

Case Study

real estate

RICOH
imagine. change.

Real Estate Services Provider

Ricoh's Customer Communications Management & Mail Services used innovation and efficiency to reduce costs by 30 percent.

"I wouldn't change anything about the mail and workplace productivity services implementations with Ricoh."

—Strategic Sourcing Manager
for leading real estate
services provider

ABOUT THE CUSTOMER

Nearly half of the 75,000-plus employees of this Fortune 500 corporation are dedicated to ensuring attractive and reliable workplaces—day in and day out—for the facilities they manage. It's a thriving business segment for the world's largest commercial real estate services and investment firm headquartered on the West Coast, with total revenue topping \$13 billion.

But size and stature don't make the company immune to the typical pitfalls of enterprise facilities management. There are challenges managing the multitude of third-party services providers for each facility. Overstaffing by service providers is common—driving up costs. And entrenched and stale thinking can lead to inefficient people, processes and technology.

Also—the industry model for facilities management had shifted. Increasingly, traditional facility services such as landscaping, janitorial and engineering support were being integrated with emerging areas of responsibility such as mail, cafeteria and conference room management. More and more, providers like this real estate services firm were taking on integrated facilities management roles.

CHALLENGE

- **Subcontractors working at 180 sites were reactive and not focused on continuous improvement**
- **Often, there were four times more subcontracted staff members than necessary**
- **No process to reduce unwanted mail or efficiently deliver packages**
- **Contract requirement to achieve specific cost savings or cover the difference—while delivering white-glove service**

The Fortune 500 corporation had 180 sites across North America and the services provider inherited a multitude of subcontractors and their workforces—some of whom were complacent, reactive and not focused on continuous improvement. And there was overstaffing, with four times more workers than necessary.

At the corporation's Southeastern facility—where the service provider managed mail and package handling, conference room and call center services as well as A/V support—mail had become especially problematic. There was no effort to optimize processes to reduce junk mail and large package delivery was often delayed. Furthermore, daily mail and package deliveries to corporate employees took several hours and seven daily runs—when it should have taken no more than an hour and two to three runs.

The service provider's integrated facilities management service agreements also required them to deliver various levels of cost savings each year. If those levels weren't achieved, they had to write a check to the corporation for the difference—and still deliver white-glove service. It was the perfect storm that led the services provider to explore a partnership with Ricoh for

Case Study

mail and workplace productivity services.

RESULTS

- **Reduced overall costs by 30 percent**
- **Optimized support infrastructure, eliminated redundancies and inefficiencies, improved operations**
- **Fewer daily mail runs, white-glove service**
- **Efficient, fast-paced environment with less staff**
- **Confidence to bring Ricoh into more facilities and other accounts**

Ricoh leveraged people, process, technology and pricing to reduce costs for the services provider and deliver white-glove service at the Southeast site. We also achieved the 30 percent cost savings originally projected. As a result, we now have 31 full-time employees dedicated to providing mail and workplace productivity services to the service provider's facilities in the Southeast, Midwest, East Coast and South Central U.S.

The provider's culture has been transformed to accommodate the fast-paced environment, with processes and technology to help employees be more efficient with fewer staff. We're now working with the services provider to bring even more innovation to an East Coast facility. This innovation—along with our ability to deliver on all of our promises—has led to a strategic supplier agreement between Ricoh and the services provider. Now, we have the opportunity to build relationships with people at more facilities and other accounts.

HOW WE DID IT

- **On-site assessments, reporting reviews and observing day-to-day practices at two corporate facilities**
- **Pilot tested Ricoh's Customer Communications Management & Mail Services at a large facility**
- **Relocated unused Intelligent Lockers from vacated facility to main building for corporate package delivery**
- **Streamlined mail delivery to employees and executives, posted outbound mail**
- **Automated security and suspicious package containment, outgoing mail and packages, signature capture and facilities requests**
- **Took over legacy software for conference room booking, catering requests and teleconferencing needs**
- **Developed a tiered pricing model that provided percentage discounts as billings increase**

We began by conducting on-site assessments at a large facility in the Southeast and a smaller site in South Central U.S. Through on-site analysis, reviewing previous reporting and observing day-to-day practices, we determined the incumbent mail services provider in the large facility was overstaffed and recommended the staff be trimmed from 13 to eight people. Furthermore, we projected that by reducing staff, optimizing processes and implementing new technology would reduce overall costs by 30 percent.

To prove this cost savings could be achieved, we conducted a pilot test of Ricoh's Customer Communications Management & Mail Services at the Southeast facility. There, we leveraged metrics, optimized their support infrastructure and eliminated redundancies and inefficiencies to achieve operating improvements. Eliminating manual processes and implementing technology drove additional cost savings. For example, by relocating Intelligent Lockers at a vacated facility to the main building, we were able to eliminate multiple delivery attempts and enhance corporate package delivery.

Case Study

RICOH
imagine. change.

Making just two to three runs throughout the mile-long campus, we streamlined mail delivery—handling nearly 7,000 pieces of incoming USPS mail, more than 1,200 pieces of outgoing mail and approximately 1,400 incoming packages. We implemented technology for security and suspicious package containment, staffed a centralized walk-up window with shipping request forms, installed mailing technology and a shipping station for outgoing mail and packages, and implemented four handheld devices for signature capture upon delivery. We also took over legacy software for conference room booking, catering requests and teleconferencing needs. When the services provider asked us to sharpen our pencils on pricing, we developed a tiered pricing model that gave them a percentage discount as Ricoh takes on more facilities and billings increase.

“I was skeptical at first because Ricoh’s cost saving estimate—cutting costs by almost one-third—was very optimistic. We’d never seen numbers that high.”

www.ricoh-usa.com

Learn more about Ricoh Services and Solutions or contact us

Ricoh USA, Inc. 70 Valley Stream Parkway, Malvern PA 19355 | 1-800-63-RICOH
CS-273-RIC ©2018 Ricoh USA, Inc. All rights reserved. Ricoh® and the Ricoh logo are registered trademarks of Ricoh Company, Ltd. All other trademarks are the property of their respective owners. The content of this document, and the appearance, features and specifications of Ricoh products and services are subject to change from time to time without notice. Products are shown with optional features. While care has been taken to ensure the accuracy of this information, Ricoh makes no representation or warranties about the accuracy, completeness or adequacy of the information contained herein, and shall not be liable for any errors or omissions in these materials. Actual results will vary depending upon use of the products and services, and the conditions and factors affecting performance. The only warranties for Ricoh products and services are as set forth in the express warranty statements accompanying them.