹² <https://www.sgpbusiness.com/company/Cw-Services-S-Pte-Ltd/government-procurement/>, accessed October 2022.

What You Need to Know about the Competitive Strategy Leadership Recognition

Frost & Sullivan's Competitive Strategy Leadership Award recognizes the company with a stand-out approach to achieving top-line growth and a superior customer experience.

Best Practices Award Analysis

For the Competitive Strategy Leadership Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Strategy Innovation

Strategy Effectiveness: Effective strategy balances short-term performance needs with long-term aspirations and overall company vision

Strategy Execution: Company strategy utilizes Best Practices to support consistent and efficient processes

Competitive Differentiation: Solutions or products articulate and display unique competitive advantages

Executive Team Alignment: Executive team focuses on staying ahead of key competitors via a unified execution of its organization's mission, vision, and strategy

Stakeholder Integration: Company strategy reflects the needs or circumstances of all industry stakeholders, including competitors, customers, investors, and employees

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

