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The evolving facility management landscape in Saudi Arabia

Insights from the PwC Middle East facility management survey conducted in partnership with the Saudi Facility Management Association

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Section 1

Forward: Facility management at an inflection point

For many years, facility management (FM) in Saudi Arabia was viewed primarily as an essential support function - keeping buildings operational, maintaining equipment, responding to service needs and ensuring day-to-day continuity.

As the Kingdom's asset base expanded and expectations evolved, the focus increasingly shifted towards more strategic management and optimisation of asset performance. The Saudi Vision 2030 has accelerated this transformation, with major investment in urban and infrastructure projects driving demand for more advanced facility management capabilities across the Kingdom.[1]

Global events like the FIFA World Cup 2034 are also expected to further elevate expectations for service quality, operational excellence and resilience in the Kingdom. Meanwhile, asset owners are placing greater focus on spending efficiency, digital technologies and AI and deliver superior end-user experiences.

In this context, the conversation is shifting from whether facility management should evolve to how far along that evolution has progressed. While the industry's trajectory is clear, there needs to be a deeper evaluation on how these ambitions translate into practice.

Recognising this critical need, PwC Middle East and the Saudi Facility Management Association (SFMA) launched a facility management market survey in the Kingdom during 2025, gathering insights from both the demand and supply sides of the facility management ecosystem. The results were discussed in a workshop with representatives from government entities, private-sector companies, asset owners, operators and facility management professionals in Saudi Arabia to understand their implications for the FM industry.

The findings are consolidated into section 2 of this report, indicating that the facility management market in the Kingdom is maturing, although progress varies across organisations and capabilities. Building on this evidence, section 3 presents four interconnected shifts that are expected to shape the next phase of facility management in the Kingdom.

These shifts include a stronger emphasis on lifecycle management, value-driven spending, performance-led partnerships and a more integrated use of digital capabilities. Section 4 of the report looks at how organisations can translate these shifts into measurable outcomes by advancing the required capabilities in a connected way across governance, operating models, digital capabilities and workforce.

We would like to thank all who contributed their perspectives to the survey and this publication. We hope that the findings and insights offer valuable perspectives on the changes influencing the future of facility management in Saudi Arabia.

Mohamed Salah

Partner, Asset and Facility Management
PwC Middle East

Section 2

Key findings: Evidence of a maturing market

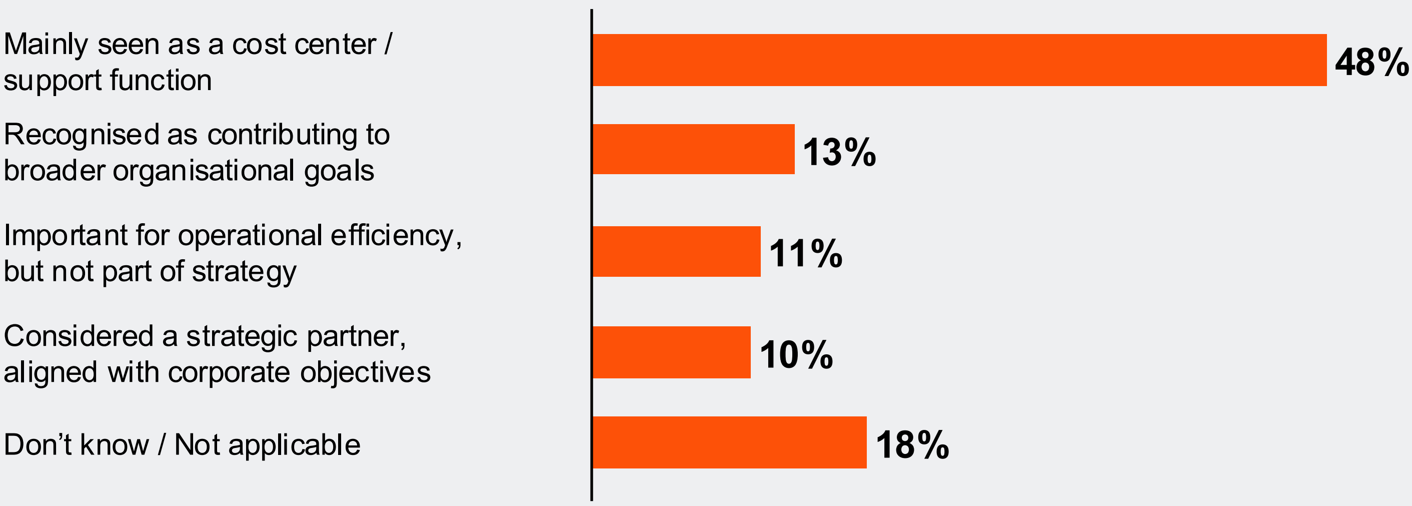
The survey findings below provide insight into how facility management maturity is evolving across Saudi Arabia. There are signs of progress; however, maturity remains uneven across organisations, sectors and capabilities. The following sections examine three areas where this evolution is particularly visible: the role and positioning of facility management, commercial and contracting practices and digital maturity.

2.1 The strategic role of facility management

Survey findings indicate that traditional perceptions of facility management remain prevalent across Saudi Arabia. When asked how facility management is perceived within their organisation, 48% of respondents described it primarily as a cost centre or support function, while 10% considered it a strategic partner, aligned with corporate objectives (see Figure 1). This reveals that despite the continued evolution, the strategic role of facility management is not yet consistently recognised across organisations.

Figure 1: The perceived role of facility management within organisations

Q: How is Facility Management (FM) perceived within your organisation?



As part of the survey, when end users were asked to assess their organisations against the facility management maturity scale, developers and asset operators reported the highest levels of maturity, with 50% identifying their organisations as Advanced or Leading. This was followed by semi-government entities at 46% and private-sector companies at 36% and government ministries and authorities at 27% (see Figure 2). These findings indicate a clear difference in facility management maturity in the Kingdom, with different sectors progressing along the maturity journey at different speeds.

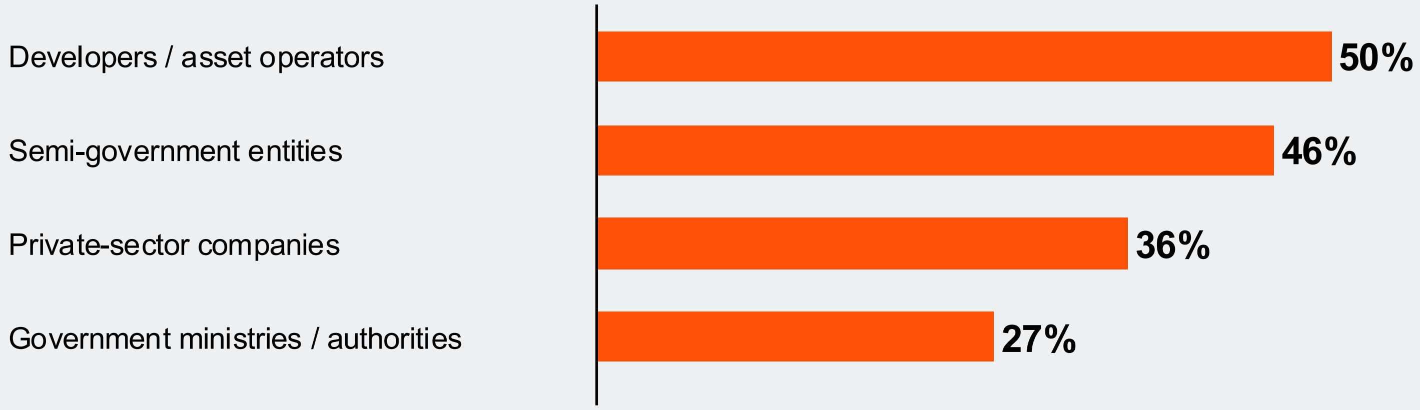
Figure 2: Percentage of respondents by organisation type who define their current FM maturity as 'Advanced' or 'Leading'

Graph data combined from:

Q: Which of the following best describes your organisation?

Q: How would you rate your organisation's current FM maturity?

Basic: Reactive, limited documentation | **Developing:** Partial digital adoption, manual KPIs | **Defined:** Documented processes, limited integration | **Advanced:** Integrated asset plans, KPIs and SLAs | **Leading:** Predictive, lifecycle-focused, ISO-aligned



When survey respondents were asked how facility management is positioned across the asset lifecycle, a striking 82% of end users who assessed their maturity as “Advanced” or “Leading” reported involving the practice from an early design stage, with structured handover into facility management systems, compared with 10% reporting late, limited or no involvement (see Figure 3). This indicates that more mature organisations are moving facility management upstream, from receiving and operating completed assets to influencing operational requirements, maintainability, asset information and readiness from the outset.

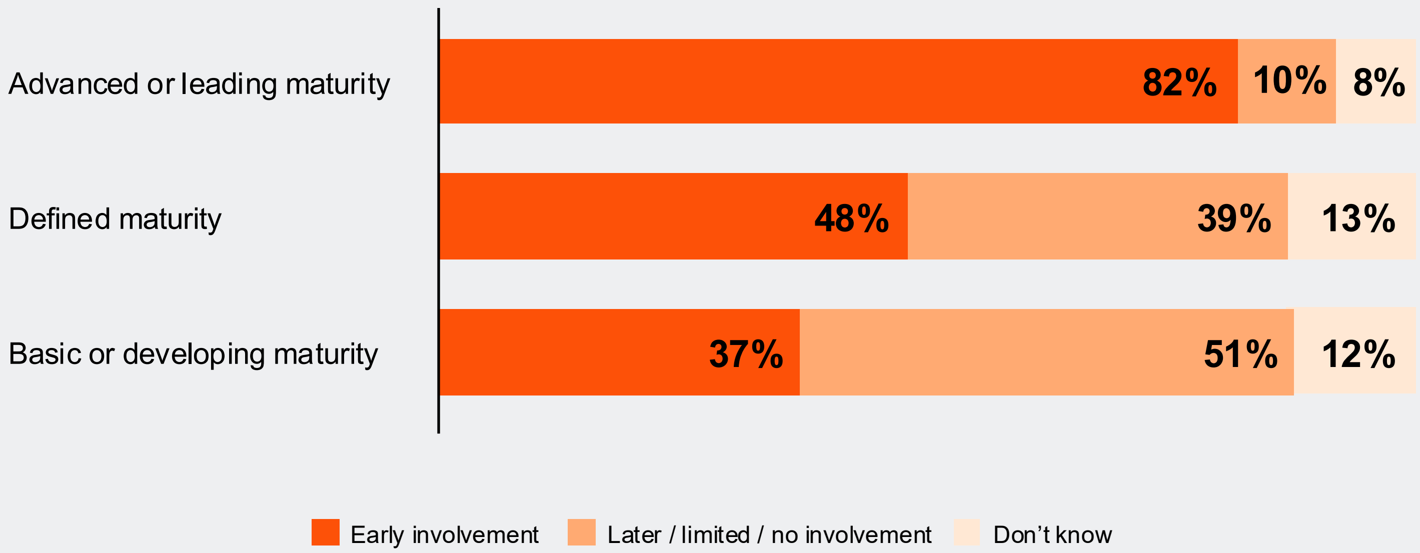
Figure 3: 'Advanced’ or ‘Leading’ maturity respondents report earlier involvement of FM in new projects

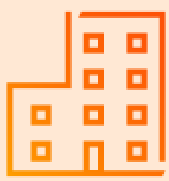
Graph data combined from:

Q: At what stage is FM typically involved in new project development?

Q: How would you rate your organisation’s current FM maturity?

Basic: Reactive, limited documentation | **Developing:** Partial digital adoption, manual KPIs | **Defined:** Documented processes, limited integration | **Advanced:** Integrated asset plans, KPIs and SLAs | **Leading:** Predictive, lifecycle-focused, ISO-aligned





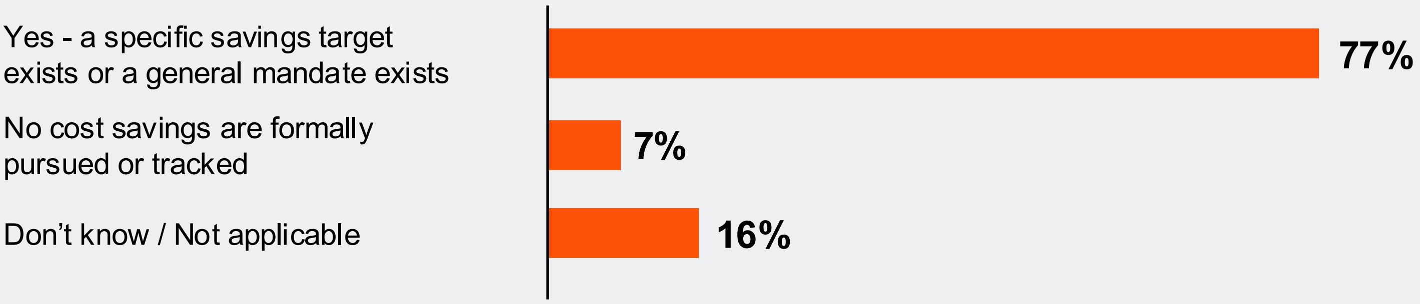
These findings suggest that organisations reporting higher levels of facility management maturity are also more likely to involve facility management earlier in project development. By bringing facility management considerations into projects earlier, including operational requirements, asset data, maintainability and lifecycle needs before handover, organisations can embed facility management more strategically across the asset lifecycle.

2.2 Commercial and contracting maturity

A similar pattern of management discipline is seen in how organisations approach facility management spending. When asked whether they operate under a defined cost-saving target or mandate, 77% of end users reported either a specific savings target with assigned accountability or a broader cost-saving mandate. In contrast, 7% reported that savings are not formally pursued or tracked (see Figure 4). This suggests that cost efficiency is a key focus in the facility management agenda across much of the market.

Figure 4: Most end-users report formal FM cost-saving targets or mandates

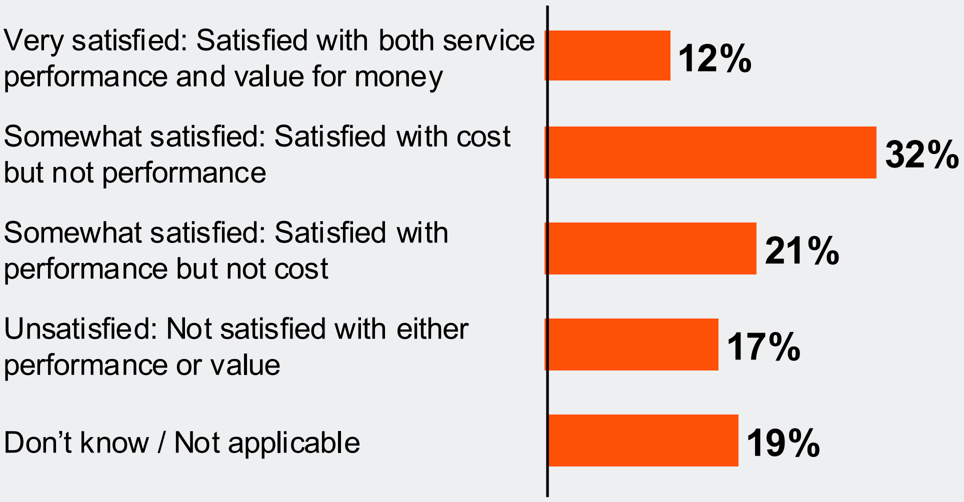
Q: Does your organisation have a defined FM cost-saving target or mandate?



The survey findings also highlight the challenge organisations face in balancing cost and service performance. Among end users, 12% report being satisfied with both the performance of their FM service provider and value for money they received. By comparison, 32% were satisfied with cost but not performance, 21% were satisfied with performance but not cost and 17% were dissatisfied with both (see Figure 5). The findings, therefore, indicate that while cost control is a management priority, not all organisations are successfully achieving both cost efficiency and high service performance

Figure 5: End-user satisfaction with FM service provider

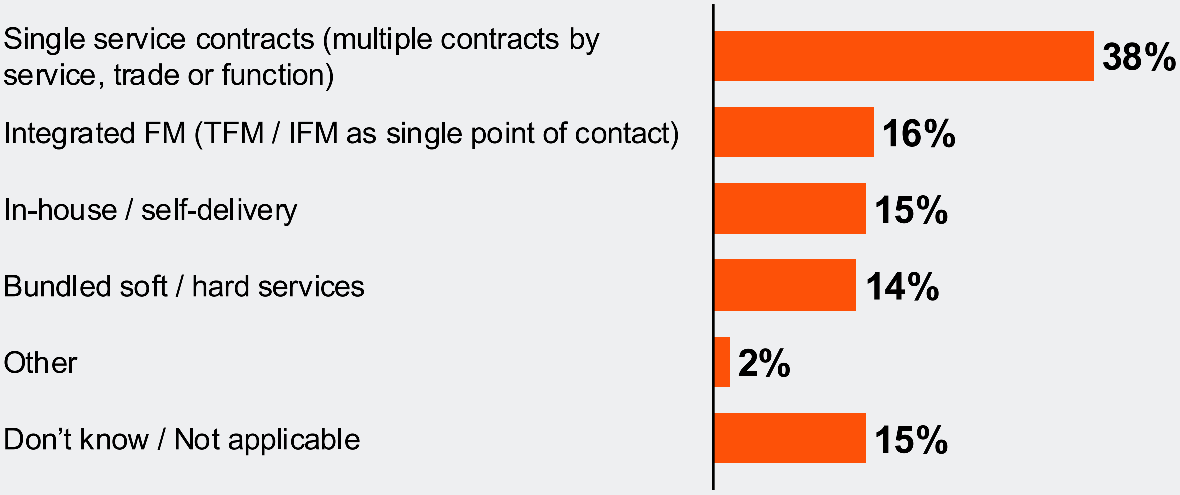
Q: Overall, how satisfied are you with your FM service provider - considering both performance and cost/value?



Additionally, survey findings reveal that commercial FM models are evolving more slowly than the scale and complexity of the assets they are designed to support. Although organisations are gradually transitioning from traditional manpower-based service delivery to more advanced operating models, procurement and contracting processes remain relatively conventional. Single-service contracts are a common model, used by 38% of end users, while 16% are using integrated facility management contracts (see Figure 6).

Figure 6: Dominant FM procurement models among end users

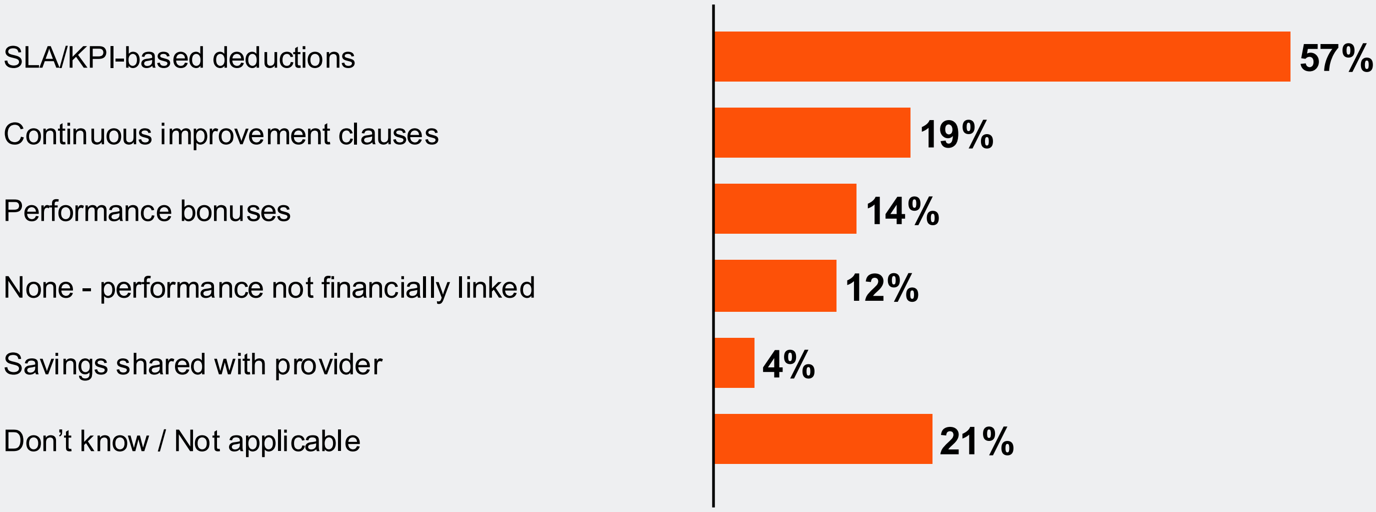
Q: What is your dominant FM procurement model?



Also, performance and commercial mechanisms built into FM contracts remain predominantly compliance-led: More than half (57%) of end users report Service Level Agreement (SLA) - and Key Performance Indicator (KPI)-based financial deductions (penalties), compared with 19% using continuous-improvement mechanisms, 14% using performance bonuses and 4% using shared savings arrangements (see Figure 7). This indicates that current FM contracts remain more strongly oriented towards controlling and monitoring performance rather than encouraging continuous improvement and rewarding stronger outcomes.

Figure 7: Performance and commercial mechanisms built into FM contracts

Q: Are any of the following built into FM contracts?

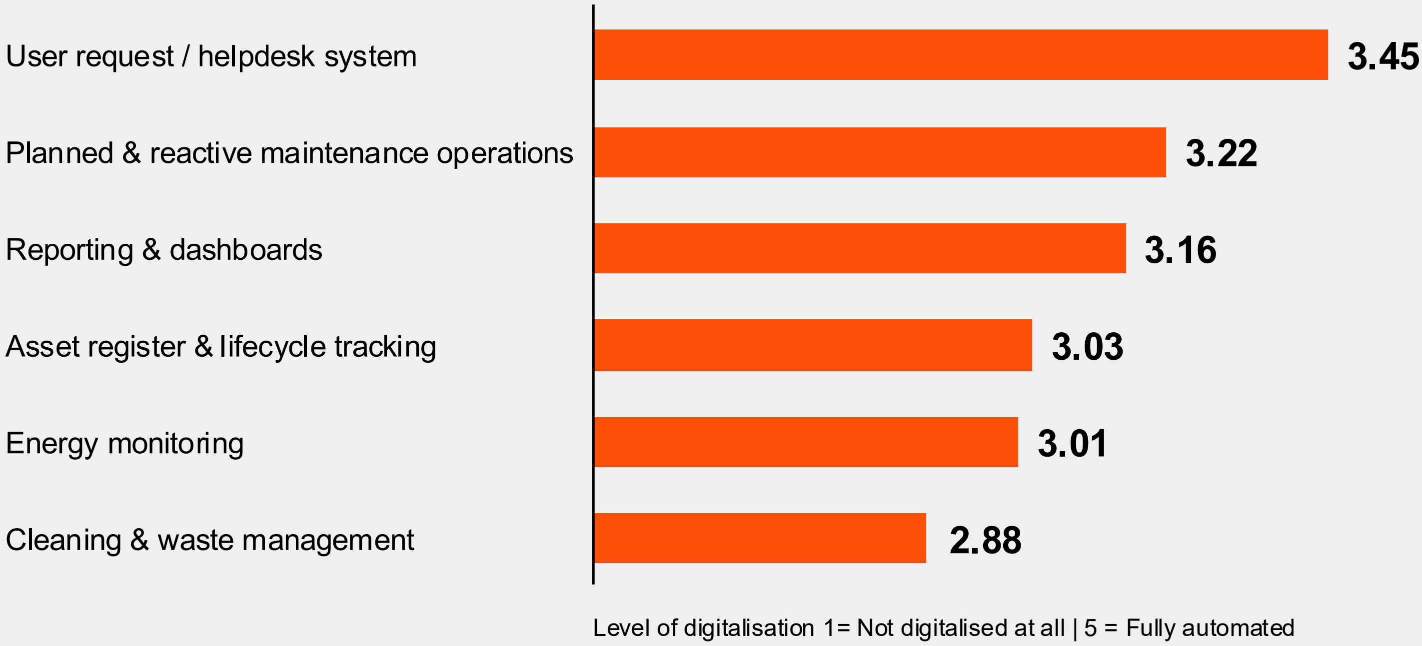


2.3 Digital maturity

On digital maturity, end users were asked to self-assess the level of digitalisation across six FM functions on a five-point scale, where 1 represents "not digitalised at all" and five represents "fully automated". The results reveal an uneven picture. User request and helpdesk systems record the highest average maturity score at 3.45 out of 5, followed by planned and reactive maintenance at 3.22 while cleaning and waste management record comparatively lower levels at 2.88 (see Figure 8). This indicates that operational and service-management activities are currently among the more digitally mature areas assessed.

Figure 8: Digital maturity varies across facility management functions

Q: Please rate the level of digitalisation in the following areas.

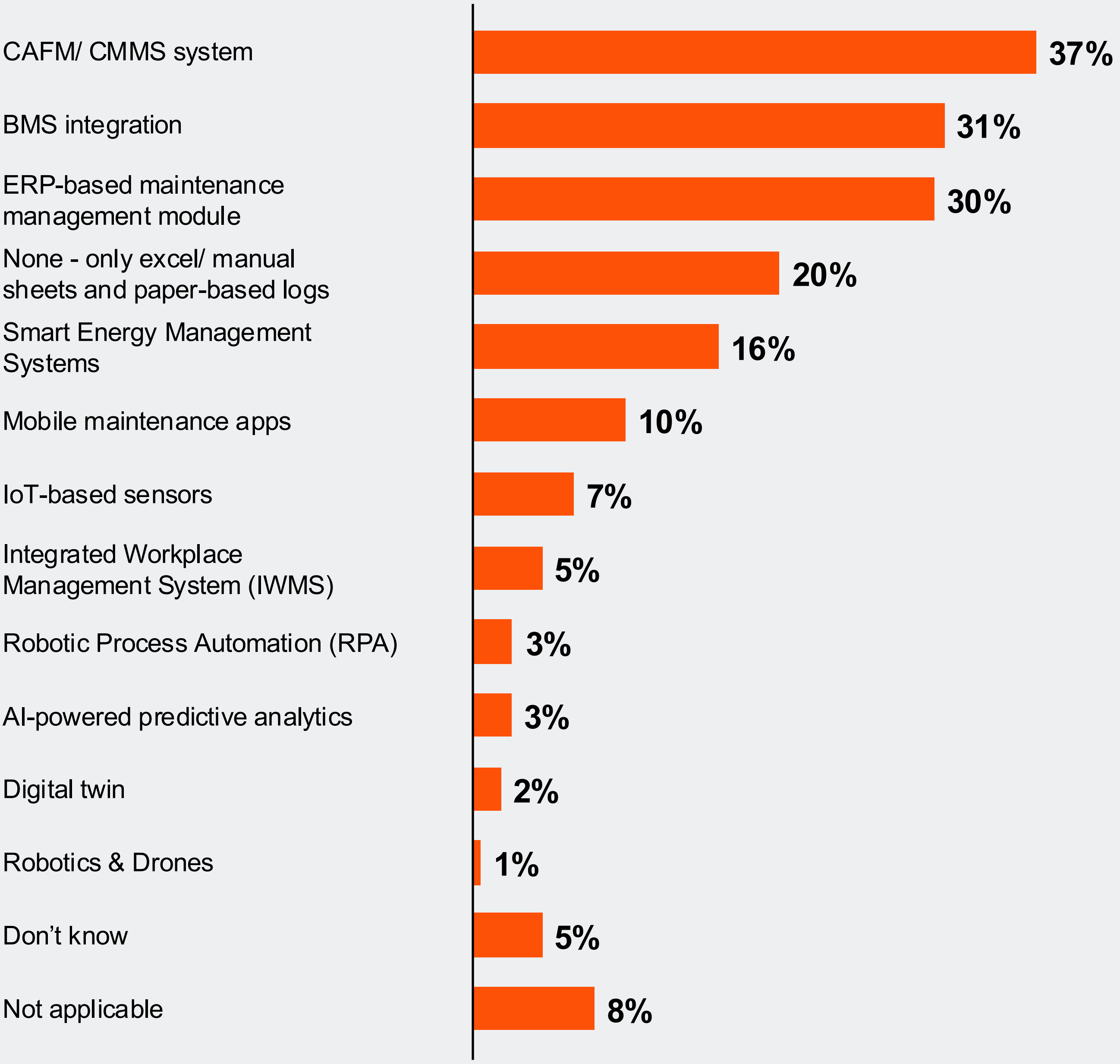


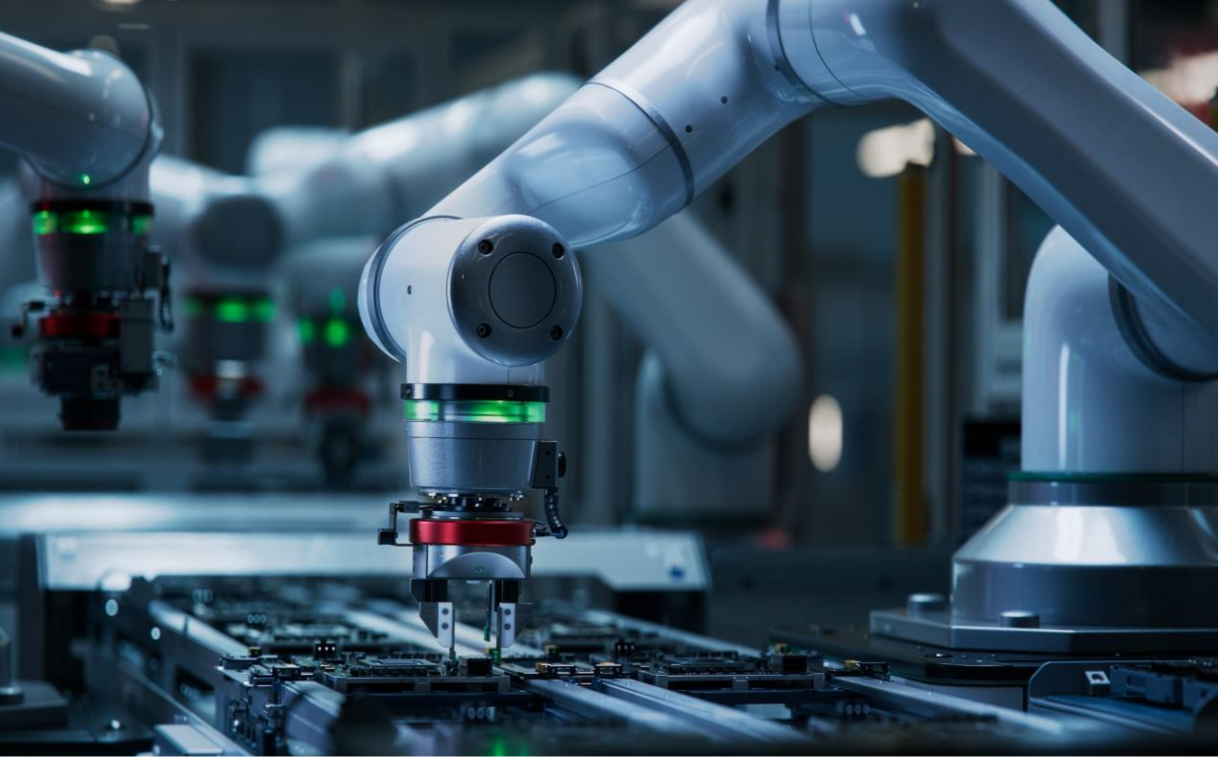
The technologies currently used by organisations in the Kingdom for their FM operations reinforce this picture. Survey data shows that this is concentrated in foundational FM systems, led by Computer-Aided Facility Management (CAFM) and Computerised Maintenance Management Systems (CMMS) at 37%, followed by Building Management System (BMS) at 31% and Enterprise Resource Planning (ERP)-based maintenance modules at 30%. (see Figure 9)

At the same time, as shown in the figure below, one in five end users still rely on spreadsheets, manual records or paper-based logs, while adoption of more advanced technologies (including IoT, AI-powered predictive analytics and digital twins) remains limited. This indicates a market operating across very different stages of digital maturity, where established digital platforms coexist with manual processes and more advanced capabilities remain at early stages of adoption.

Figure 9: Technologies currently used or planned for adoption in the coming one to two years

Q: Which technologies does your FM operation currently use, or are planning to adopt in the coming 1–2 years?





As survey findings reveal, there is an association between broader digital maturity and financial efficiency in facility management. To explore this relationship, we compared end users' responses to whether they had achieved measurable cost savings through digital FM with their self-assessed level of digitalisation across six FM functions. The analysis shows that among organisations with four to six digitally mature FM functions, 58% report significant or moderate savings. In contrast, 30% of organisations with no more than one digitally mature function experience similar savings (see Figure 10).

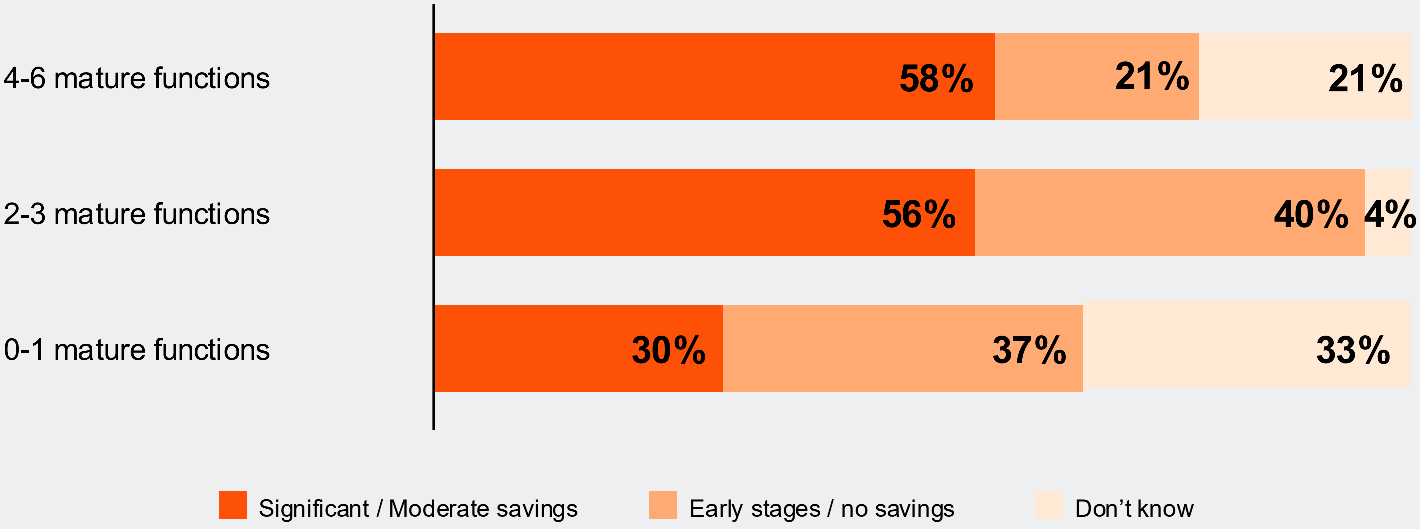
This demonstrates a connection between overall digital maturity and measurable benefits, with cost savings serving as an example of the operational and financial outcomes that digital capabilities can facilitate.

Figure 10: Reported cost savings increase with broader digital FM maturity

Graph data combined from:

Q: Please rate the level of digitalisation in the following areas

Q: Have you achieved measurable cost savings via digital FM?



> Facility management maturity represents the sustained capability to transform asset and business needs into clear, measurable outcomes, spanning operational, financial, lifecycle and user aspects. By consistently achieving and maintaining these outcomes across various portfolios and providers over time, organisations can significantly enhance their performance and value.

Yazan Tuqan
Director, Asset and Facility Management
PwC Middle East

Section 3

The shifts shaping the future of facility management

The survey findings provide a basis for looking at how facility management in the Kingdom of Saudi Arabia is likely to evolve. Our analysis identifies four interconnected shifts that are likely to shape the next phase of the industry's maturity: changes in how FM is positioned, funded, delivered and digitally enabled.

It is important to note that this transition will not occur uniformly; organisations will advance at varying speeds across each dimension. Established practices will persist alongside emerging models.

The following sections draw on the survey data to establish a starting point for each of these critical shifts.

3.1 Translating FM strategy into practice - from operational support to asset lifecycle influence

The survey findings identify a market positioned between strategic aspirations and operational practices. Facility management continues to be largely viewed as an operational function - 48% of survey respondents described it primarily as a cost centre or support function, while 11% acknowledge its importance for operational efficiency but do not see it as part of organisational strategy. However, there are clear signs of a more strategic role emerging: early lifecycle involvement is considerably more common among organisations that rate themselves as 'Advanced' or 'Leading' than among those at the 'Basic' or 'Developing' maturity stages.

What this implies

As organisations mature, facility management could become more closely integrated with Asset Management (AM) across the asset lifecycle. This could include a greater emphasis on preserving asset value, optimising lifecycle performance and supporting broader organisational outcomes. Realising this transition will require more than expanding the remit of the FM function. It requires a clear organisational mandate, defined governance and decision rights, reliable asset information and lifecycle processes that connect capital delivery with operations. The opportunity is to strengthen the connection between organisational strategy and decisions relating to assets, investments and performance across the asset lifecycle.

48%

of survey respondents described facility management primarily as a cost centre or support function

11%

acknowledge its importance for operational efficiency but do not see it as part of organisational strategy

3.2 Moving beyond cost control - from savings targets to value-driven spending

The survey responses indicate that cost control remains firmly embedded in facility management, with 77% of end-user organisations operating under a cost-saving target or expectation. 12% of respondents reported satisfaction with both the performance of their FM service provider and the value for money received, thereby highlighting a challenge balancing cost efficiency with service performance. This points to a broader approach towards evaluating FM expenditures against service performance, operational efficiency and lifecycle outcomes.

What this implies

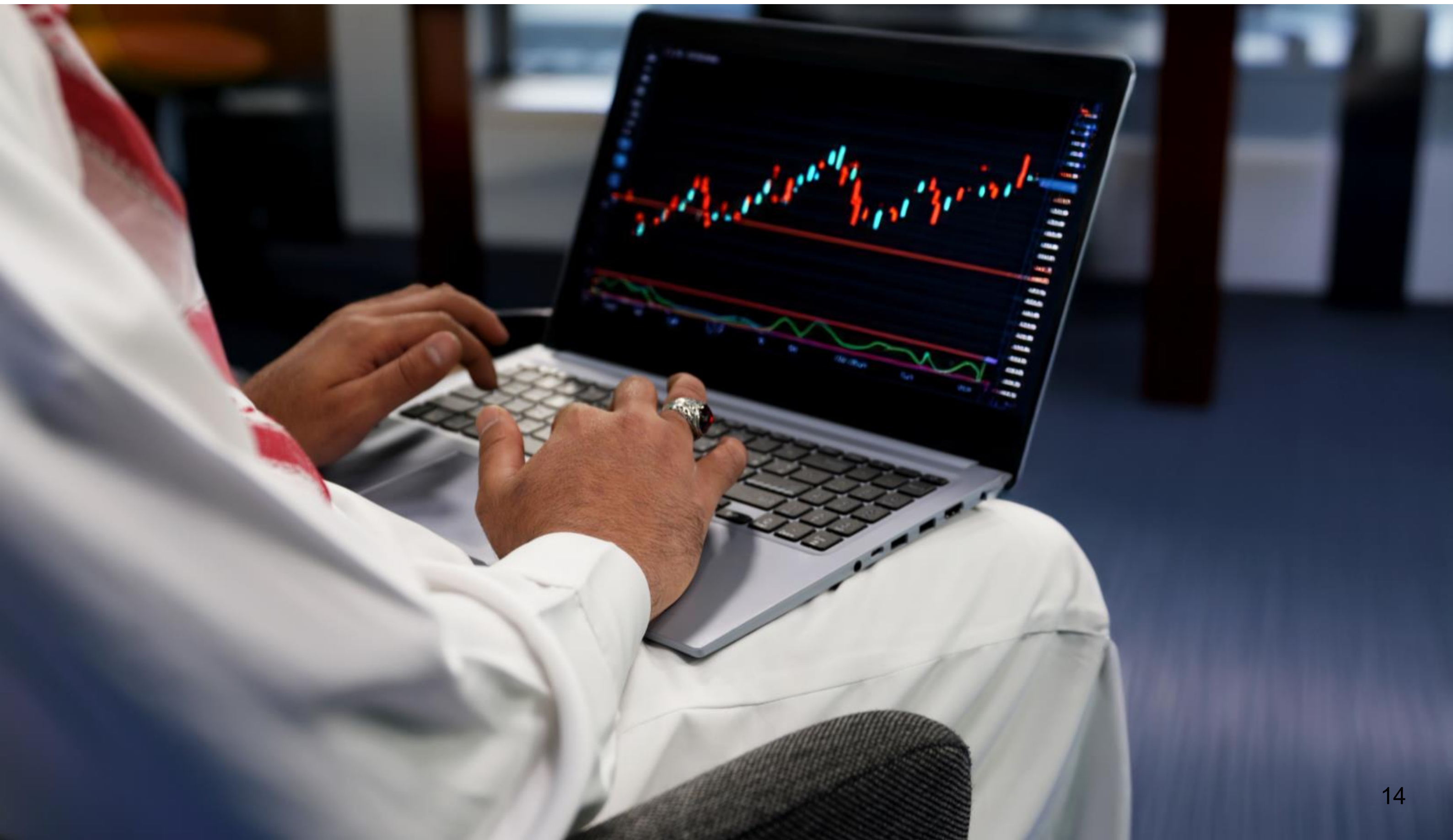
Value-driven spending retains cost discipline while linking expenditure more closely to the outcomes it is intended to support. This requires FM costs to be considered alongside service demand, asset condition, reliability, maintenance performance, energy consumption, risk and user experience. The shift is therefore from measuring success mainly through budget reduction to assessing whether each Riyal spent delivers the required service, asset and lifecycle outcomes with less waste, failure and avoidable cost.

77%

of end-user organisations operating under a cost-saving target or expectation

12%

of respondents reported satisfaction with both the performance of their FM service provider and the value for money received



3.3 Evolving delivery models - from fragmented contracting to performance-led partnerships

Despite growing expectations for service quality, value and performance, the survey findings show that fragmented contracting (38% of end users rely on single-service contracts, while only 16% use integrated FM models) and compliance-based controls (57% of end users use SLA/KPI-based deductions, compared with 14% using performance bonuses and 4% sharing savings with providers) remain prevalent. This indicates that many current FM commercial models remain focused on individual service delivery and monitoring provider performance than on shared incentives and outcomes. This creates an opportunity for more coordinated owner-provider relationships, with services, accountability and commercial mechanisms aligned more closely around measurable service, asset and user outcomes.

What this implies

The opportunity is therefore towards commercial models that align owner accountability, provider performance and incentives around measurable outcomes. Contractual sophistication should not be measured by the number of KPIs in a contract, but by how effectively the commercial model aligns the asset owner and service provider around clear, measurable outcomes. The appropriate model should reflect portfolio complexity, service criticality and retained owner capability. Whatever model is selected, accountability, performance evidence and commercial mechanisms should be aligned to support service quality, continuous improvement and value for money.

57%

of end users use SLA/KPI-based deductions

14%

use performance bonuses

4%

share savings with providers

3.4 Scaling digital facility management - from tool adoption to integrated, measurable value

The survey indicates how digital adoption remains uneven and largely focused on individual FM activities, with integration, data quality and workflows continuing to constrain effective utilisation and value realisation (user request and helpdesk systems record the highest average maturity score at 3.45 out of 5, while one in five end users still rely on limited adoption of advanced technologies). This suggests that many organisations are still progressing through different stages of digital maturity, with established digital systems, manual processes and emerging technologies coexisting across the market.

What this implies

The next phase of digital FM maturity is about connecting existing systems, improving the underlying data and embedding digital workflows into operational decisions. While many organisations are digitising individual processes, a gap remains between technology acquisition and operational utilisation - strong integration and effective use will, therefore, determine whether it translates into measurable value. More advanced capabilities such as AI, digital twins and predictive technologies should be treated as later-stage capabilities built on structured asset data, integrated systems and consistent operational processes - not as the starting point of digital transformation. Without these foundations, advanced technologies may increase complexity without materially improving service, asset or financial outcomes.

Section 4

The next phase of the maturity journey

The four shifts identified in this report are interconnected and mutually reinforcing. Progress in one area increasingly depends on capabilities established in others:

- Moving facility management upstream requires reliable asset information, lifecycle governance and the organisational mandate to influence decisions earlier in the asset lifecycle
- Value-driven spending depends on robust performance information and commercial capabilities that connect expenditure with service, asset and user outcomes.
- Performance-led partnerships require capable service providers alongside mature client organisations with the governance, commercial expertise and performance-management capabilities to manage them effectively
- Integrated digital FM depends not only on technology, but on reliable data, connected processes and workflows and the capability to use them effectively

Progressing these shifts therefore requires organisations to advance their capabilities in a coordinated and balanced manner. However, this will not happen at the same pace. Digital capability may advance faster than commercial maturity, operating models may evolve ahead of workforce capability and different assets and portfolios may require different approaches.

The maturity journey below illustrates how these capabilities can evolve progressively from Traditional FM, through Managed FM and Integrated FM, towards Intelligent FM and ultimately Strategic FM.

The facility management maturity journey

Traditional FM	Managed FM	Integrated FM	Intelligent FM	Strategic FM
Keep facilities operational	Enable service excellence	Optimise lifecycle performance	Enable intelligent decisions	Maximise asset and business value
Reactive maintenance	Planned maintenance	Lifecycle planning	Predictive and risk-based decision making	Asset performance optimisation
Input-based contracts	Defined operating models	Value-driven commercial models	Performance based partnerships	Outcome-based partnerships
Manual processes	CAFM & KPI management	Connected asset information	Integrated digital ecosystem	Intelligent enterprise decision making
Labour-focused delivery	Skilled workforce	Multi-disciplinary capability	Digital workforce	Strategic business partner

“

The facility management provider landscape is also becoming more sophisticated. Growing investment, international partnerships and asset owner-provider joint ventures are creating greater scale and capability, supporting the evolution from fragmented outsourcing towards integrated, performance and value-focused partnerships.

Mansour Almogbil
Vice Chairman of the Board
Saudi Facility Management Association

The objective is, therefore, to develop the combination of capabilities required to deliver the outcomes that matter. As the role of FM expands, this places greater demands on both sides of the facility management relationship - asset owners and end users on the demand side and service providers on the supply side. Both will require increasingly specialised capabilities to fulfil their respective roles effectively. This evolution is already visible in the supply side of the market. On the demand side, asset owners still need sufficient capability to define outcomes, make informed lifecycle and investment decisions, procure effectively and ensure performance.

Hence, facility management is increasingly recognised as a specialist discipline requiring multidisciplinary capabilities. The foundational indicator of maturity would then be a capable workforce. Continued investment in professional qualifications will be essential if the sector is to sustain its transformation over the coming decade.

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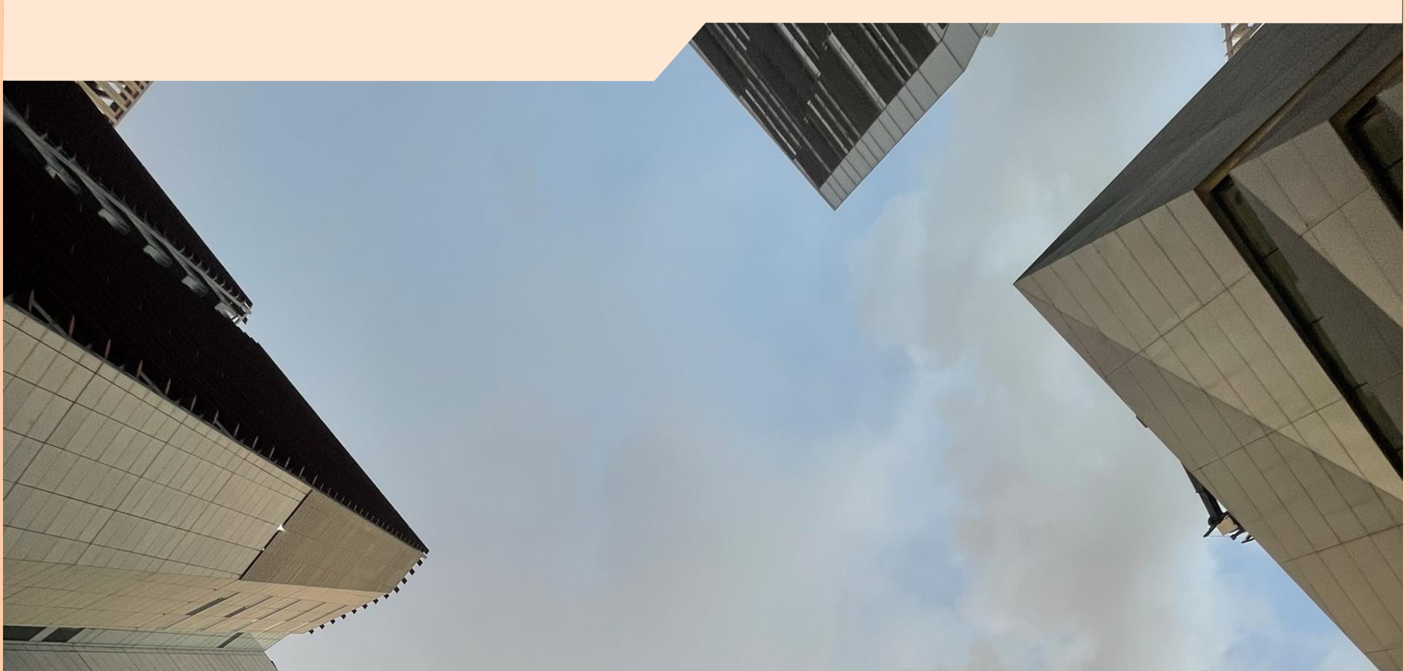
People remain the critical enabler of facility management maturity. As organisations adopt more sophisticated operating models and technologies, continued investment in people and professional capability will become an increasingly important differentiator of long-term success.

Aiyd Alqahtani
Chairman of the Board
Saudi Facility Management Association



The outcome-to-execution pathway

As the market moves from traditional facility management towards more integrated models, facility management leaders should begin with three questions:

01
Which asset, service, financial and business outcomes must FM materially improve?

02
Which connected changes are required to produce those outcomes?

03
What evidence will demonstrate value and justify scaling?

Here are some practical recommendations that strengthen the outcome-to-execution pathway

01

Start with the outcomes that matter

Define a focused set of outcomes covering asset reliability and lifecycle performance, service quality and user experience, Operational Expenditure (OPEX) productivity and cost-to-serve, and resilience, sustainability and business continuity. Each outcome should have a clear baseline, target, timeframe and accountable owner. This creates a direct line of sight between FM activity, asset performance and wider organisational priorities.

02

Work backwards to the value drivers and maturity constraints

For each outcome, identify the operational drivers and dependencies that determine performance; from asset condition, service demand and maintenance strategies to commercial arrangements, workforce capability, data and technology. Assess maturity specifically against the constraints preventing the required outcomes. This converts the four market shifts and the people dimension into one connected diagnosis, avoiding generic assessments that produce extensive gap registers without clear business priorities.

03

Activate one connected FM system

Translate the diagnosis into a coordinated execution architecture. Strategy, governance, operating model, lifecycle processes, commercial arrangements, asset information, technology and workforce capability must be aligned around the same outcomes. Interventions should be sequenced through focused delivery waves, with dependencies resolved and accountabilities shared appropriately between owners and service partners. The objective is not merely to implement each component, but to make the components operate together as one performance system.

04

Prove value, learn and scale

Before implementing a new FM initiative, technology, or process, clarify the expected benefits and the methods for measuring them, such as cost savings, asset lifespan, user satisfaction and lifecycle value. Pilot where uncertainty is high, demonstrate the value achieved, correct what does not work and scale successful approaches. Results should continuously inform asset planning, budgets, contracts, service design and future investment; turning maturity into an ongoing performance cycle rather than a one-time transformation programme.

For organisations in the Kingdom, this outcome-led approach is particularly important given the scale and pace at which new and increasingly complex portfolios are moving into operation. Across the GCC, the same pathway can help reposition facility management from a managed cost base into an intelligent platform for asset performance and enterprise value, while allowing delivery models to reflect each market's specific context.

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About the survey

The survey was conducted in two stages in August 2025 and between December 2025 and January 2026. In total, the survey captured responses from 212 participants, comprising 150 end users and 62 sector professionals.

For the purposes of this report, an end user refers to an asset-owning or operating organisation, or its representative responsible for managing FM services, overseeing service providers and receiving their services, such as a head of facility management. Sector professionals refer to FM service providers, consultants, and providers of specialised FM solutions and technologies.

The analysis presented in this report has focused on the end-user perspective, reflecting the report's objective of understanding how FM maturity is being translated into practice within asset-owning and operating organisations.

Several questions relating to organisational maturity, delivery models, cost mandates and provider performance were therefore asked only of end users, as they relate specifically to organisational practices and experience.

Where questions were applicable to both groups, responses from sector professionals provide an important supply-side perspective and an opportunity to compare how the current state of the market is perceived by those delivering and advising on facility management services with those receiving them. Overall, responses across the two groups were broadly consistent, reinforcing many of the findings presented above.

Considerations:

- Minor adjustments were made to Stage 2 questions based on feedback received during Stage 1.
- Percentages in charts may not add up to 100%, a result of rounding percentages; multi-selection answer options; and the decision in certain cases to exclude the display of certain responses, including 'Other', 'Not applicable' and 'Don't know'.
- The responses are self-assessments and may reflect differences in asset portfolios, mandates, organisational structures and respondent mix.
- The survey data is unweighted.
- The sentiments captured in the report reflect the views at the time of the research.

References

1. Saudi Vision 2030, 'Projects', https://www.vision2030.gov.sa/en/explore/projects, accessed 1 September 2026.