Rhythm, Revenue, and Risk: Matching Monitoring to Facility Type

From the outside, facility management often appears as a single category of tools used to deliver service to buildings that need maintenance. But the reality is far more complex. With the growth of PropTech solution portfolios, facility management has evolved from an operational discipline that keeps facilities running and reduces response times to a strategic priority that seeks to optimize facility performance, proactively control maintenance and repair spend, and deliver insights that improve real estate portfolio management and planning.

Today's PropTech landscape offers a dizzying array of solutions:

• Smart building platforms for energy optimization and space utilization

• Digital twins for real-time modeling and predictive maintenance

• CMMS and IWMS platforms that centralize maintenance, vendor management, and reporting

• Portfolio management and capital planning tools to optimize long-term investment in properties, upkeep, and improvements

• Access control and visitor management systems for security and compliance

• Sensor networks for occupancy, air quality, leak detection, and asset tracking

• Workplace experience apps that integrate booking, navigation, and feedback loops

As often happens during periods of accelerated technological advances, customers face a flood of features that sound impressive. But they are left to determine which innovations are truly worth the investment. The challenge isn't just evaluating tech; it's staying anchored to business value. Amid the excitement, the north star must remain unchanged: does this solution solve a real problem, improve a measurable outcome, or align with strategic goals? If not,

The OEM Dilemma: Specific Features vs. One Pane of Glass

No one monitors their own products better than OEMs. From HVAC to elevators to lighting, most manufacturers offer built-in monitoring tools, usually bundled with service contracts or other recurring revenue options. It's tempting to lean into OEM-specific platforms that promise deep diagnostics and insights. But juggling multiple systems can test facility managers. Each OEM dashboard becomes another login and another workflow. That's where "single pane of glass" SaaS platforms shine. These solutions unify data streams across vendors, simplify monitoring, and reduce the load on FM teams. They're also more resilient to process changes, tech upgrades, and staffing shifts. Facility leaders should evaluate both OEM tools and platforms that scale across systems and simplify the work.

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it's a distraction. Further, the more complex the solution, the more significant the upfront investment. In the words of one analyst, "new automation projects cause swarms of consultants to begin circling above your facility."

Internet of Things (IoT) monitoring is often the starting point for facility automation. It provides the connective tissue (i.e., data flow) that powers advanced technologies like analytics, AI modeling, and adaptive control. However, according to Gartner's 2023 report on IoT implementation trends, while 80% of enterprises have adopted some form of IoT, only 30% have effectively scaled those initiatives. Fortunately, there is a lens that can provide clarity as to which use cases for PropTech software, monitoring, and analytics deliver a return on the investment. Different facility types operate on vastly different rhythms, risk profiles, and stakeholder expectations. And when it comes to SaaS and IoT adoption, those differences matter. Although every facility is as unique as the company that operates it, an initial hypothesis can be built by understanding the revenue rhythms associated with them.

Revenue and Risk: A Smarter Way to Categorize Facilities

Rather than grouping facilities by square footage or industry alone, it's useful to categorize them by how they operate, and specifically, how they generate value and what their risk profiles look like. In my experience, there are three strategic facility archetypes based on operational rhythm, revenue impact, and risk. There are certainly hybrids of these groupings and subsegments within them, but the three primary facility/revenue intersections are:

1. Continuous Revenue ("Swiss Watches"): These are facilities where uptime is directly tied to revenue or mission-critical operations where revenue depends on precision, reliability, and compliance. In this category, downtime may have enormous costs beyond lost revenues. For these facilities, downtime may create legal and compliance liabilities or impact human lives. Facilities in this category include hospitals, data centers, utilities and telecom infrastructure, and high-volume manufacturing plants and the critical assets within them.

2. Event-Driven Revenue ("Game Day" Facilities): This class includes facilities that generate income through scheduled, high-traffic events. In these facilities, there are periods of time during which facility issues will have little impact, but other times when even small hiccups can impact revenues. Facilities in this category include arenas, theaters, restaurants, and many transportation facilities. Because most of the people coming to these facilities are customers and guests, safety is also a key risk-management consideration.

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3. Steady-State Value ("Zen Mode"): These are facilities that support long-term productivity, education, or civic services. Revenue and profit are long-term investments rather than snapshots. For owners, this means minimizing vacant space and curtailing energy expenditures. For tenants, key considerations include employee comfort and efficient space utilization. Incidents and interruptions don't always have a lasting impact, but the inability to deliver occupant comfort, efficient management, and lifecycle cost control can be devastating in the long haul. This category includes office buildings, schools, and government buildings. The risk calculus in these buildings is similar to that of event-driven facilities; however, due to the activities taking place and more consistent traffic, it's not as urgent a concern.

Revenue/Risk-Based Monitoring Profiles

As noted above, every facility is different, even if those differences are minor. Hundreds of Holiday Inns have identical footprints, but physical locations alone make them unique. That said, their revenue/risk profiles offer a solid starting point for deciding what monitoring solutions may be worth the investment.

Swiss Watch Facilities

In these facilities, any disruption can be catastrophic. Whether it's patient care, data integrity, or production uptime, precision is non-negotiable. Facility managers in these environments must prioritize redundancy, compliance, and predictive maintenance. Remote monitoring is a foundational tool. Sensors must detect anomalies before they become failures, and systems must self-correct or escalate instantly. Real-time visibility at multiple levels is non-negotiable.

- FM playbook: Redundancy, compliance, and continuous optimization
- IoT priorities: Predictive maintenance, environmental controls, uptime monitoring
- Monitoring opportunities: Vibration sensors, leak detection, temperature thresholds, equipment health diagnostics

Game Day Facilities

These facilities run hot and cold, quiet at 10 AM, packed by noon. Business is episodic, but the stakes are high. A single event can involve thousands of guests, dozens of vendors, and millions in liability exposure. These environments demand agility. Facility teams must coordinate HVAC surge capacity, crowd flow, and security protocols in real time. IoT tools that support dynamic occupancy, environmental response, and guest experience are critical.

- FM playbook: Agile, deeply integrated with security and guest experience
- IoT priorities: Crowd flow, HVAC capacity, food service assets, cleanliness

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- Monitoring opportunities: Smart turnstiles, traffic analytics, air quality sensors, food preparation equipment monitoring

Zen Mode Facilities

Corporate offices, schools, and municipal buildings may not grab headlines, but they represent the bulk of facility square footage in most markets. These facilities benefit most from lifecycle planning and budget discipline. IoT tools that track energy usage, space utilization, and deferred maintenance help extend asset life and improve occupant comfort. The goal isn't speed as much as long-term occupant satisfaction.

- FM playbook: Consistency, comfort, long-term profitability
- IoT Priorities: Utility expenditures, space optimization, security
- Monitoring Opportunities: Energy consumption, common space occupancy, visitor entry, exit, and location

The Four-Step Process

Treating all facilities the same leads to wasted spend, misaligned tech investments, and frustrated stakeholders. Technology for technology's sake almost never pays back. Technology only delivers value when deployed in the right context. Before accepting off-the-shelf monitoring solutions, start with three steps that can develop internal alignment before discussing options with third parties.

1. Build the risk/revenue profile or select one from this list. Remember that this is a facility-level exercise and every facility type should be considered individually. McDonald's corporate headquarters, its warehouses, and restaurants will all have different needs.
2. Determine business goals for at least the next three to five years and answer the financial questions that will support your business case before evaluating solutions. This will allow for an objective decision on what and when to employ monitoring.
3. Review your existing portfolio. Many OEM assets come with some period of free monitoring as part of the purchase price. Know when that period ends and use the free period to test the OEM option.
4. Honestly assess any new expenses that will come about with new systems and processes. Will you need to use an aggregator to make monitoring manageable (see Sidebar), or will you need to retrain staff to manage the new process?

Once you have asked these questions and answered them honestly, you can begin the process of evaluating the many options available.

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Facility management is evolving. There is no shortage of solutions to assist in operating each building as efficiently and profitably as possible. However, when technology is changing, there are risks to consider before moving forward. Tech buzzwords that sound great may not pay off once implemented. All-in-one solutions are often better for the vendor than the customer. The highly publicized tech being implemented by your competitor may do them more harm than good. In facilities management, like any other endeavor, it is critically important to look before you leap.

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