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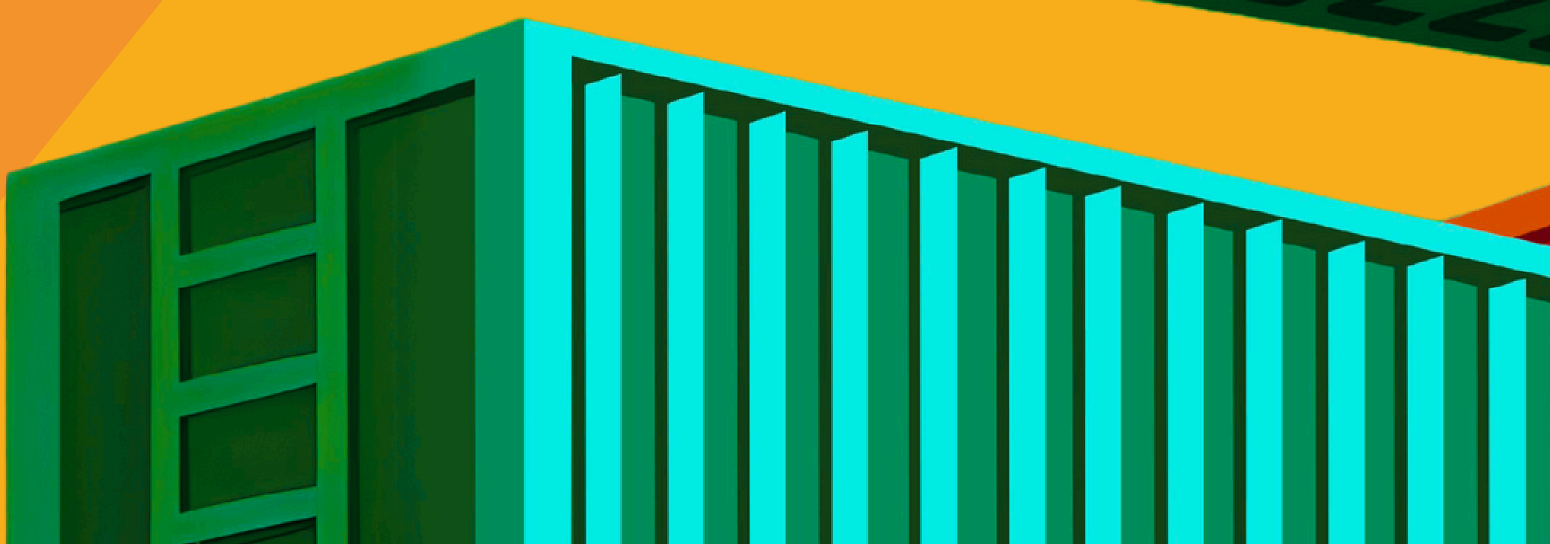
FM in Flux: How 2025 Tariffs Are Rewriting Facilities Management Playbooks



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Executive Summary

In response to rising concern around new and proposed tariffs, Fexa recently fielded a survey to better understand how operators and providers across the facilities management (FM) industry are preparing for tariff-related disruptions. The survey captured responses from 24 FM professionals, including executives, middle managers, and individual contributors across both operator and provider organizations.

The findings paint a clear picture: most respondents are highly aware of the recent tariff announcements and are already bracing for impact. While levels of concern vary by role and company type, the majority anticipate moderate to significant cost and operational disruptions in the months ahead—particularly related to equipment replacement, infrastructure upgrades, and sourcing of critical supplies.

Organizations are responding with proactive measures ranging from budget adjustments and supplier diversification to stakeholder communications and inventory stockpiling. Still, many remain uncertain about the full extent of the impact, with half of provider respondents unsure if tariffs will affect their service timelines.

These findings highlight both the urgency and complexity of navigating tariffs in FM. As inflation, supply chain risk, and geopolitical tensions converge, FM leaders are under pressure to build more resilient strategies for procurement, budgeting, and stakeholder communication.

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Key Takeaways Outline

1 Industry Familiarity & Awareness

- 92% of respondents are very familiar with tariff developments and their potential business impact.
- Familiarity was especially high among executives (94%).

2 Expected Business Impact

- 46% expect a moderate impact, while 38% foresee a significant impact on costs and operations.
- Operators are more likely to anticipate significant disruption (63%) compared to providers (25%).

3 Top Cost Categories at Risk

- Equipment replacements and asset upgrades (58% rated significant impact)
- Store construction and renovations
- Technology and software
- Utilities (electricity, gas, water)

4 Materials & Supplies Most Affected

- High vulnerability in:
  - HVAC and refrigeration parts
  - Plumbing and electrical supplies
  - General facility consumables
- Providers expect more moderate impact across categories, while operators foresee sharper disruptions.

5 Action Plans in Motion

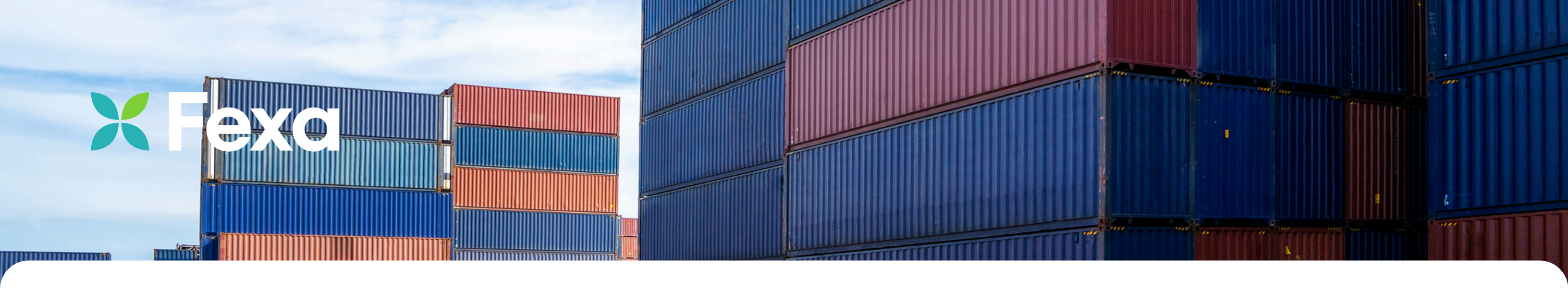
- 58% of respondents have already taken proactive steps.
- Top actions:
- Communicating with stakeholders (54%)
- Adjusting budgets (46%)
- Sourcing from alternative suppliers (38%)
- Renegotiating contracts (33%)

6 Communication & Timeline Adjustments

- 58% have begun informing clients and suppliers of changes.
- 33% anticipate needing to revise service delivery expectations; another 38% remain uncertain.

7 Biggest Concerns

- Cost increases and material availability
- Delayed capital improvements
- Pressure on service quality and staffing
- Facility closures and operational downsizing



As the impact of tariffs looms, resilience becomes the new North Star for operators service providers navigating 2025

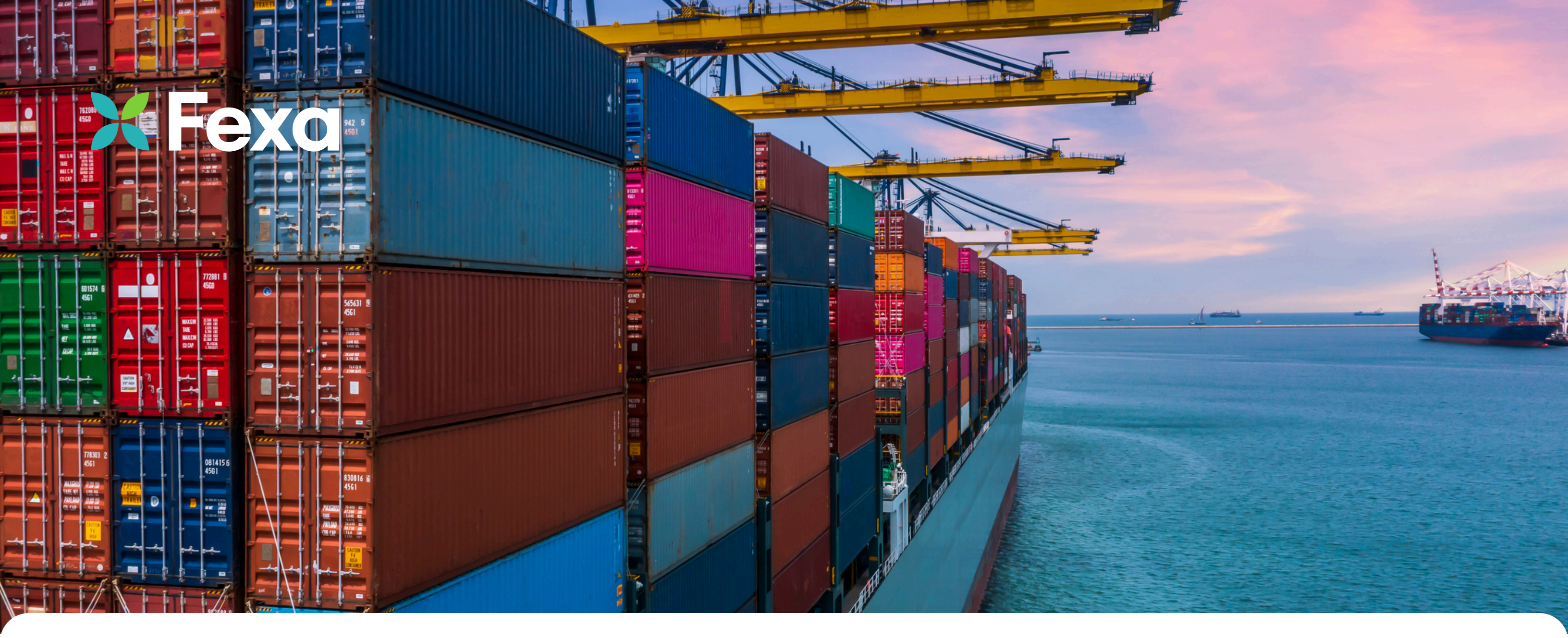
Across the facilities management (FM) industry, leaders are facing a new kind of uncertainty: one driven not by labor shortages or pandemic fallout—but by the **global ripple effects of tariffs.** As the U.S. moves forward with new and proposed tariffs on goods from China and other countries, FM professionals are preparing for another wave of cost volatility, project delays, and procurement strain. To better understand how the industry is responding, Fexa fielded a survey of FM leaders, capturing sentiment and strategy across operators and service providers, from executives to front-line contributors.

The survey findings tell a story of high awareness—but uneven action. Nearly all respondents (92%) say they're familiar with the recent tariff developments. But when it comes to planning, opinions diverge sharply depending on role, company type, and risk exposure. Operators appear to be in the hot seat, with 63% expecting significant disruption. Providers, by contrast, are less alarmed—yet more proactive. While 69% of providers say they've already taken preparatory steps, only 38% of operators can say the same.

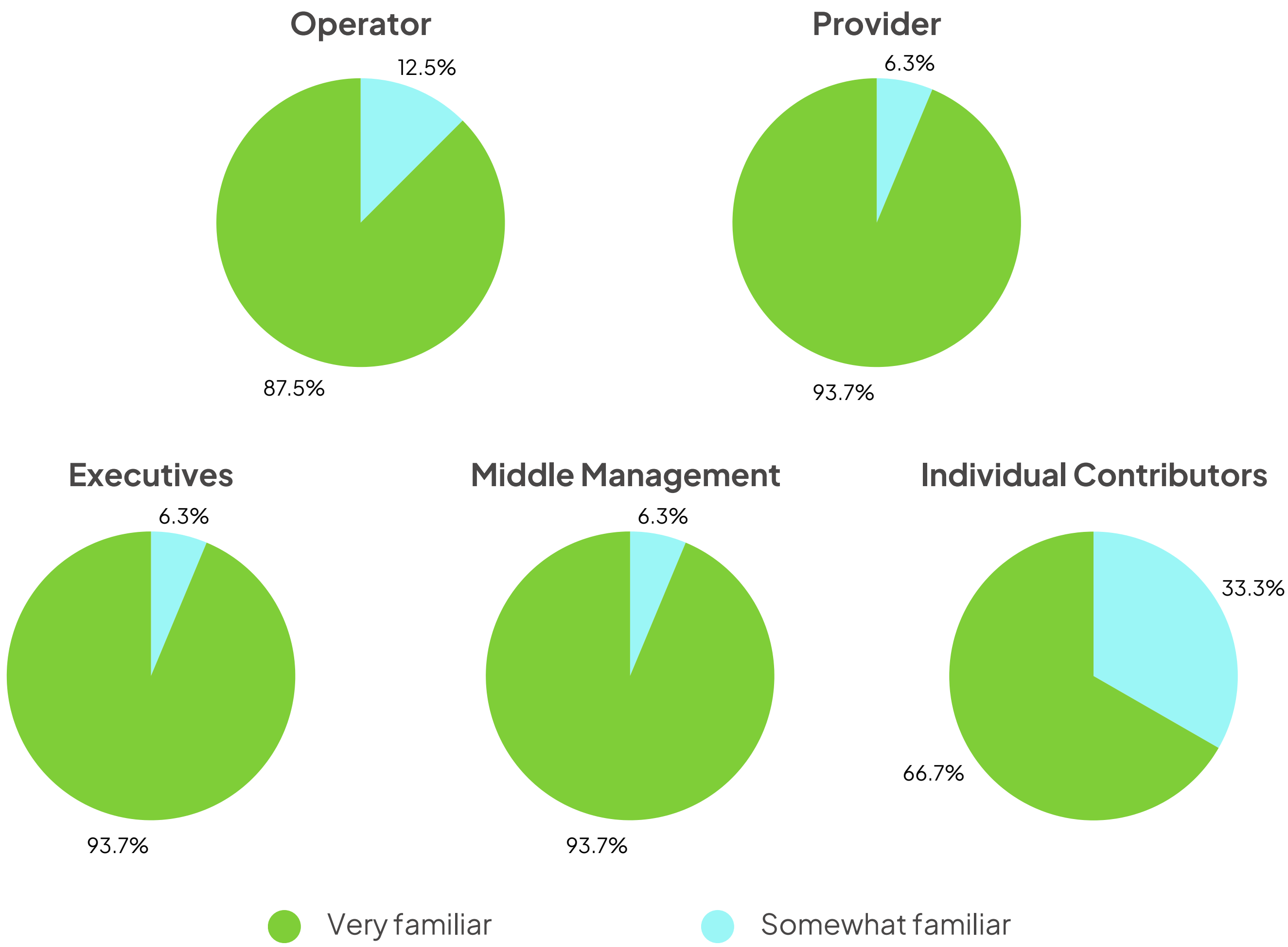
As FM leaders weigh their next move, they're contending with an urgent reality: capital projects are stalling, material costs are rising, and vendor relationships are being stress-tested. This report explores the details behind that reality, offering a look at how organizations are interpreting the threat—and what they're doing about it.

Methodology

Fexa conducted a targeted online survey of 24 facilities professionals from April 11-15, 2025. Respondents represented both multi-site operator (33%) and service provider (67%) organizations. The roles surveyed included executives (63%), middle management professionals (25%), and individual contributors (13%).



Question 1 Familiarity with Tariff Developments



Question 1: *How familiar are you with the recent tariff announcements and the potential impact they pose to your business?*

Across the board, awareness is high. A full 92% of respondents say they are "very familiar" with the recent tariff announcements and their potential impact. Familiarity is especially strong among executives and providers, with the latter slightly more likely than operators to say they're tuned in (94% vs. 88%).

This level of awareness marks a shift from previous cycles of regulatory or trade disruption, where issues like tariffs often stayed within legal or procurement departments. Today, tariffs are part of the conversation across departments—impacting everything from strategic sourcing to pricing models to construction planning.

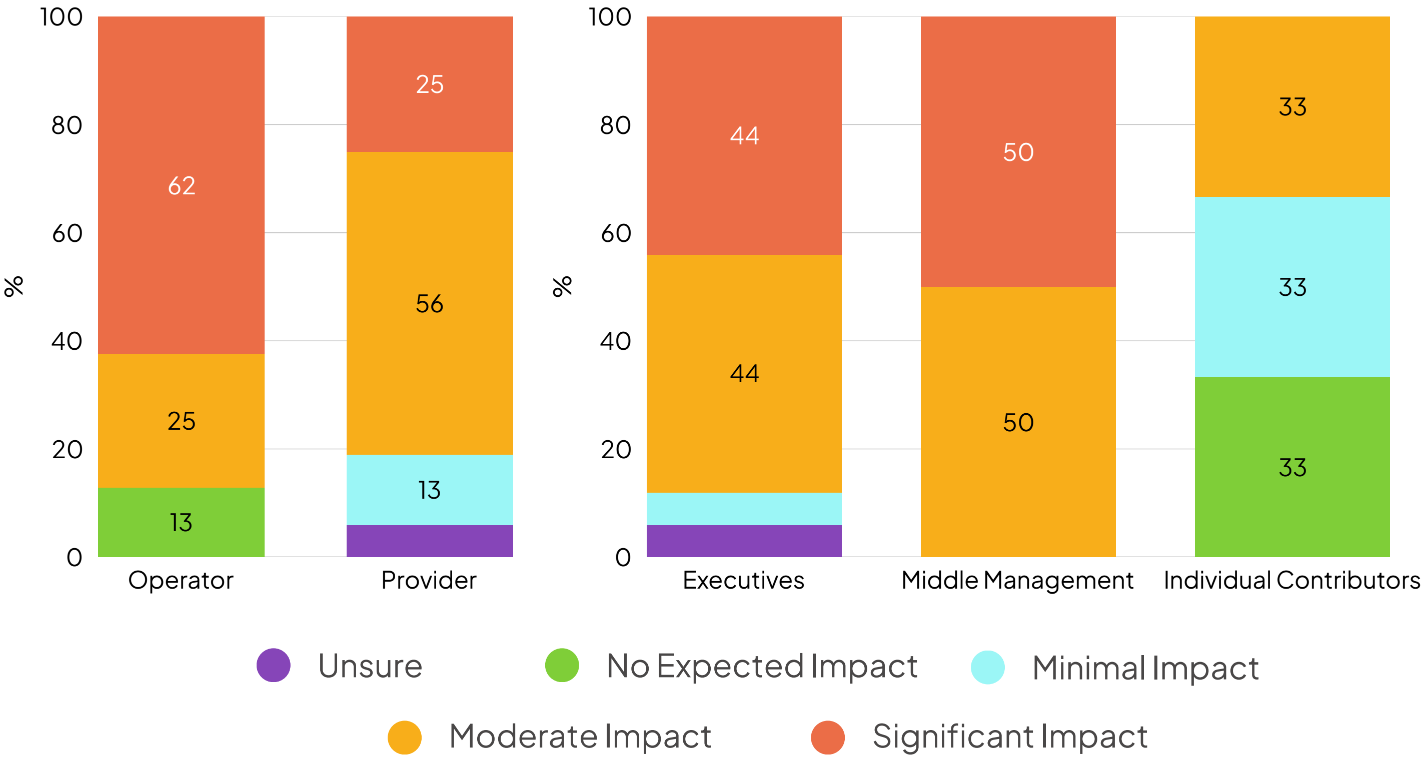
Executives in particular are incorporating tariff forecasting into regular financial discussions, signaling that this is not a short-term concern. For many, it's now considered a standing agenda item.

At the same time, a small subset of respondents acknowledged that while they were aware of tariffs in general, they weren't always included in related conversations internally. This suggests that while the issue is well known at the top, not all layers of the organization are yet engaged in planning or mitigation.

> I am not in the room these discussions are taking place in.
>
> - Middle Management Respondent, Operator

Takeaway: Awareness is nearly universal. The real differentiator now is how organizations are translating that awareness into action—and whether those actions are being shared across the enterprise.

Question 2 Expected Business Impact in the Next 6–12 Months



Question 2: *To what extent do you believe these tariffs will impact your organization's costs or operations over the next 6–12 months?*

What level of risk or change do organizations associate with the new tariff landscape? That depends who you ask. While 46% of all respondents foresee a moderate impact, 38% expect a significant effect on operations or cost structures. That means 8 in 10 FM professionals expect tariffs to cause meaningful disruption in the next year—and some are already adjusting plans in anticipation.

8 in 10 facilities industry professionals expect tariffs to cause meaningful disruption in the next year.

Operators, in particular, are bracing for turbulence: 63% expect significant impact, compared to just 25% of providers. This isn't surprising given operators' direct exposure to capital improvement projects, facility renovations, and procurement of physical assets. They're often the ones budgeting for equipment upgrades, coordinating site work, and absorbing delays or cost overruns.

Executives and individual contributors were also more likely than middle managers to report high expectations of impact. This split could reflect differences in visibility—executives are attuned to long-range budget forecasts and supplier contracts, while individual contributors might already be feeling the bottlenecks. Middle managers, tasked with navigating both, may be caught in the middle.

> "It may delay capital improvements until there is a more solid foundation on the tariffs...rather than the on again / off again approach our government has been taking. It might also make us pull the trigger faster, if we feel there might be a steeper tariff imposed on a certain country where we might need to source our equipment/materials.
>
> - Middle Management Respondent, Operator

A few providers did note that while they don't expect major disruption, they are preparing contingency budgets and adjusting supplier terms just in case. The difference in sentiment may come down to how close each organization is to the materials and equipment at risk.

Takeaway: Operators and executives see more direct exposure. Providers and middle managers may be underestimating the longer-term operational drag—and that gap could shape how well organizations coordinate response plans.

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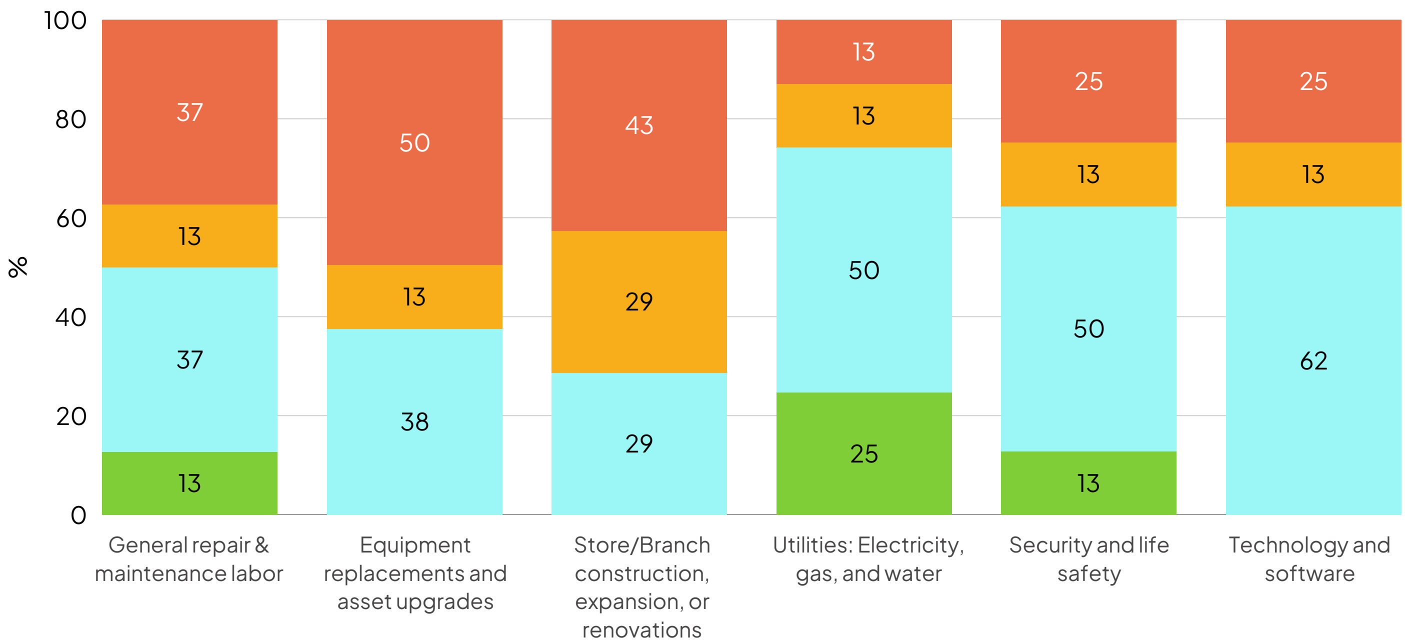
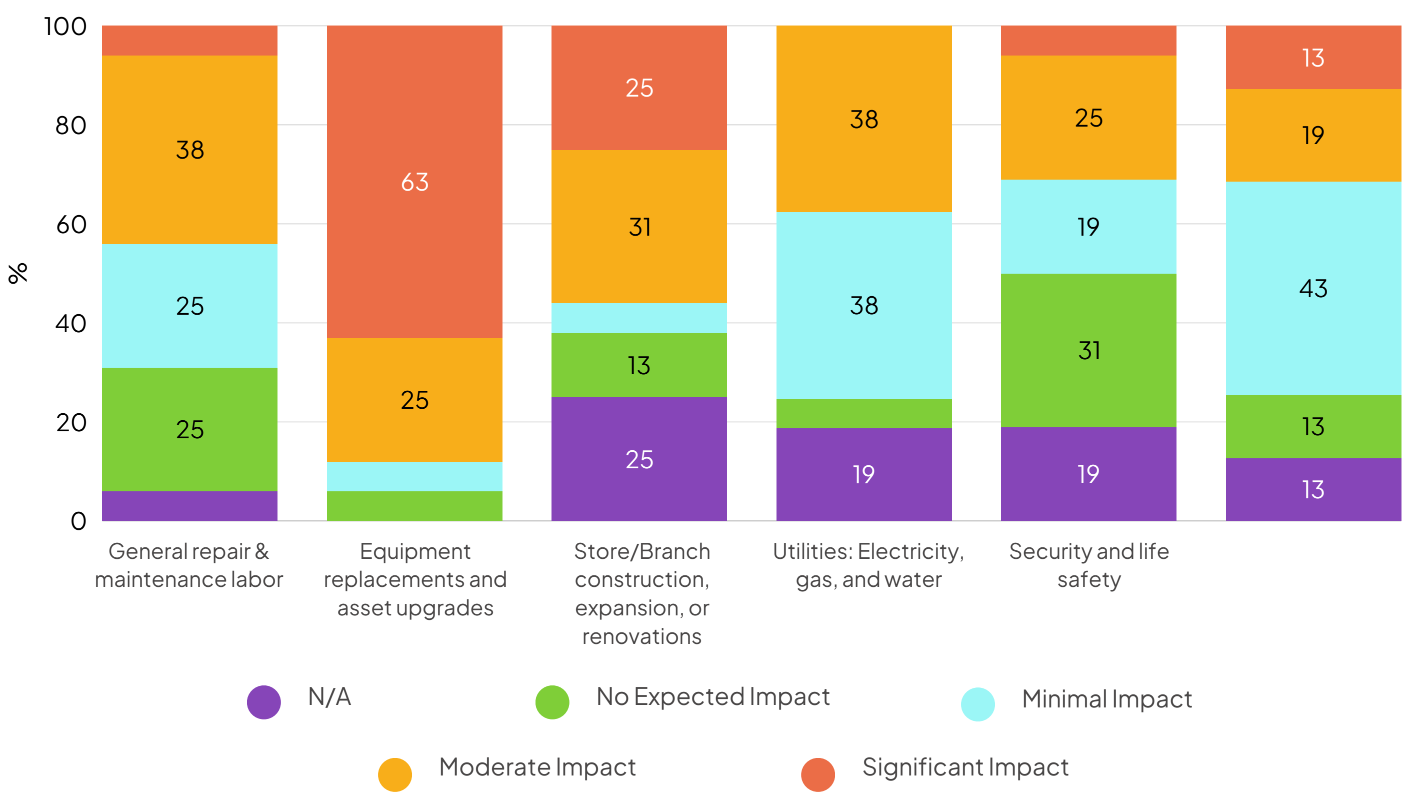
Question 3 Cost Categories at Risk

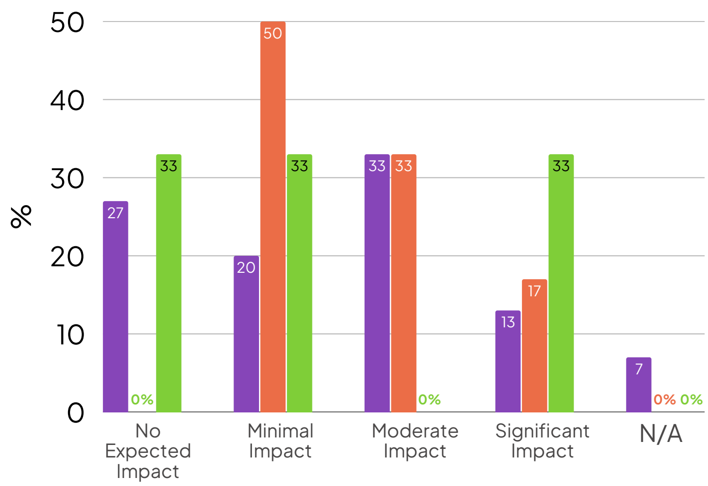
Operator



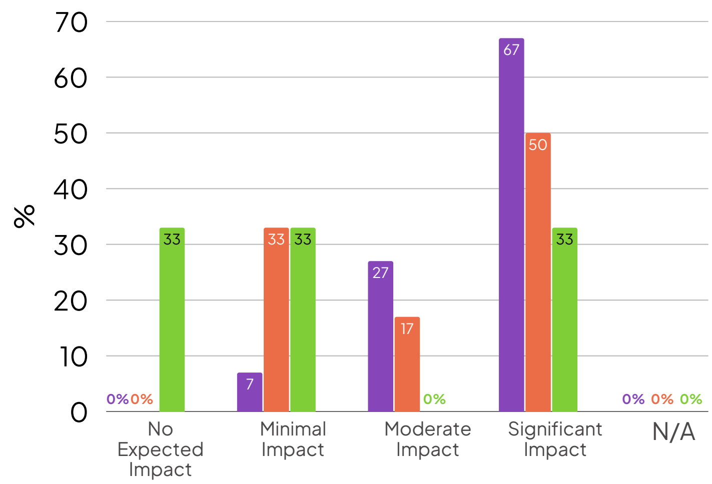
Provider



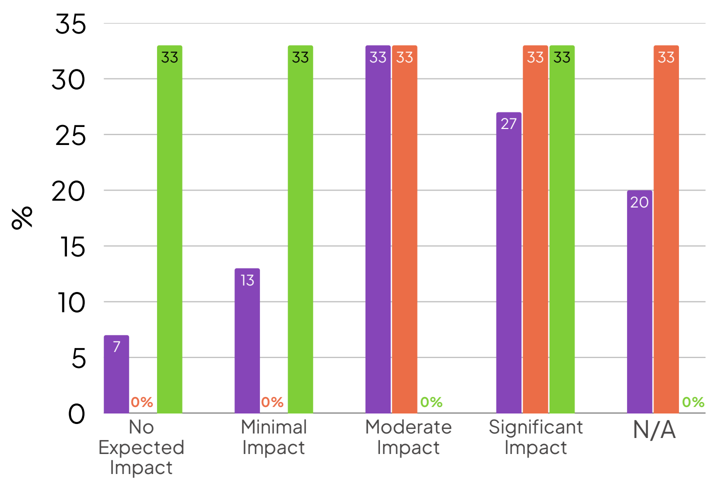
General Repair & Maintenance Labor



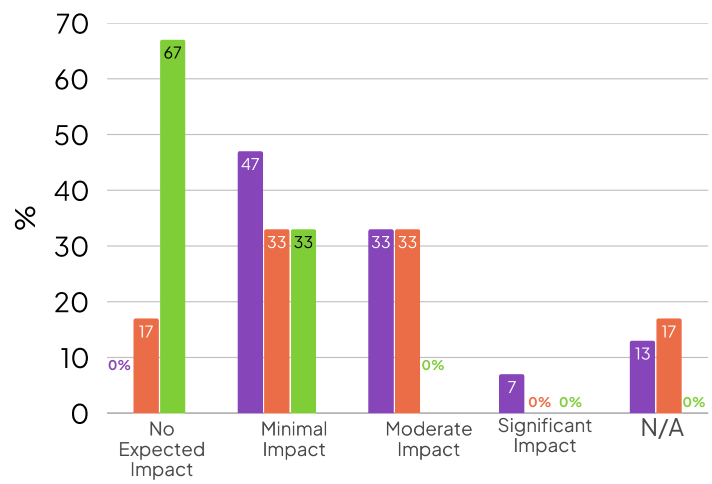
Equipment Replacements and Asset Upgrades



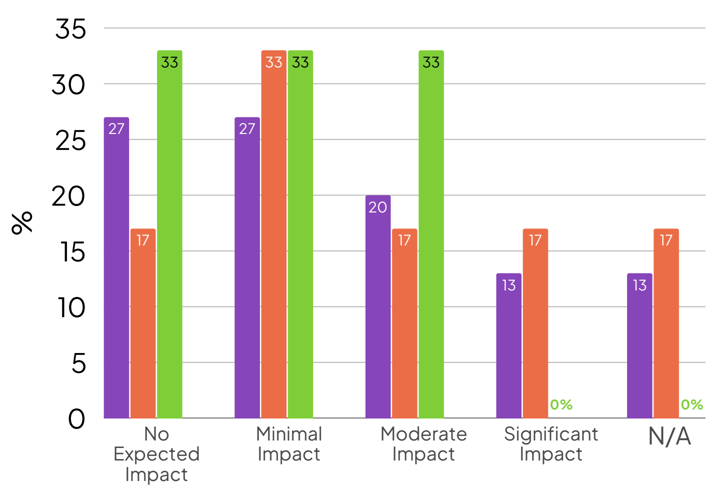
Store/Branch Constr., Expansion, or Renovations



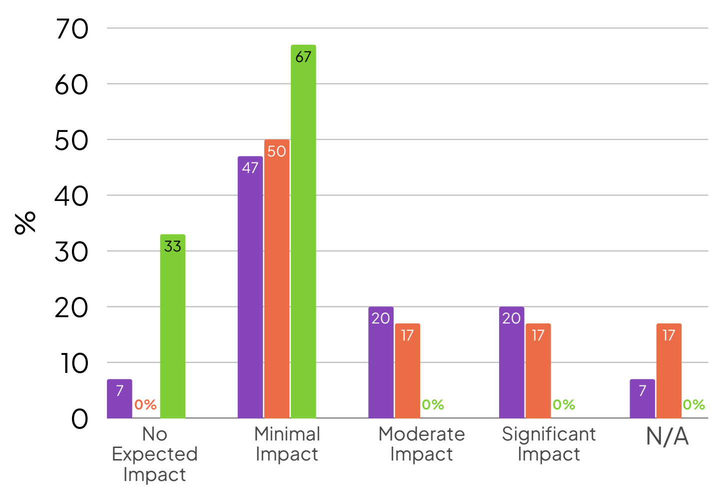
Utilities: Electricity, Gas, and Water



Security and Life Safety



Technology and Software



Executive Middle Management Individual Contributor

__Question 3:__ Which general cost categories will tariffs impact the most for your business?

The threat of increased costs isn't theoretical. Most respondents already have a sense of where the pressure will land—and it's squarely on capital expenses. Equipment replacements and asset upgrades emerged as the top concern, with 58% of respondents reporting they expect a significant impact from tariffs in this area.

Store construction, renovations, and general repair labor also ranked high on the disruption scale, with nearly 1 in 3 respondents citing those categories as significantly at risk. These are foundational investments—critical to growth, compliance, and long-term operational efficiency.

Operators were particularly alarmed. Unlike providers, who may manage facilities without directly owning or upgrading them, operators carry the brunt of infrastructure responsibility. From HVAC systems to elevators, these teams are budgeting for large-ticket items that often involve cross-border sourcing and complex install timelines.

> "Budgets will have to increase due to parts and equipment costing more and dragging out lead times as Covid did.
>
> - Middle Management Respondent, Operator

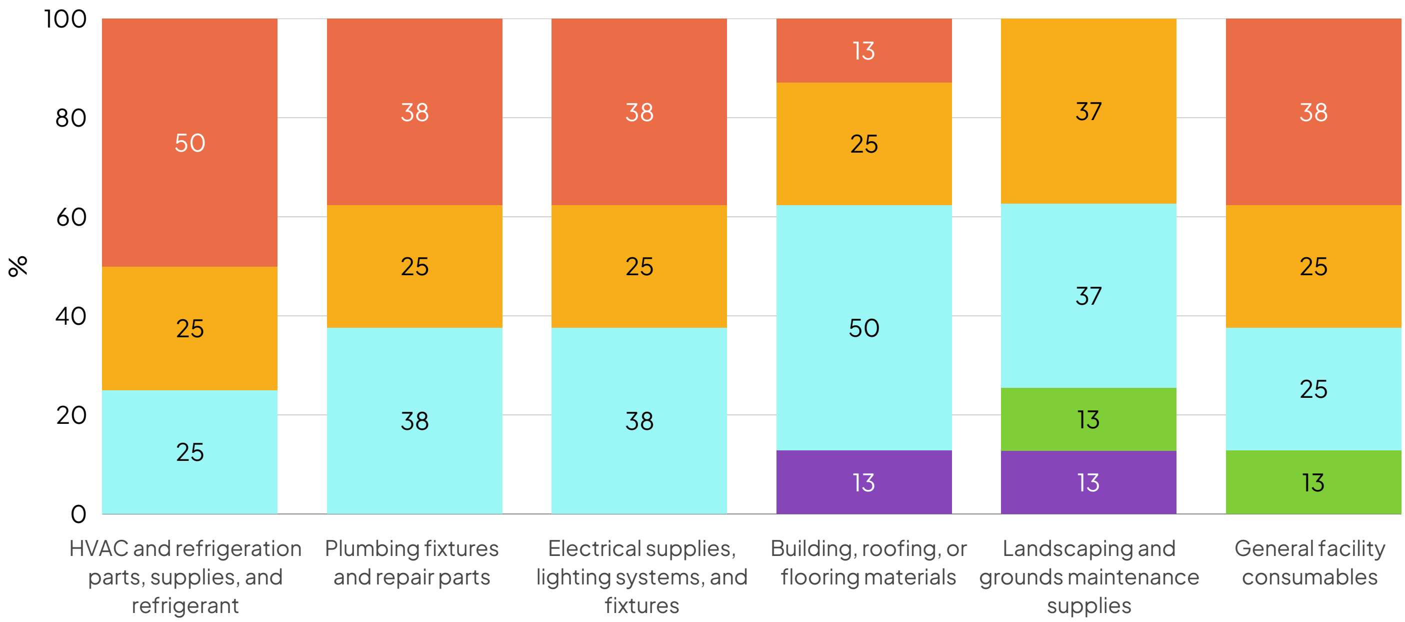
Executives were especially likely to view capital costs as a problem area, with 67% saying they anticipate significant tariff impact on equipment purchases. That's in part because these investments tend to have ripple effects—delayed retrofits can hold up occupancy permits, create safety gaps, or stall energy-efficiency initiatives.

Meanwhile, middle managers expressed concern about maintaining budget discipline in the face of uncertainty, and ICs appeared more focused on day-to-day disruptions.

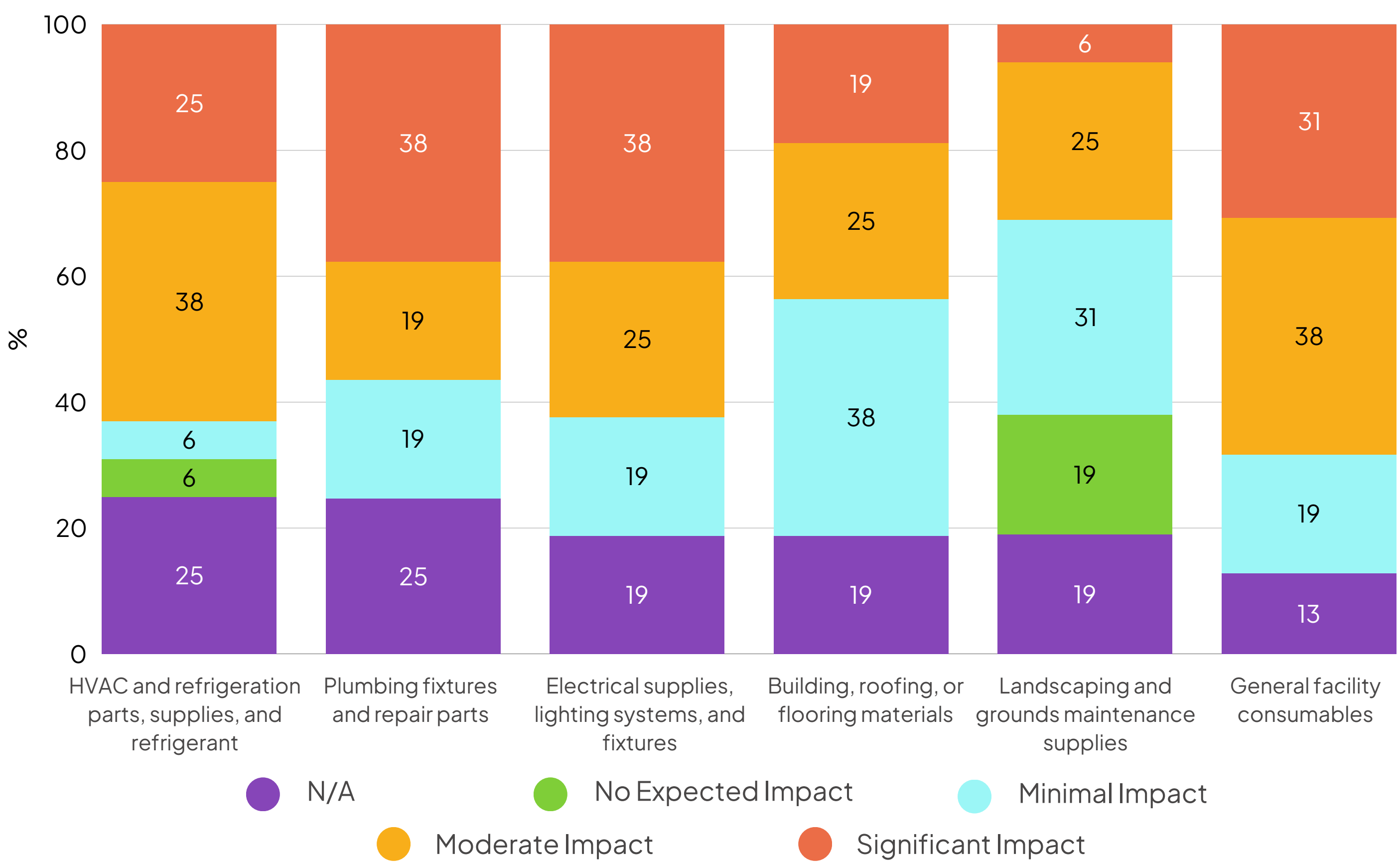
Takeaway: Capital projects are vulnerable—and the impact could cascade into compliance, safety, and energy efficiency initiatives. The cost of delay may not be fully visible yet, but it's building.

Question 4 Materials & Supplies Under Pressure

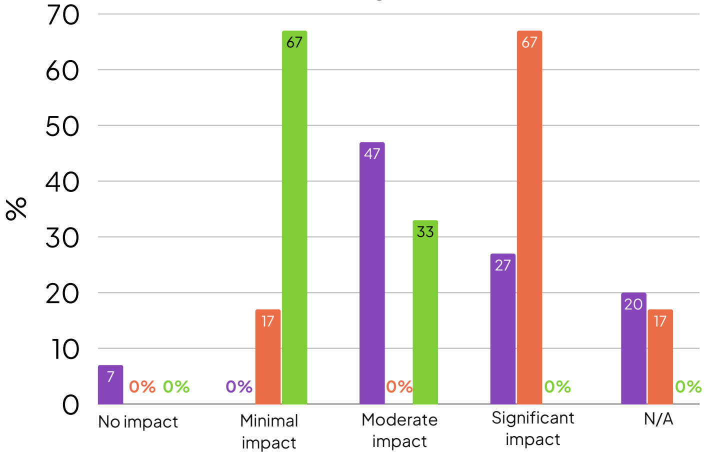
Operator



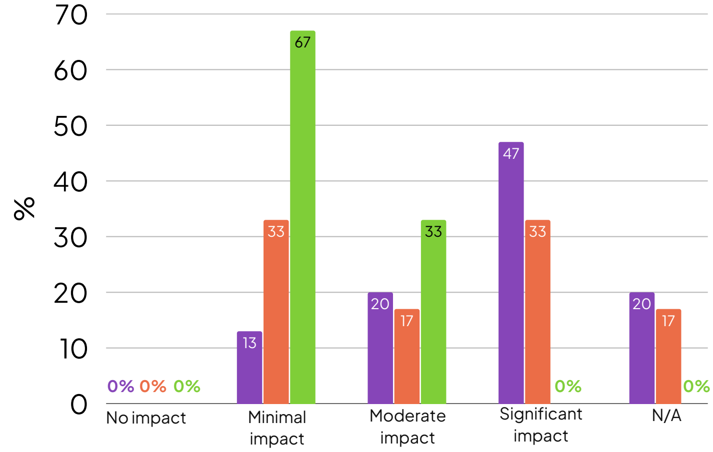
Provider



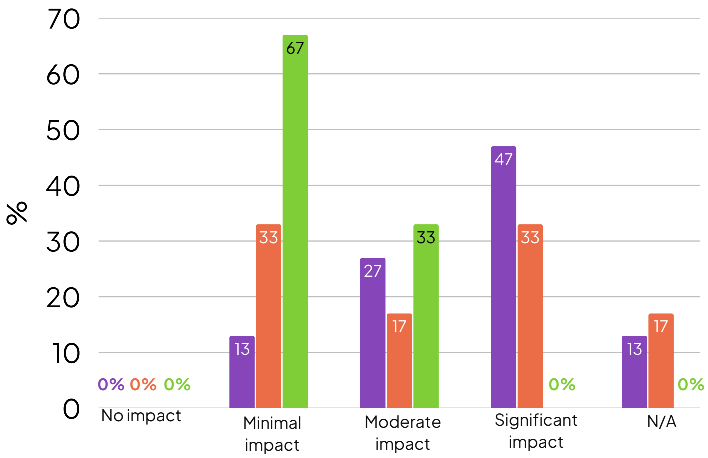
HVAC/R Parts, Supplies, and Refrigerant



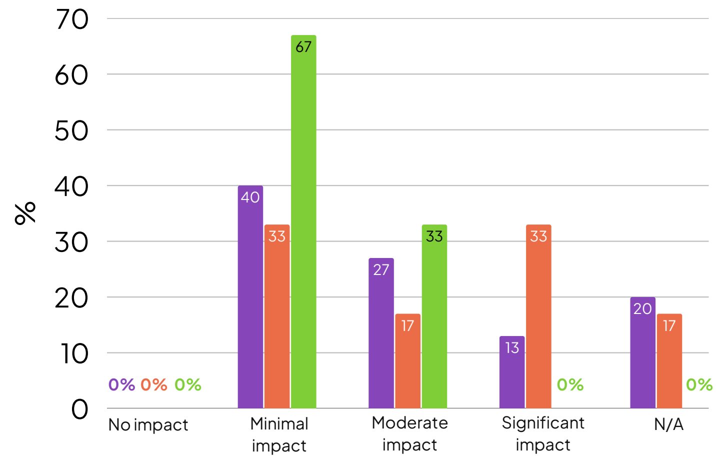
Plumbing Fixtures and Repair Parts



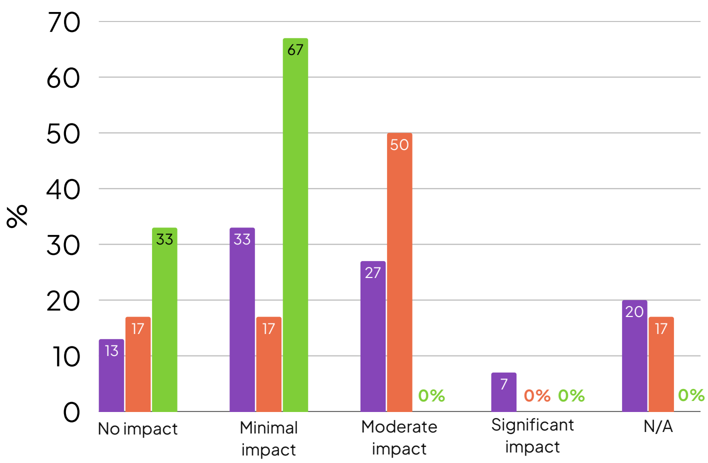
Electrical Supplies, Lighting Systems, and Fixtures



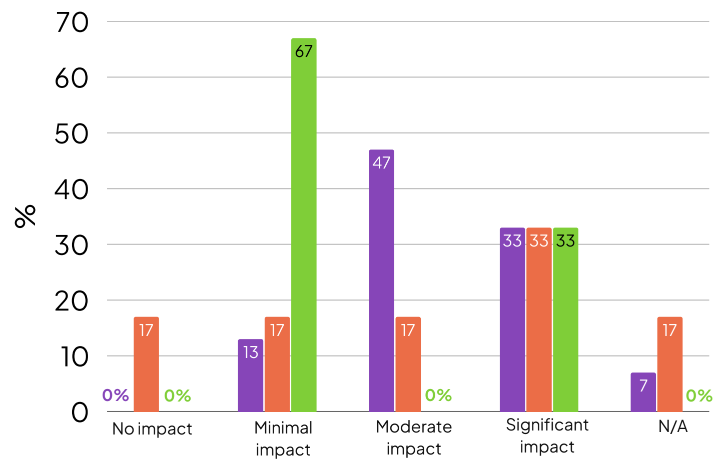
Building, Roofing, or Flooring Materials



Landscaping and Grounds Maintenance Supplies



General Facility Consumables



Executive Middle Management Individual Contributor

Question 4: *What categories of equipment, materials, and supplies will tariffs impact the most for your business?*

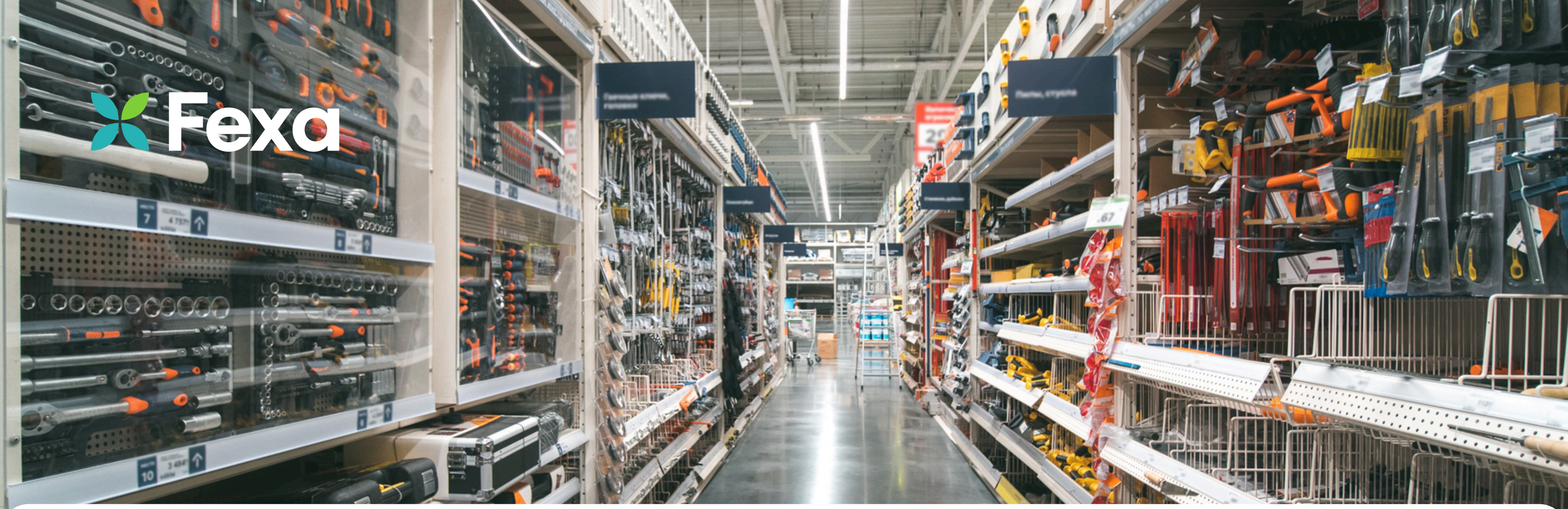
It's not just big-ticket projects under threat. Many of the items flagged by respondents as being at risk are the materials that keep facilities running every day. Plumbing fixtures, electrical supplies, HVAC and refrigeration materials, and general facility consumables all landed at the top of the list of categories expected to see significant tariff impact. Each was cited by 33–38% of respondents as facing a high likelihood of disruption.

These are not once-a-year purchases—they're essential items needed to maintain uptime, keep tenants safe and comfortable, and meet service-level commitments. In some industries, like healthcare, hospitality, or education, even short delays in replacing a valve or filter can compromise operations.

HVAC/R supplies – including refrigerant itself – was the single highest area of concern among operators, with every surveyed respondent claiming tariffs to have some form of impact on these materials, and 75% claiming tariffs to have moderate to significant impact on HVAC/R costs. Among survey respondents, operators were twice as likely as service providers to report significant concern over rising HVAC/R maintenance costs, however, with only 25% of providers viewing the risk of rising HVAC/R supplies as "significant."

> **75% of operators expect tariffs to have moderate to significant impact on HVAC costs**

By role type, middle managers expressed the most concern over rising costs of equipment, materials, and supplies – 33% said they expected significant impact across supply categories, compared to 29% of executives and just 6% of individual contributors. This difference likely reflects the day-to-day experience of middle managers, who are closest to maintenance backlogs, vendor ordering, and service scheduling.

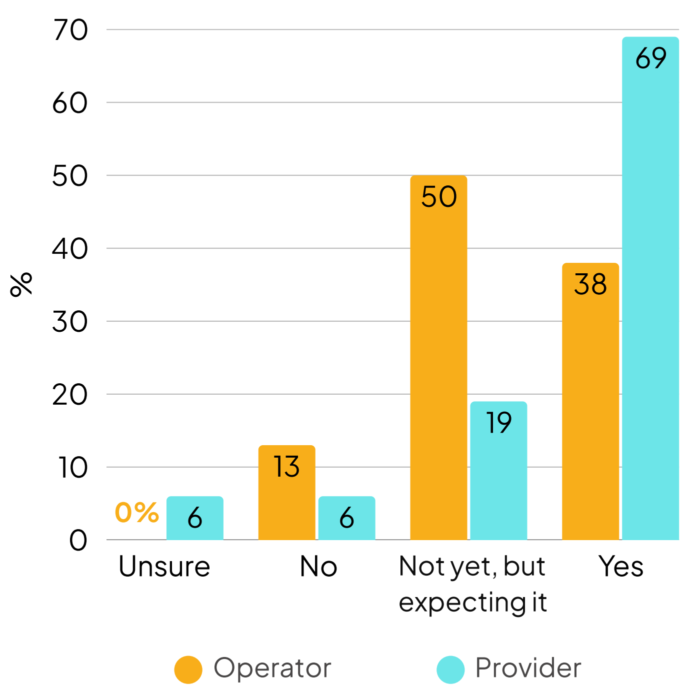


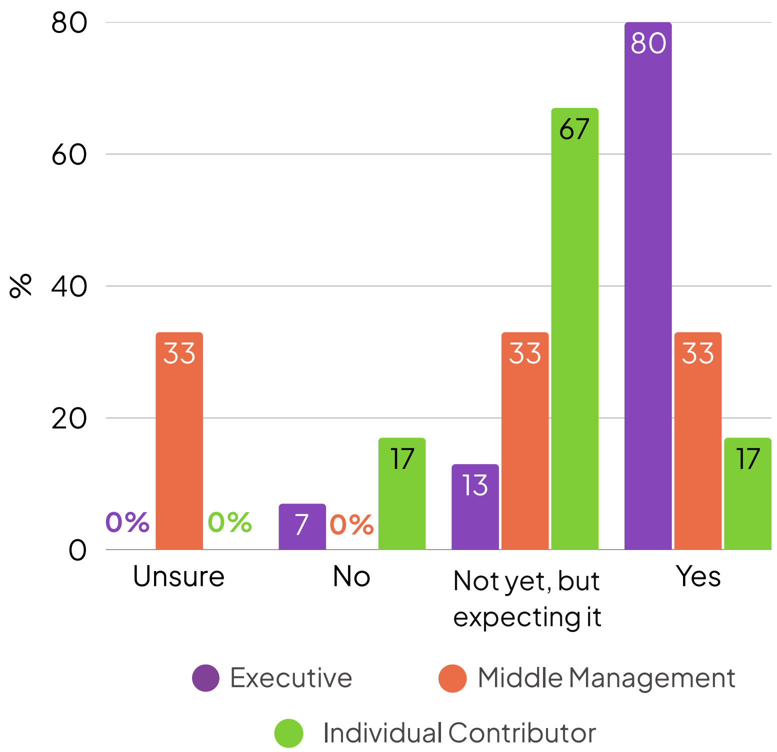
> While tariffs haven't directly impacted our core services to date, we monitor them closely because they can indirectly influence the cost and availability of key materials like asphalt, roofing membranes, and insulation, etc.
>
> \- Middle Management Respondent, Service Provider

Meanwhile, most ICs reported low concern. Nearly three-quarters of individual contributors said tariffs would have minimal or no impact on supplies, a signal that some may not yet be seeing the early signs of stress—or may not be involved in sourcing decisions.

Takeaway: Disruption won't always come in dramatic fashion. In many organizations, it will start with slow shipments and minor delays that stack up into larger issues—and operational leaders are already bracing for those consequences.

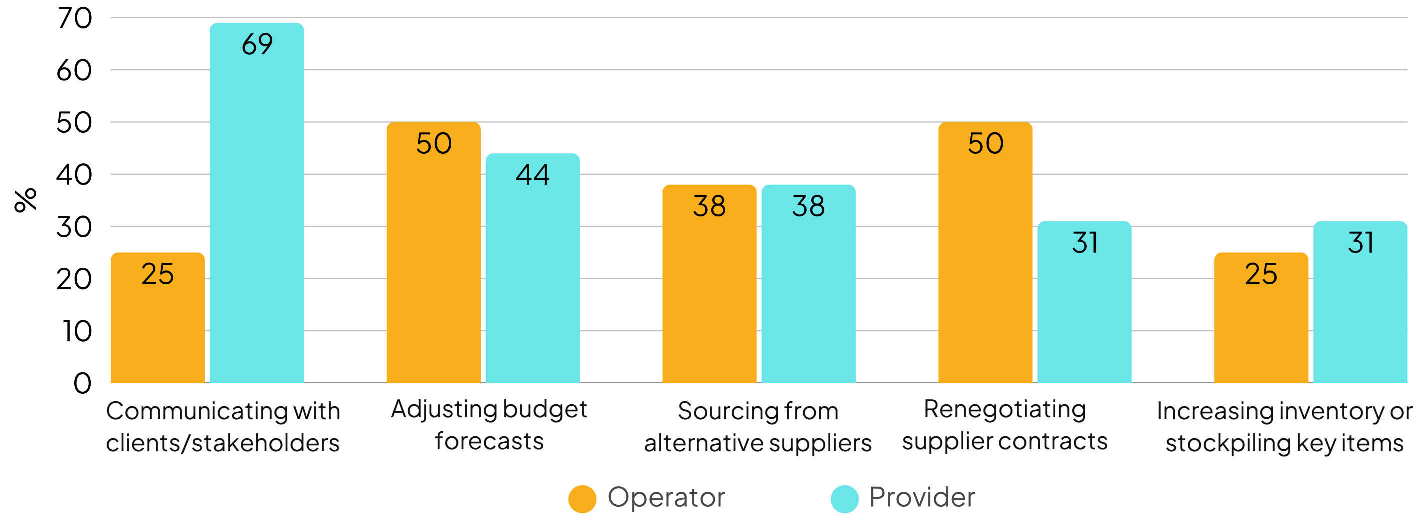
Questions 5 & 6 Proactive Steps Being Taken

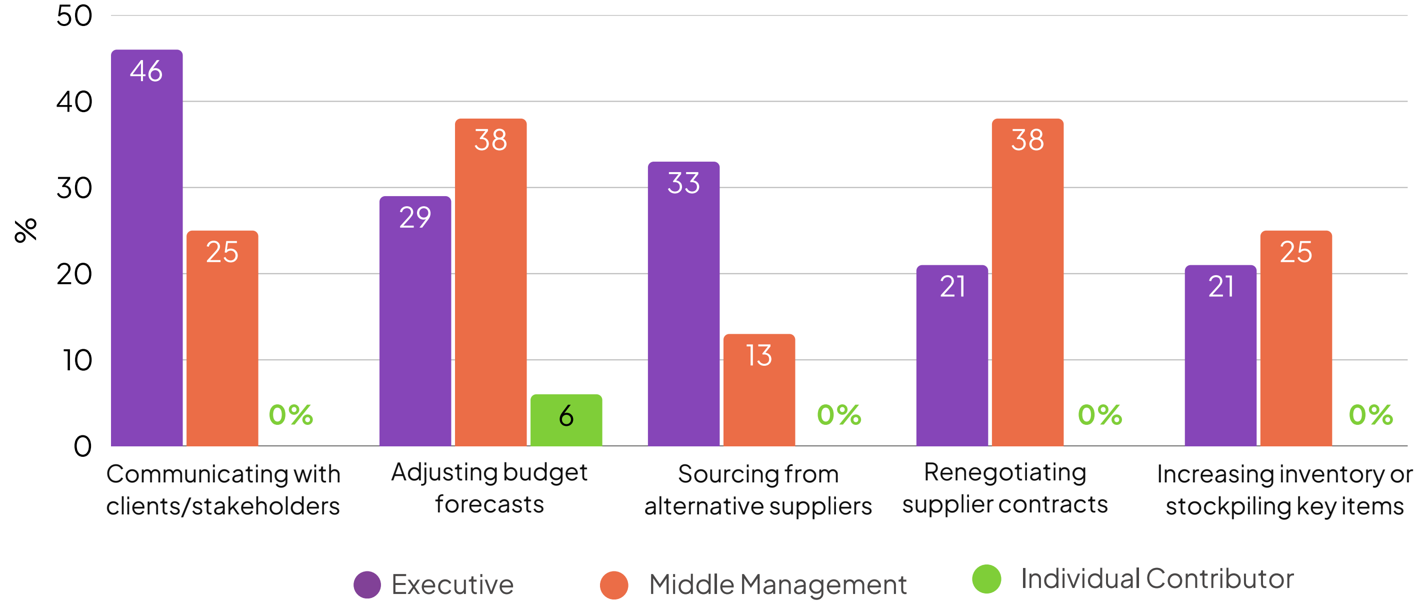




Question 5: *Have you already taken any proactive steps to prepare for the potential impact of tariffs?*

What level of risk or change do organizations associate with the new tariff landscape? That depends who you ask. While 46% of all respondents foresee a moderate impact, 38% expect a significant effect on operations or cost structures. That means 8 in 10 FM professionals expect tariffs to cause meaningful disruption in the next year—and some are already adjusting plans in anticipation.





***Question 6:** If you have taken steps to prepare, what actions have you taken or are considering?*

The majority of respondents (58%) say they've already taken proactive steps to prepare for tariff-related disruptions, and another 29% plan to act soon. This signals a general sense of urgency across the industry—but also reveals stark differences in how that urgency is translating into action.

Executives are furthest ahead. Four out of five leaders (80%) reported active steps being taken, including forecasting budget revisions, opening supplier negotiations, and aligning internal stakeholders around potential risks. Providers are also moving decisively, with 69% saying they've begun implementing strategies to hedge against material delays and price volatility. In contrast, operators—who may face more rigid budgets and approval timelines—lag behind at 38%, and only 17% of individual contributors said they're doing anything to prepare.

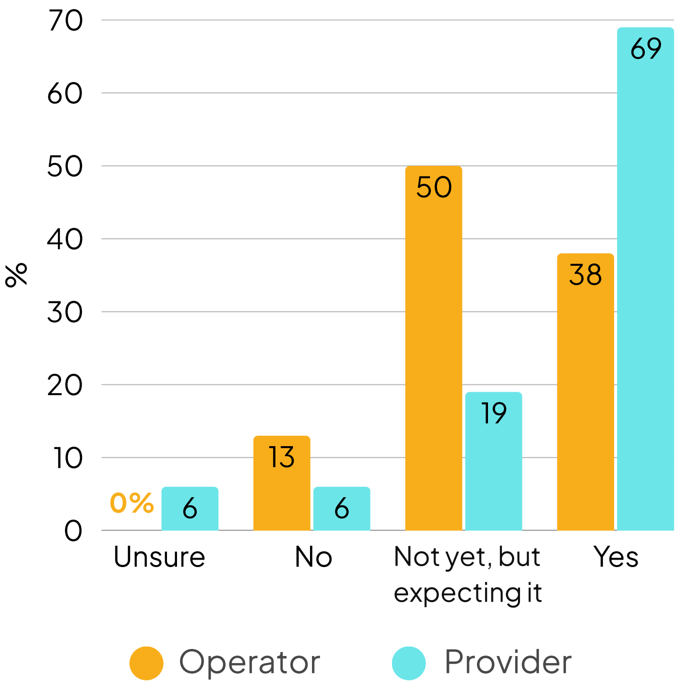
The most common tactics include adjusting budgets (46%), renegotiating supplier contracts (33%), communicating with stakeholders (54%), and identifying alternative sources for key goods (38%). Several also noted efforts to stockpile critical parts or pivot toward U.S.-based vendors.

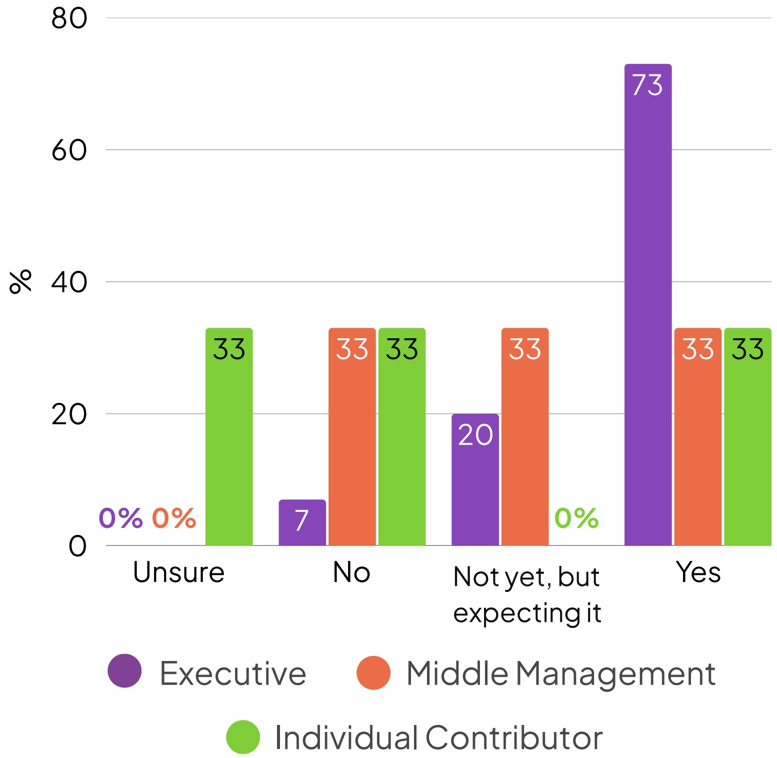
> Tariffs are prompting us to reassess our sourcing strategies and project timelines. We're focusing on building flexibility into our long-term planning by identifying alternative suppliers, engaging our clients to become budgeting for potential cost increases, and provide insights with regards to them prioritizing capital improvements that offer long-term operational efficiencies to offset upfront impacts.
>
> - Executive Respondent, Operator

Others emphasized the importance of visibility—developing systems to track material costs over time and strengthening relationships with supply chain partners to increase responsiveness. Middle managers, while less likely to be taking immediate action, showed strong awareness of where action is needed: many reported their next step would be to adjust forecasts or advocate for contract renegotiations.

Takeaway: Leadership teams are acting. But unless those actions extend to frontline teams—and unless operators catch up—the preparedness gap could widen, leaving parts of the organization more vulnerable to the next wave of disruptions.

Question 7 Communication with Stakeholders





Question 7: *Have you begun communicating about tariff-related changes (e.g.: price increases, delays) to your customers, suppliers, or internal stakeholders?*

Communicating about tariff-related changes is a key part of the response—and one that can set proactive organizations apart. According to the survey, 58% of respondents say they've already begun having conversations with customers, suppliers, or internal teams about tariff-related impacts. Another 21% plan to do so soon.

Providers appear to be leading the way in transparency, with 88% either actively communicating or preparing to. This is likely driven by the nature of their work—service providers often have more direct relationships with clients, and changes in material availability or costs need to be addressed early to maintain trust and keep projects on track. Operators were less likely to report active communication, with only 63% engaging so far.

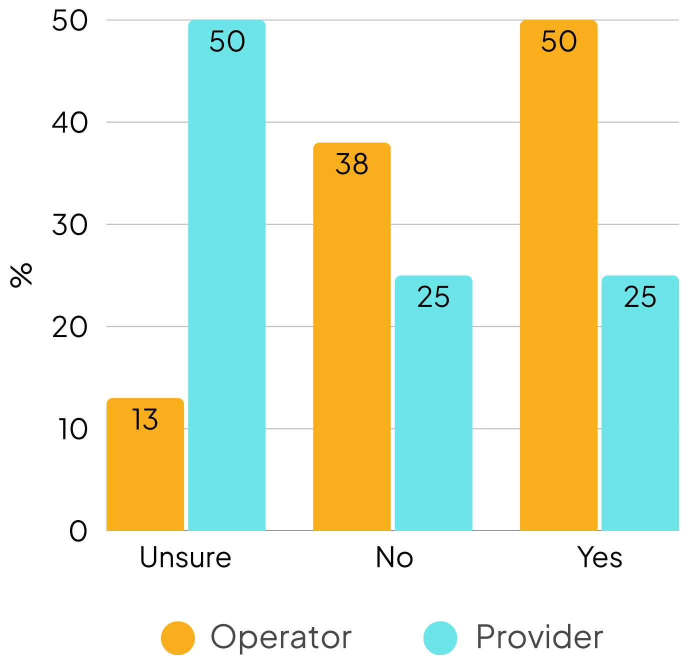
Executives are driving most of these conversations: 73% say they're already in communication mode. This makes sense, as they're typically responsible for high-level vendor relationships and financial planning. Middle managers are just beginning to follow suit, and individual contributors are largely absent from the conversation, with only one IC respondent reporting involvement.

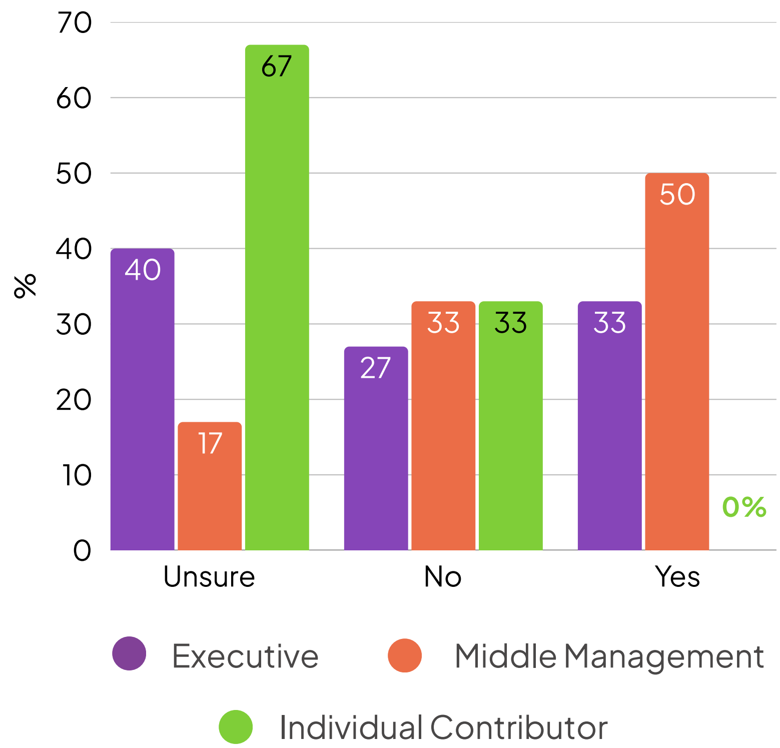
The content and tone of these conversations vary. Some respondents referenced delays in capital projects, others are shortening proposal timelines or adjusting budgets midstream.

> [We're preparing by] communicating with clients, staying ahead of the bubble, and keeping inventory stocked.
>
> - Executive Respondent, Operator

Takeaway: The FM organizations who are winning trust right now aren't the ones with all the answers—they're the ones keeping stakeholders in the loop. Communication is emerging as both a mitigation tactic and a brand differentiator.

Question 8 Adjustments to Service Delivery





Question 8: *Do you anticipate needing to adjust your service delivery expectations or timelines due to tariff impacts?*

A third of respondents said they expect tariffs to force changes to service timelines or delivery expectations. However, a larger group—38%—say they're still unsure if or how their operations will be affected. That uncertainty reveals a key risk: while many FM leaders recognize the threat tariffs pose, fewer have translated that into specific, actionable adjustments.

Operators were twice as likely as providers to report that changes were likely (50% vs. 25%), which tracks with earlier findings that operators are more exposed to physical infrastructure, labor coordination, and capital project timelines. Providers may have more flexibility in adjusting scopes of work or reallocating labor, while operators often manage fixed-site commitments.

> **While many FM leaders recognize the threat tariffs pose, fewer have translated that into specific, actionable adjustments**

Middle managers stood out here too, with 50% reporting that they anticipated changes. Executives and ICs were more likely to be unsure—suggesting a need for better alignment between strategic planning and day-to-day operational realities.

Some respondents have already begun adjusting service-level agreements (SLAs), anticipating delays or the need to renegotiate expectations with clients or internal stakeholders.

> " For the moment, our only step has been to suspend hiring in specific departments.
>
> - Executive Respondent, Service Provider

> " We are preparing by shortening proposal terms.
>
> - Executive Respondent, Service Provider

> " Costs and lead times are among my biggest concerns in the 6-12 months.
>
> - Middle Management Respondent, Operator

Takeaway: Expect SLAs to become the next pressure point—especially for operators working with lean teams and tight capital plans. Organizations that wait to adjust until the disruption hits may find themselves falling behind on timelines they could have renegotiated earlier.

Questions 9 & 10 Primary Concerns and Risks

While much of the tariff discussion has focused on cost, the concerns raised in open responses go much deeper. Leaders voiced fears not just about budgets, but about staffing stability, facility viability, and the cumulative stress these pressures place on operations.

The most cited concerns include prolonged lead times, shrinking margins, and capital project delays. Some worry that deferred upgrades or equipment purchases will snowball into more expensive repairs, emergency fixes, or even compromised safety. Others are focused on workforce implications.

Question 9: *How are tariffs influencing your long-term planning or capital improvement strategies?*

> They are causing hardships on repairs and supplies.
>
> - Executive Respondent, Operator

> [Tariffs are having] major impact on revenue due to increased landing costs.
>
> - Executive Respondent, Operator

> [Tariffs are] clouding an otherwise previously clear vision of what we wanted to achieve in the next 12 months.
>
> - Executive Respondent, Service Provider

> We're proactively building more flexibility into our long-term capital improvement plans. This includes diversifying our supplier base, locking in pricing where feasible, and advising our clients to plan projects earlier in the season to avoid potential cost spikes. Our goal is to mitigate risk and ensure predictable, high-quality outcomes for our customers—no matter what market shifts occur.
>
> - Middle Management Respondent, Service Provider

> The wild swings in tariff implementation and rapid removal has been a blessing and challenge. While the opportunities present themselves, we are stocking up on common materials needed for our clients on both R&M and Capital projects. Right now the name of the game is procurement for us.
>
> - Executive Respondent, Service Provider

***Question 10:** What are your biggest concerns regarding the upcoming tariffs and their effect on your operations?*

> Overall company financial health and impact on customers and team members.
>
> - Executive Respondent, Operator

> Cutbacks.
>
> - Individual Contributor Respondent, Operator

> Cost implications to the budget and the availability of materials. Concerned it could go back to covid days where certain assets had a 52-week lead time.
>
> - Middle Management Respondent

> I fear the facility will close and building occupants will be sent to WFH and my job will no longer exist.
>
> - Middle Management Respondent

> Their impact on our client's operations - specifically their financial performance. Store maintenance spend directly correlates with the company's overall revenue and profitability. Maintenance budgets are always extra vulnerable in these conditions.
>
> - Executive Respondent, Service Provider

> A big concern is that tariffs could lead to a freeze on maintenance spending among our customers. When budgets tighten, deferred maintenance becomes more common, which can result in more costly repairs or replacements down the line. Tariffs also threaten to disrupt supply chains and extend lead times, making it harder to plan and execute capital projects efficiently. To stay ahead, we're monitoring the situation closely, diversifying our supplier network, and encouraging customers to take a proactive approach before potential cost increases impact their budgets.
>
> - Middle Management Respondent, Service Provider

These responses make one thing clear: tariffs are not just a supply chain issue—they represent a broader, systemic risk to long-term planning, workforce stability, and operational continuity. For many FM leaders, what begins as a procurement or pricing issue carries the potential to escalate into a full-blown operational crisis.

At its heart, however, the threat of tariff impact is about more than budgets and materials—it's about people. When facility operations falter, so do the critical services our communities rely on every day. From schools and hospitals, to gas stations, grocery stores, retailers and restaurants, disruptions in the built environment can directly affect the quality of customer experiences and access to essential resources we rely upon. As one healthcare industry operator put it bluntly:

> [My biggest concern] is the effect tariffs may have on patient care.

In a world where the built environment underpins nearly every aspect of daily life, even modest disruptions can have an outsized, real-world impact on the people and communities these facilities serve.

Takeaway: Tariffs may not create new problems—but they're amplifying the vulnerabilities FM teams already face. In a tight labor market and volatile economic climate, even small disruptions can trigger big consequences.

Conclusion – Preparing for the Next Disruption Before It Arrives

Facilities teams are confronting an increasingly complex operating environment. Tariffs, while geopolitical in nature, are having very real impacts on cost structure, supply availability, and project execution in FM. Providers appear better prepared, but operators are absorbing the heaviest risk.

The months ahead will likely reward agility, transparency, and planning. Those who proactively manage vendor relationships, communicate clearly with stakeholders, and build sourcing flexibility into their operations will have a significant advantage. For everyone else, 2025 may be a year of scrambling instead of scaling.

Fexa will continue monitoring these trends and supporting industry leaders with insight to navigate the uncertainty ahead.