The FMX Deep Dive: Understanding your FCI, API, and critical systems metrics

1 | Facility Condition Index

The facility condition index (FCI) was created so that Facilities Managers could compare the conditions of their facilities to a benchmark. In general, the lower the number, the better the condition of that facility as the FCI shows the percentage of the facility that has deteriorated. Here’s how you can calculate the FCI for each of your facilities:

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\text{FCI} = \frac{\text{Current maintenance, repair, and replacement costs of a facility}}{\text{Current replacement value of the facility}} 
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An FCI ranges from 0 – 100%. A higher number indicates the need for capital improvements. Generally speaking, an FCI of 10% or less means your facility is in good working condition. On the other hand, an FCI greater than 10% indicates the building has begun to fail and some of your assets are nearing the end of their lifecycle.

2 | API

An API report lists your assets by relevancy. There is no formula used to calculate this - instead, major stakeholders come together to determine the contribution value of each asset as it pertains to the overall mission of your organization.

The score (from 0-100) will give you an idea of how important your assets are to the organization and which ones deserve capital improvements first in the eyes of your stakeholders.

3 | Critical Systems Identification

With a critical systems identification, you (the FM) get to decide which assets, if not working properly, would prevent your business from operating. These may be similar to the results of the API, but this allows the facilities department to weigh in on the importance of each equipment item.

To calculate this, first determine the critical systems in your facilities (HVAC, lighting, plumbing, production equipment for manufacturing companies, etc.). As a rule, a system should be deemed critical if a building or asset’s performance will be negatively affected if it isn’t functioning properly. Next, you need to determine which of these assets are performing with minor (long-term impact), serious (impact within the next 2-5 years), and critical (almost immediate impact) deficiencies.

Critical systems with serious and critical deficiencies should be included in your capital improvement plan, whereas systems (either critical or non-critical) with only minor deficiencies can be postponed until the next CIP.