

Case Study: National Retailer (Footwear)

ServiceChannel Improves FM Operations at Cole Haan Retail Stores through More Transparency and Improved Communications



Highlights

CLOSED-LOOP COMMUNICATIONS PROCESS between company and service providers drives better vendor performance and more efficient FM operations

INTUITIVE, EASY-TO-USE PLATFORM encourages wider use among store employees and service providers

REAL-TIME AND HISTORIC DATA enables fact-based vendor performance reviews void of emotions

Quantifiable Results

- 48%** LESS IN FACILITIES R&M SPEND PER STORE
- 19%** REDUCTION IN AVERAGE INVOICE AMOUNT OVER A TWO-YEAR PERIOD
- 36%** DECREASE IN OPEN WORK ORDERS FULL-RESOLUTION TIME

Customer

Cole Haan is a global lifestyle brand with a focus on men's and women's footwear and accessories. Founded in 1928, Cole Haan currently has headquarters in both New York City and Greenland, NH. The company operates more

COLE HAAN

than 100 retail store locations as well as selling through retailers such as Nordstrom, Shoe Carnival, Zappos, Macy's, Lord & Taylor, Neiman Marcus, Hudson's Bay Company and other department stores and independent stores nationwide.

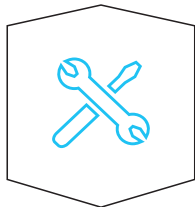
Challenges

The Cole Haan Retail FM department is a team of one. As such, its facilities manager requires that the service providers and the store employees use tools properly and follow the correct procedures at all times in order to ensure maximum levels of operational efficiency and to overcome challenges such as:

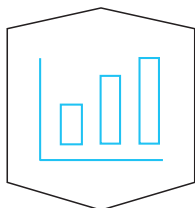
- The right service provider not being dispatched for a given work order
- Limited visibility into the FM operations to track results against key performance indicators (KPI)
- Inability to formalize a vendor management and performance tracking program



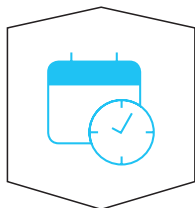
National Retailer (Footwear)



Work Order Manager



Analytics



Planned Maintenance Manager



Contractor Scorecard

Goals

One of the most important goals for its FM operations was the ability to **implement a closed-loop communications process** between the company (FM and other internal users) and its network of service providers through the ServiceChannel platform. Specific goals included:

- Understanding where the company was spending and where it could save
- Tracking work performed against spending, not to exceed (NTE) and service level agreement (SLA) targets
- Organizing work orders by priority in order to save time and money
- Using real-time and historic data available in the platform to analyze vendor performance over an extended time period and on a regular basis for performance reviews
- Leveraging multimedia assets (e.g. photos) to enhance work order processing and tracking

Solution

The department conducts due diligence on a regular basis to ensure that its service providers and store employees use the **Service Automation** platform to its maximum potential. Key functionality for them includes:

- **Work Order Manager** to initiate, track and settle work orders as well as enhancing them with multimedia assets (photos) to help the FM and service providers determine urgency levels for an issue.
- **Analytics Standard** to generate data and reports that are now shared with district managers who are responsible for store operations. This data sharing has been implemented in recent years and has generated positive feedback from store executives. Reports are also provided to management showing what costs are and let them drill into whatever trades are most relevant.
- **Planned Maintenance Manager** for establishing a “set-it-and-forget-it” approach to routine work orders such as HVAC inspections, robust facilities cleaning, replacing water filters, etc.
- **Contractor Scorecard** as the key objective document in what is now a formal vendor performance management program that is both data-driven and fact-based for both the company and the service providers.

“ServiceChannel is a great tool for capturing data for giving us better visibility into issues and best solutions across our stores. It has also enabled us to share this data easily with other departments, which they appreciate.”

—Eric Korth, Facilities Manager,
Cole Haan Retail
Facilities Management



National Retailer (Footwear)

Benefits

A key benefit of using ServiceChannel has been the fact that so many service providers that Cole Haan relies on are **already familiar with the platform**. The platform's ease-of-use helps promote wider adoption among service providers and company employees, which has enabled Cole Haan to have retail staff **focus exclusively on selling** and achieve **FM operations benefits** such as:

- Improved visibility into issues and possible solutions at all retail stores in real-time. This helps the FM team sort issues by priorities so unnecessary 'emergency' repair costs are not incurred
- Improved communications between the stores and service providers, especially in terms of important updates on the status of open work orders
- Improved vendor performance with formal, data-driven reviews, enabling consolidation as required while rewarding high-performers with more business

"It's so easy to use ServiceChannel and so many people here use it, even without formal training. The system is easy enough that I could use it from the first time."

Results

Implementing ServiceChannel has **driven cost savings** and **improved Cole Haan's retail facilities management operations** across a number of KPIs highlighted by:

- 48% reduction in facilities R&M spend per store (over two year period)
- 34% reduction in repair spend per store (over two year period)
- 19% reduction in average invoice amount (over a two-year period)
- 36% decrease in full-resolution time (in days) for open work orders

"ServiceChannel is my number one platform for organizing my day. I start and end my day with it."

—Eric Korth, Facilities Manager,
Cole Haan Retail Facilities Management

About ServiceChannel

ServiceChannel provides facilities managers with a single platform to source, procure, manage and pay for repair and maintenance services from commercial contractors across their enterprise. By delivering unprecedented transparency and data-driven analytics of service quality, across all trades, locations and contractors, facilities managers drive significant brand equity and ROI for their organizations without outsourcing or investing in new infrastructure. The world's leading global brands use ServiceChannel solutions daily to help optimize millions of transactions and billions of dollars of spend annually.

