

Case Study: Real Estate Services Provider

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

About our customer

This global real estate services and investments firm provides facility management solutions, consulting services, property management and development for occupiers and investors alike. A staple in the Fortune 500, the firm consistently leads the real estate landscape with decades of knowledge and practice at their hands.

"I wouldn't change anything about the mail and workplace productivity services implementation with Ricoh."
— Strategic Sourcing Manager

Their facilities management is a thriving business segment for the world's largest commercial real estate firm headquartered on the West Coast, with total revenue topping $13 billion. Nearly half of their employees are dedicated to ensuring attractive and reliable workplaces for the facilities they manage.

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 industry model for facility management solutions shifted as the growing adoption of hybrid work changed priorities. 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.

The firm had 180 sites across North America and they inherited a multitude of subcontractors and their workforces — some of whom were complacent and not focused on continuous improvement. There was also 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 shift to hybrid work complicated matters even more because of the influx of package deliveries and unsustainable methods to get them to hybrid and fully remote employees on time.

"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, but the results speak for themselves."

—Strategic Sourcing Manager

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 mail and workplace productivity services.

Results

- Reduced overall costs by 30%
- 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 and deliver white-glove service at the Southeast site. We also achieved the 30% 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 which 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 mailing services
- 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
- Managed legacy software for conference room booking, catering requests and teleconferencing needs
- Developed a tiered pricing model that provided percentage discounts as billings increase

Ricoh conducted on-site assessments in a Southeastern facility and a smaller site in South Central U.S., reviewing previous reporting and observing day-to-day practices. The incumbent mail service provider was overstaffed, and later trimmed from 13 to eight people. Furthermore, we projected that reducing staff, optimizing processes and implementing new technology would reduce overall costs by 30%.

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 mailing services.

By 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 upon delivery. We also managed legacy software for facility management solutions such as conference room booking, catering requests and teleconferencing needs. Lastly, we developed a tiered pricing model that gave them a percentage discount as our team takes on more facilities and billings increase.

To learn how Ricoh's Ricoh's Customer Communications Management & Mail Services, Intelligent Lockers and Meeting Room Services can benefit your organization, visit ricoh-usa.com.

RICOH
imagine. change.

Ricoh USA, Inc. 300 Eagleview Boulevard, Exton, PA 19341 | 1-800-63-RICOH
CS-273-RIC better patient experience. This has had far-reaching effects including enabling faster procedure approvals, improving claims resolution rate, and aiding auditing compliance.
©2023 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.