Leveraging AI-Driven Optimization and Dynamic Service Allocation in Ethiopia: A Platform-Based Model for Smart and Sustainable Facility Management

M.T Desbalo[1], J. Melzner[2] and H.-J. Bargstädt[2]

[1] School of Built Environment, College of Technology and Built Environment, Addis Ababa, University, mulutila@gmail.com / muluken.tilahun@aau.edu.et

[2] Bauhaus-Universität Weimar, Marienstraße 7A, 99423 Weimar, juergen.melzner@uni-weimar.de, hans-joachim.bargstaedt@uni-weimar.de, https://www.uni-weimar.de/bbv

Abstract:

The digital transformation of facility management (FM) is essential for creating smart, interconnected, and sustainable building ecosystems. While this transformation is advanced in sectors like logistics and on-demand delivery, Ethiopia's FM sector remains in its infancy, characterized by fragmented, traditional practices. However, rapid urbanization, significant infrastructure development, and a growing young, tech-adaptable population create a unique opportunity for Ethiopia to leapfrog legacy systems and adopt innovative, platform-based FM models directly. This paper assesses the applicability of best practices from digitally transformed industries such as AI-driven allocation, dynamic pricing, and user ratings to the Ethiopian context. It proposes a conceptual platform-based FM business model tailored to the country's specific needs and constraints. The model leverages scalable technologies like AI, IoT, and blockchain to create an on-demand digital marketplace that connects clients with certified service providers. By applying algorithmic matching and automated workflows, the study explores how Ethiopia can harness the adaptability of platform economies to overcome current inefficiencies, even while building its FM capacity. The paper critically examines adoption barriers, including digital infrastructure limitations, regulatory frameworks, and workforce skill gaps, proposing context-specific mitigation strategies derived from global lessons. The findings suggest that a strategically adapted, digitally integrated FM marketplace could provide Ethiopia with a cost-effective, transparent, and sustainable path to managing its built environment, aligning

with national goals for smart urban development and resilience. This study offers a roadmap for implementing a future-proof FM approach in emerging economies, turning developmental challenges into opportunities for innovation.

Keywords:

AI-Driven Facility Management, Platform-Based Service Model, Sustainable FM, Ethiopia, Digital Leapfrogging, Emerging Economies

6. Introduction

Facility management (FM) is at a critical juncture, where digital transformation is essential for efficient, sustainable, and resilient building maintenance & operations (Eric Whitley, 2023; Sampaio et al., 2022). However, FM in developing regions, particularly Ethiopia, remains largely manual, reactive, and fragmented (Desbalo et al., 2024). This results in high operational costs, delayed interventions, poor accountability, and hindered sustainability progress. This disconnect persists despite the transformative success of platform models leveraging real-time data, algorithmic matching, and user feedback in sectors like ride-hailing, logistics, and e-commerce.

Ethiopia, experiencing rapid urbanization (Desbalo et al., 2024) and infrastructure development, presents a significant opportunity. With a growing tech-savvy population, increasing mobile/internet penetration, and government digital initiatives (e.g., Digital Ethiopia 2025) , the country is well-positioned to adopt innovative FM solutions. We posit that the core principles of successful platforms on-demand access, dynamic resource allocation, transparency, and data-driven optimization are directly transferable and transformative for FM, potentially bypassing legacy constraints.

This paper, therefore, aims to propose and analyze a conceptual AI-driven platform-based model for smart and sustainable FM in Ethiopia. Its specific objectives are to:

1. Systematically review best practices from digitally transformed industries and nascent digital FM initiatives.
2. Identify key technological and operational success factors transferable to FM.

Table 1: Persistent Challenges of Traditional FM

Category of Challenges	*Description*	*References*
Technological	Lack of Digital Integration; Limited Adoption of Advanced Technologies	(Abdelalim et al., 2025; Azzran et al., 2019; Clark, 2019; Gunasekara & Sridarran, 2021; Shuhaimi et al., 2024)
Operational	Reactive Maintenance Approaches; fragmented data integration	(Abdelalim et al., 2025; Durmus et al., 2025; Mohammed et al., 2025; Trigka, 2025)
Human Factors	Skill and Knowledge Gaps; Resistance to Change	(Durmus et al., 2025; Elmualim et al., 2010; Sarpin et al., 2018; Støre-Valen & Buser, 2019)
Strategic and Organizational	Lack of Strategic Leadership; Stakeholder Involvement	(Sedhom et al., 2023; Twum-Bobie et al., 2025). (Elmualim & Gilder, 2014; Støre-Valen & Buser, 2019)

Traditional FM practices face numerous challenges that impede their efficiency and effectiveness. Addressing these challenges requires a concerted effort to adopt advanced technologies, enhance skills and knowledge, and foster strategic leadership and stakeholder involvement. By overcoming these barriers, FM can significantly improve operational efficiency, sustainability, and overall organizational performance.

FM professionals and organizations must adopt holistic frameworks that address the interaction between technological, operational, human, strategic, and organizational dimensions. Future research should focus on developing adaptive models, interdisciplinary interventions, and context-specific solutions to drive FM transformation and innovation (Barnes, 2013; Haleel & Dawood, 2023; Mazlan et al., 2025; Norliana & Jay, 2016; Wei et al., 2012)

2.1. Success Stories from the Platform/Gig Economy

The platform economy has demonstrably transformed service sectors through core technological and operational innovations, offering valuable paradigms for digital transformation. Algorithmic matching and dynamic resource allocation, exemplified by ride-hailing platforms like Uber (Kumar, 2023), optimize real-time connections between decentralized supply (drivers) and demand (passengers), significantly enhancing service accessibility and efficiency while creating flexible income opportunities (Kumar, 2023). Similarly, peer-to-peer marketplace models, pioneered by Airbnb (Clauss et al., 2019), disrupt traditional industries (e.g., accommodation) by unlocking underutilized assets and empowering individuals as micro-entrepreneurs, generating substantial economic benefits for providers and local economies (Kumar, 2023; Wessel et al., 2018). In e-commerce, integrated logistics networks and data-driven optimization, central to Amazon's dominance (Brühl, 2023), leverage vast datasets and AI for predictive analytics, inventory management, and route efficiency, setting benchmarks for operational excellence and customer-centricity. Furthermore, platforms like Alibaba (Radonjic-Simic & Pfisterer, 2019) facilitate democratized market access, enabling SMEs to overcome geographical barriers and engage in global trade, thereby stimulating economic scaling and revenue growth. Beyond purely commercial models, platform cooperatives (Power et al., 2024) demonstrate alternative governance structures emphasizing democratic ownership and equitable value distribution, addressing social equity concerns within the gig economy through principles of solidarity and fair labor practices. Collectively, these platforms underscore the transformative potential of network effects, real-time data utilization, user rating systems, and workflow automation in driving economic growth (Kumar, 2023), fostering innovation (Brühl, 2023), and enhancing resource efficiency. However, their sustainability hinges on resolving persistent regulatory challenges, particularly concerning labor rights and market fairness , and aligning growth with broader sustainable development goals (Elnour et al., 2024).

2.2. Emerging Trends in Digital FM

Digital Facility Management (DFM) is undergoing a paradigm shift driven by the convergence of advanced technologies and fundamental operational re-engineering. Core to this transformation is the integration of Building Information Modeling (BIM) (Hakimi et al., 2024; Olimat et al., 2023), providing semantically rich digital representations of facilities that form a critical foundation for data-driven management throughout the asset lifecycle. This is augmented by pervasive Internet of Things (IoT) deployments (Hakimi et al., 2024; Olimat et al., 2023; Trigka, 2025), enabling real-time data acquisition on asset performance, environmental conditions, and resource consumption (energy, water), facilitating granular monitoring and optimization.

In the context of Building Information Modeling (BIM), Digital Twin (DT) technology (Hakimi et al., 2024; Olimat et al., 2023) leverages IoT data to create dynamic virtual replicas. This BIM-enabled approach allows for advanced simulation, predictive analysis, and real-time performance benchmarking by utilizing the rich semantic data inherent in the BIM model. Artificial Intelligence (AI) and Machine Learning (ML) (Hakimi et al., 2024) are increasingly essential, utilizing the data streams from IoT and DT to enable predictive maintenance, real-time asset prognostics and health management (PHM), anomaly detection, and optimized resource allocation, moving beyond reactive models. Blockchain technology (Olimat et al., 2023) is emerging as a potential solution for enhancing data security, integrity, and enabling trusted automated transactions (e.g., via smart contracts) within complex FM ecosystems.

These technologies collectively enable critical operational paradigm shifts: the transition from static to real-time data flows (Atta, 2021), supporting dynamic decision-making; the move from linear, siloed processes to integrated, network-based workflows, improving cross-functional collaboration and efficiency; the evolution from static systems to adaptive systems (Atta, 2021) capable of responding dynamically to operational changes and occupant needs; and the shift from work-intensive to information-intensive scenarios, where data analytics drives actions. This transformation is particularly crucial in sensitive environments like healthcare facilities, where robust DFM is vital for operational resilience, as highlighted post-COVID-19 (Schmitter & Ashworth, 2023).

However, significant challenges persist, including complexities in data handling, integration, and interoperability (Hakimi et al., 2024; Olimat et al., 2023) across heterogeneous systems, and user acceptance barriers where factors like effort expectancy and performance expectancy significantly influence adoption. Key research priorities include advancing AI-based real-time PHM (Hakimi et al., 2024), developing virtual-based intelligent monitoring and deep learning-aided continuous improvement systems, and achieving enhanced semantically rich data interoperability (Hakimi et al., 2024) across the entire facility lifecycle to fully realize the potential of cyber-physical integration in FM.

2.3. Theoretical Underpinnings

The development of the proposed framework was guided by a mix of several main theories. Each one played a role in shaping different aspects of the model's design and operation.

- **Platform Business Model Theory**: provided the main structure, helping create a multi-sided platform that allows value-creating interactions between clients (facility managers) and service providers (gig workers/vendors). This theory supported the basic platform setup.

- **Gig Economy Principles** were key in building the resource mobilization layer. These principles shaped how we recruit on-demand workers, match tasks dynamically, and include trust-building features like ratings and reviews to maintain quality in a flexible labor pool.

- **Service Operations Management theory:** offered design principles for the main service delivery workflows. It ensured that the platform’s processes ranging from work order creation to completion and quality assurance are efficient, reliable, and responsive to customers.

- **Optimization Theory:** provided tools for our key algorithms. It supports the development of the matching and allocation engines, such as using linear programming for assignments or genetic algorithms for complex routing, to address the resource allocation challenges.

- **The Technology Organization-Environment (TOE) Framework:** helped us identify important factors for implementation. It guided our analysis of technological needs, organizational hurdles, and environmental conditions like regulatory and market factors necessary for the successful launch of the framework in the real world.

This well-structured theoretical foundation ensures the model is not only technically sound but also economically viable, operationally efficient, and easy to adopt.

1. Research Methodology

3.1. Research Approach

This paper employs a two-pronged methodological approach: (1) A Review of related literature to synthesize knowledge from digitally transformed industries and digital FM, and (2) Conceptual Model Development based on the review findings, tailored to the Ethiopian context using secondary data analysis.

3.2. Conceptual Model Development

The SLR findings are synthesized into a coherent platform architecture and operational workflow. Key design decisions (technology choices, workflow steps, governance mechanisms) are explicitly linked to the identified best practices and transferable principles. Ethiopian contextual factors (e.g., infrastructure constraints, workforce characteristics, regulatory landscape) derived from secondary sources (World Bank reports, Ethiopian government policy documents, industry analyses) are integrated to ensure model feasibility and relevance.

3.3. Contextual Analysis

Focused review of secondary data in Ethiopia

Urbanization rates, internet/mobile penetration statistics, power grid reliability, existing digital payment infrastructure (e.g., Hello Cash, M-Birr, M-PESA, Tele birr, CBE birr, mobile banking), government digital initiatives, informal sector dynamics, current FM market structure, and relevant regulatory frameworks (labor, data protection, contracting).

4. Proposed AI-Driven Platform Model for FM and Building Maintenance in Ethiopia

4.1. Vision & Value Proposition

To create a unified digital marketplace **("Ethio-FM&BM Platform")** connecting building owners/managers (Clients) with certified maintenance and FM service providers (Vendors) across Ethiopia. The platform-based FM framework was developed by incorporating lessons learned from other industries that have successfully utilized this model (Chen et al., 2022; Xu et al., 2019; Yang et al., 2024). Core value: On-demand access to qualified services, AI-optimized efficiency in allocation and execution, unprecedented transparency via blockchain, cost reduction through competition and optimization, enhanced sustainability via reduced resource consumption, and data-driven insights for proactive management.

4.2. Platform Architecture Overview

The system architecture for the platform-based Facility Management is structured into four layers: Infrastructure, System, Application, and Interaction. Each layer is designed to handle specific functions and processes within the facility management system. A similar architecture has been successfully applied to on-demand service delivery across various industries (Chen et al., 2022; Xu et al., 2019; Yang et al., 2024).

- **Infrastructure Layer:** This layer provides the fundamental resources for the system. It includes backup servers and production servers, which can be cloud-based or on-premises. These servers manage the storage of data in backup and production databases. The layer also emphasizes security with encryption and SSL protocols for data protection (Figure 1).

- **System Layer:** The core system layer encompasses the company website and ERP/CRM systems, which are essential for managing enterprise-wide operations. An IoT platform is also included for integrating smart sensors, enabling real-time data collection from various facility components. This layer is crucial for the central management and monitoring of the facility.

- **Application Layer:** This layer focuses on specific applications that support various facility management tasks. It includes microservices for different user portals (Admin, Worker, and Employer) and a mobile app for on-the-go access. The layer also features a management system with modules for finance, HR, inventory, supply chain, customer relationship, sales, and project management. Additional features include data management, document and knowledge management, and e-commerce functionalities.

- **Interaction Layer:** This layer facilitates user interaction with the system. It includes user devices and a user interface, allowing various user roles (client, gig worker, and general user) to access the system. The layer also incorporates role-based access control and security measures such as SSL and VPN to ensure secure and authorized access to the platform. This layered architecture ensures a robust and scalable system for managing facility operations, integrating various technologies and processes to enhance overall efficiency and performance.

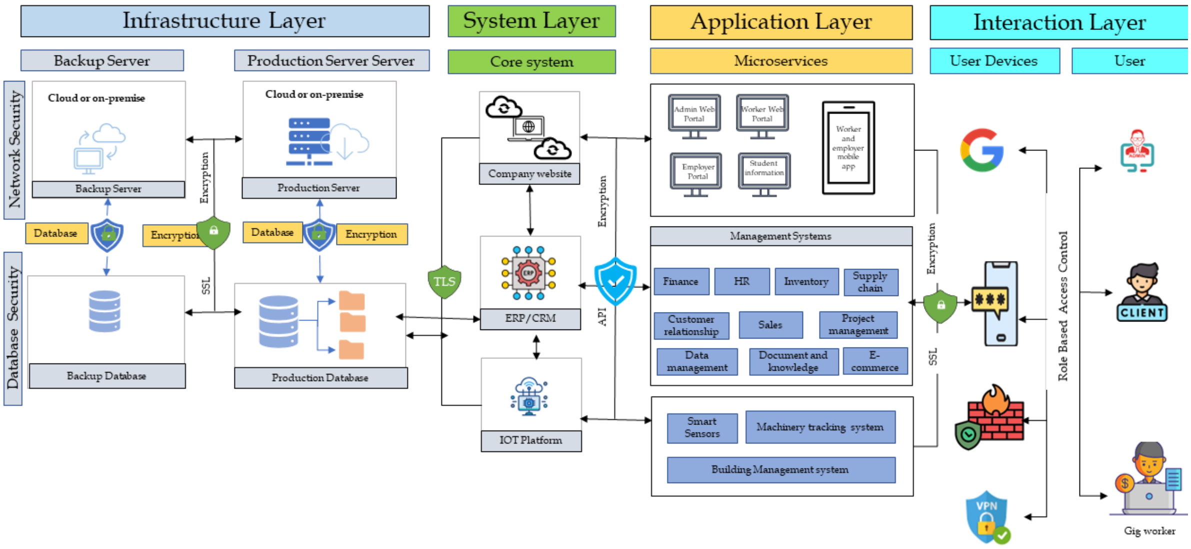

Figure 1: Platform based Facility Management System Architecture

- **Client App/Web Portal:** Service request submission (manual or IoT-triggered), real-time tracking, quote comparison/acceptance, vendor selection (algorithm-assisted), digital contract signing, service verification, payment initiation, rating/review.

- **Vendor App/Web Portal:** Profile management (skills, certifications, rates, availability), service request browsing/acceptance, route optimization/navigation, digital contract access, work reporting (text, photo, sensor data), invoice submission, payment receipt, client rating.

- **Admin Dashboard:** Platform monitoring, user management (onboarding/verification), vendor certification oversight, dispute resolution, KPI dashboards (efficiency, sustainability), pricing model management, system configuration.

- ***Core Platform Engine:*** The "brain" housing the AI/ML models for matching, pricing, routing, and predictive analytics. Manages workflows, data processing, and communication. **IoT Sensors & BMS:** Pulling real-time asset health and environmental data.

- **External Data Sources:** Traffic data (Google Maps API), weather forecasts, energy pricing.
- **Payment Gateways:** Integration with local mobile money (M-Pesa, HelloCash) and banking APIs.
- **Identity Verification Services:** (Potential future integration with national ID).

The BPMN (Business Process Model and Notation) diagram (Figure 2) illustrates a multi-faceted process involving three main actors: Gig Workers, a Platform Company (acting as a mediator), and Employers. The diagram is divided into three lanes, each representing a different actor, and outlines the steps and interactions between them (Bahrami et al., 2023). The diagram also indicates data flows (dotted lines) and control flows (solid lines) between different processes and actors. The use of pools and lanes helps to clearly define the responsibilities and interactions within the system. This BPMN diagram shows the process flow, interactions, and responsibilities between the different actors in the gig economy.

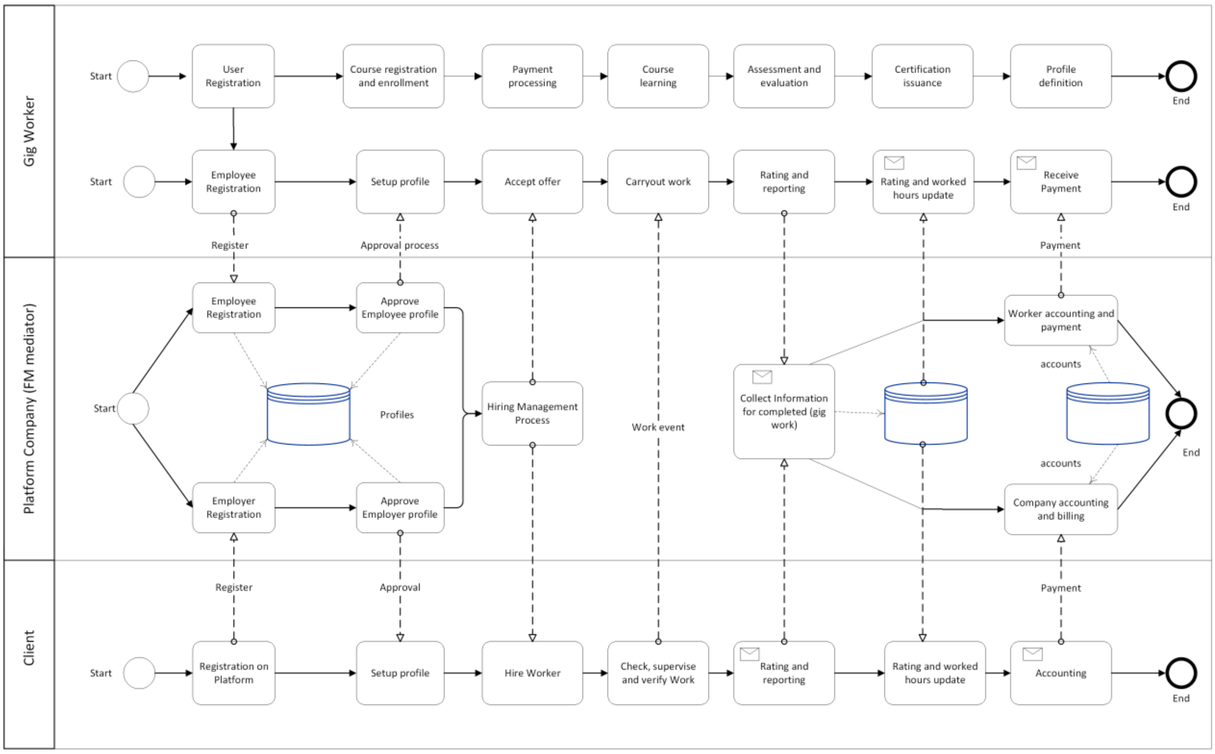

Figure 2: BPMN for platform based Facility management and Building maintenance

4.3. AI-Driven Optimization & Dynamic Allocation Engine (The Core Innovation)

Intelligent Service Matching & Allocation:

Inputs: Service Request (Type - plumbing, electrical, HVAC; Urgency; Location; Required Skills/Certifications; Client Preferences), Vendor Pool (Real-time Location; Skills/Certifications; Availability; Current Workload; Historical Performance Rating; Cost Profile; Client Ratings).

Algorithm: Multi-objective optimization algorithm (e.g., weighted scoring, constraint programming) balancing: Minimized Response Time, Minimized Cost (for client), Maximized Vendor Rating/Relevance, Maximized Vendor Utilization/Earnings, Geographic Proximity, Skill Match. Generates ranked shortlist for client selection or auto-assigns based on pre-set rules.

Real-Time Vendor Selection & Dynamic Pricing

Mechanism: Marketplace-driven pricing model. Base price influenced by service type complexity, standard rates. Dynamic adjustment based on real-time factors: **Demand-Supply Imbalance** (e.g., surge during rainy season for roof leaks), **Urgency Level** (client-defined priority), **Geographical Accessibility** (remote location premium), **Vendor Availability & Bidding** (optional feature for complex jobs). Provides transparency on pricing factors.

Intelligent Routing & Scheduling

Function: For vendors handling multiple jobs or platforms dispatching teams. Optimizes travel sequence considering: Job Locations, Job Durations/Time Windows, Real-time Traffic Conditions, Technician Skills (multi-skilled vs. specialist), Vehicle/Resource Constraints. Uses advanced routing algorithms (e.g., Vehicle Routing Problem solvers) to minimize total travel time/distance, reducing costs and emissions.

4.4. Predictive Maintenance Integration

Workflow: IoT sensors monitor critical assets (HVAC, elevators, generators). AI models analyze sensor data streams, identifying anomalies and predicting potential failures based on historical patterns and failure models. Automatically generates proactive service requests on the platform before breakdowns occur, specifying predicted issue and required expertise.

Technology Integration

- **IoT & Real-Time Monitoring:** Low-cost sensors deployed on critical assets for client control. Data transmitted via Low-Power Wide-Area Network (LPWAN) or cellular to the platform. Provides continuous health data for PdM and enables remote verification of work completion (e.g., confirming temperature normalization after HVAC repair).

- **Blockchain Implementation**

  Smart Contracts: Self-executing code deployed on a permissioned blockchain (e.g., Hyperledger Fabric for enterprise control). Automates: Service Agreement terms (SLA), Payment release upon client/vendor confirmation or IoT verification, Penalty clauses for delays/non-compliance.

  Immutable Records: Stores hashes of: Vendor certifications/licenses (verifiable credentials), Service History (work performed, parts used, costs), Client-Vendor Ratings & Reviews, Audit Trails. Ensures tamper-proof history for accountability and dispute resolution.

  Enhanced Trust: Provides transparency for clients on vendor track record and for vendors on payment guarantees.

Data Analytics & AI/ML Core

Centralized data lake storing all platform data (requests, transactions, sensor feeds, ratings). ML models continuously trained for: Improved failure prediction accuracy, refined matching algorithms, dynamic pricing calibration, identification of sustainability optimization opportunities (energy use patterns).

4.5. Workflow Automation (End-to-End Process)

- **Trigger:** Client submits manual request *or* IoT/PdM system generates automatic request.

- **Matching & Quoting:** AI Engine identifies suitable vendors, calculates dynamic price. Shortlisted vendors (or auto-assigned vendor) notified. Client receives quotes/assignment.

- **Booking & Contracting:** Client selects vendor/accepts assignment. Smart contract generated and digitally signed by both parties
- **Execution:** Vendor dispatched (optimized route if multi-job). Performs service. Logs details/evidence via app.
- **Verification:** Client inspects and confirms completion via app *or* IoT data confirms resolution or Hybrid. Photos/sensor data logged on blockchain.

To ensure data integrity and non-repudiation, a cryptographic hash is generated for the verification evidence (e.g., photos, sensor logs). This hash, which acts as a unique digital fingerprint, is logged on the blockchain alongside a timestamp. The actual files are stored off-chain in a secure database, while the on-chain hash provides a tamper-proof record for verification

- **Payment & Rating:** Smart contract triggers automatic payment release (escrow model). Two-way rating/review system activated. Performance data fed back into AI models.

4.6. User-Driven Ecosystem & Quality Control

- **Robust Rating System:** Multi-dimensional ratings (quality, timeliness, communication, cost-effectiveness) from both clients and vendors. Ratings heavily influence future matching and visibility within the platform.
- **Vendor Certification & Vetting***:* Rigorous onboarding process: Document verification (business license, trade certifications), background checks, skills assessment (potentially practical tests). Blockchain-stored verifiable credentials.
- **Performance Analytics & Tiering:** Vendors ranked based on performance KPIs (response time, completion rate, avg. rating, repeat business). Higher tiers get priority in matching and visibility.
- **Dispute Resolution Mechanism:** Clear, transparent process managed via platform admin, leveraging immutable blockchain records for evidence.

4.7. Sustainability Integration

Emission Reduction: Route optimization minimizes technician travel distances/times. Predictive maintenance prevents catastrophic failures requiring high-resource interventions.

Resource Optimization: IoT monitoring enables precise control of energy/water usage. Platform promotes vendors using sustainable practices/materials.

Reporting: Platform generates sustainability dashboards for clients (e.g., carbon savings from optimized routes, energy consumption trends).

5. Discussion: Implications, Challenges, and Mitigation

5.1. Potential Benefits

- **Operational Efficiency:** Dramatically reduced response times, optimized resource utilization (vendor time, travel), lower administrative burden via automation.

  * *Cost Reduction:* Competitive pricing through vendor marketplace, optimized scheduling/routing, reduced emergency repair costs via PdM, lower energy/water bills from optimized operations.

- **Enhanced Service Quality***:* Access to pre-vetted, rated vendors; Transparency drives accountability; Faster resolution times; Proactive maintenance improves asset reliability.

- **Increased Transparency:** Clear pricing breakdowns, visible vendor track records, immutable service history, open feedback loops.

- **Sustainability Gains:** Measurable reduction in carbon emissions (travel), optimized resource consumption (energy, water), extended asset lifespans.

- **Economic Empowerment:** Formalizes informal technicians, provides SMEs with access to a wider market, creates flexible work opportunities (gig model).

- **Smart City Alignment:** Provides the integrated data and efficient operations layer crucial for smart building and city infrastructure management.

5.2. Critical Challenges for Ethiopian Adoption

Platform Adoption & Digital Literacy

Adoption of the platform may face resistance from traditional vendors and clients, particularly due to low digital literacy among older workers and small businesses, a general lack of trust in digital systems, and a strong preference for familiar personal networks. To address these barriers, a phased rollout should begin with more digitally adept users such as large corporations and younger vendors. This should be supported by extensive training and support programs both online and offline along with pilot projects that clearly demonstrate cost and time savings. A user-friendly interface with support for local languages like Amharic and Oromo, coupled with an initial hybrid model that includes phone-based service requests, can further ease the transition, and build trust among hesitant users.

Regulatory & Policy Frameworks

The evolution of on-demand platforms raises regulatory concerns, including worker protection and data security, necessitating a framework for understanding their operational dynamics and implications for public policy (Popescu, 2024). Innovative models, provide insights into optimizing platform operations and understanding revenue dynamics, emphasizing the need for real-time data analysis (Dritsas, 2025). While on-demand platforms offer significant benefits to consumers and businesses, they also face challenges related to competition, regulation, and operational efficiency. The balance between these factors will shape the future landscape of on-demand services.

Implementing an AI-driven FM platform in Ethiopia faces key regulatory and workforce challenges. The absence of clear laws on digital labor platforms, liability ambiguity, underdeveloped data protection frameworks, and resistance from traditional industry bodies hinder adoption. Mitigation requires proactive policymaker engagement, advocacy highlighting economic and innovation benefits, clear platform governance aligned with emerging regulations, legal collaboration, and participation in regulatory sandbox initiatives.

Workforce-related barriers include limited digital skills, lack of IoT familiarity, job displacement concerns, and challenges integrating informal workers. These can be addressed through digital literacy and app usage training, partnerships with TVET institutions, transparent communication on new opportunities, gamified learning, and a tiered system rewarding higher skill levels with premium rates.

Data Privacy & Security

The platform faces challenges related to sensitive data exposure such as building layouts, usage patterns, and financial records along with cybersecurity risks and a lack of mature data protection culture. Evolving regulatory requirements further complicate compliance. Mitigation strategies include implementing strong cybersecurity measures (encryption, access controls), establishing transparent data governance policies, enabling user consent mechanisms, and using blockchain for secure credentialing and service history. Adopting GDPR principles as a baseline and conducting regular security audits will further strengthen data privacy and regulatory compliance.

Initial Investment & Business Model Sustainability

High upfront costs for platform development, IoT integration, and marketing, along with uncertainty around revenue models and funding in a nascent market, pose major challenges. Demonstrating ROI to attract users is also critical.

Mitigation includes pursuing grants and venture funding, adopting phased implementation starting with an MVP, offering flexible pricing (e.g., tiered commissions), piloting to show ROI, and partnering with property managers as early anchor clients.

Standardization & Quality Assurance

Ensuring consistent service quality across vendors, standardizing service scopes and pricing, and preventing fraudulent ratings are key issues. Solutions involve strict vendor certification, clear SLAs, a standardized service catalog, rating fraud detection algorithms, a multi-dimensional review system, and mystery shopper audits.

6. Conclusion and Future Work

Summary of Key Findings

This paper addressed the critical gap in the digital transformation of Facility Management by proposing an innovative AI-driven platform model tailored for Ethiopia. By systematically reviewing best practices from thriving platform economies (ride-hailing, logistics) and nascent digital FM initiatives, we identified core success factors

AI-driven dynamic allocation, real-time optimization, transparent marketplaces, and user feedback loops and translated them into a comprehensive conceptual framework. The proposed **"Ethio-FM&BM Platform"** leverages AI for intelligent matching, pricing, and routing; IoT for real-time monitoring and predictive maintenance; and blockchain for trust, automation, and immutability. This integrated approach promises significant benefits: enhanced efficiency, cost reduction, improved service quality, greater transparency, sustainability gains, and empowerment of the FM workforce, directly supporting Ethiopia's smart city and digital economy aspirations.

6.2. Contributions

Theoretical: Bridges the gap between platform economy theory and FM practice; Provides a structured framework for applying cross-industry digital innovations to complex service domains; Advances understanding of digital transformation in FM within emerging economy contexts.
Practical: Offers a concrete roadmap for implementing a digital FM marketplace in Ethiopia; Highlights specific technologies (AI, IoT, Blockchain) and their integration points; Identifies actionable strategies to overcome adoption barriers; Provides policymakers with insights into regulatory needs.

Limitations: The model presented is conceptual and requires empirical validation. Findings are heavily reliant on secondary data for the Ethiopian context; primary data collection would strengthen contextual analysis. The model's scalability across diverse Ethiopian regions (urban/rural) needs further investigation. The focus is primarily on maintenance services; expansion to soft FM (cleaning, security) requires additional consideration.

7. Future Research Directions

- **MVP Development & Pilot Testing:** Design, develop, and deploy a Minimum Viable Product (MVP) focusing on core functionalities (matching, booking, payment, rating) for a specific service (e.g., plumbing) in Addis Ababa. Conduct rigorous pilot studies to measure KPIs (response time, cost savings, user satisfaction, emission reduction).
- **Ethiopian Context Deep Dive:** Conduct large-scale surveys and interviews with key stakeholders (building owners, facility managers, maintenance technicians,

policymakers) to gather primary data on needs, perceptions, and barriers specific to the Ethiopian FM sector.

- **Algorithm Refinement for Local Constraints:** Develop and test AI algorithms specifically optimized for Ethiopian infrastructure constraints (intermittent connectivity, data scarcity, traffic patterns) and market characteristics (vendor density, pricing sensitivity).
- **Business Model Validation:** Explore and validate sustainable revenue models (commission structures, subscription tiers, premium features) through market analysis and pilot feedback. Analyze platform economics thoroughly.
- **Integration & Scalability Studies:** Investigate integration with national systems (e.g., digital ID, tax systems) and other smart city platforms. Develop strategies for scaling the platform to secondary cities and rural areas, considering connectivity challenges.
- **Longitudinal Impact Studies:** Assess the long-term socio-economic impact of the platform on the FM workforce (income stability, formalization, skill development) and on building performance/sustainability over time.
- **Expansion to Soft FM & Integrated Services:** Research the applicability and adaptation of the model for soft FM services and explore synergies with integrated workplace management systems (IWMS).

Final Remarks

The digital transformation of Facility Management is not merely an option but a necessity for building resilient, efficient, and sustainable urban environments in Ethiopia and beyond. The proposed AI-driven platform model presents a viable pathway to overcome fragmentation and inefficiency, harnessing the power of digital technologies and platform economics. By embracing this future-proof approach, Ethiopia can position itself at the forefront of smart and sustainable facility management in Africa, unlocking significant economic, social, and environmental value. The journey requires collaboration between technology providers, FM professionals, policymakers, and academia to turn this conceptual roadmap into tangible reality.

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