

ALBERTSONS COMPANIES

Albertsons Floor-Care System Success Story: Better-looking Floors, Significant Savings and Reduced Paperwork

BUSINESS OVERVIEW

Albertsons, one of the largest food and drug retailers, realized that floor care at each of their 1,800+ facilities was not only one of their most costly facilities expenses, but also a service that lacked clear metrics. The combination of a costly, regular expense, coupled with poor visibility into the process led to uncertainty around the value being received for millions of dollars spent each year.

THE CHALLENGE

Floor-care services were being performed 5-7 nights per week in every store, plus there were periodic deep scrubs and strips to track. With all of these services occurring at once, there was no effective way to monitor if work was actually getting done, and if so, if the service was being performed under the negotiated contracted terms.

Albertsons wanted to:

1. Ensure that floor-care vendors arrived on-site and completed each and every service.
2. Ensure that floor-care vendors fulfilled their contracted terms by allocating a sufficient crew for the agreed on amount of time, which ensured that

the proper services rendered were at a high level of quality.

3. Give their store managers an easy way to provide feedback and voice a complaint when services were not completed.
4. Only pay for work that was actually performed as opposed to paying the full contracted rate and having to negotiate credits after the fact.

THE SOLUTION

Corrigo worked with Albertsons to deliver a solution that provided a high level of insight into their floor-care operations. The two-step approach included:

1. Implementing a requirement that floor-care vendors must confirm on-site arrival for every store visit through either IVR or GPS Smartphone enabled Check-In/Check-Out.
2. Providing visibility – at the store level, at the national facilities team level, and back at the home offices of the floor care crews – to each and every scheduled and performed visit.



- Saves tens of thousands of dollars a month and avoids need for clawbacks in the event of vendor non-performance
- Noted improvement in overall condition of floors
- Confirms which floor vendors are performing to brand standards
- Vendor arrival and departure times confirmed with time-stamp and geo-location...visible to individual stores, Albertson's national facilities team and vendors
- Periodic invoice reports automatically generated and sent to vendors to streamline reconciliation of exceptions

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HOW IT WORKS

Floor-care vendors are required to:

1. Upon arrival, check-in, either through the store's assigned IVR phone or through a GPS enabled Smartphone device.
2. Upon work completion, check-out, which provides a duration time for the service performed.

Albertsons established a few basic terms with each of their floor-care providers in relation to verifying on-site arrival and departure:

1. If you do not check-in or check-out while on-site we assume you never came to perform the service, and thus, should not get paid.
2. If you do check-in and check-out, but perform the work within a short and unreasonable duration of time, or call in from a non-store phone, the work is automatically labeled as "bad," and thus, you should not get paid.
3. If the store manager formally objects to the performance of a visit, the work gets labeled as "bad."
4. Periodic invoice reports are automatically generated and sent to the providers, sub-totaling for each store, the amount that will be paid for a given period.

5. If a vendor feels there is discrepancy in the invoice report, they simply need to speak with the store manager who, at their discretion, can correct and override any "bad" ratings.

THE RESULT

Over the course of a few months Albertsons was able to successfully implement this process into over 1,400 stores across North America and has seen a steady march towards 100% program compliance, and a corresponding improvement in the overall condition of their floors.

While Albertsons would much rather pay the fully contracted amounts, thus ensuring proper floor (and brand image) maintenance, they have a tool which saves them tens of thousands of dollars a month that otherwise would have had to be clawed back through charge-backs. On top of this, Albertsons can now effectively measure which floor-care vendors are performing work to the required brand standard and fully justify the costs of their most expensive facility service program.

About Corrigo

The world's most successful facilities management companies and facilities management teams choose the Corrigo platform to improve their own results year after year. Corrigo provides a new approach to facilities maintenance that can improve the P&L at every location you manage.

More than just CMMS, the powerful Corrigo Enterprise platform, mobile apps and advanced analytics get paperwork out of the way of your productivity.

Facilities teams trust Corrigo Enterprise to manage vendor relationships, technicians, and assets with equal ease. The platform enables visibility and control over repair and maintenance (R&M) costs, and managing cost against impacts to operations and the brand experience.

Keeping locations open, equipment in service, and the physical environment on-brand, the Corrigo platform delivers operational and P&L improvement for multi-location clients across industries including restaurant, retail, property management, retail petroleum, healthcare, and many others.

Get the maximum P&L contribution from every facilities maintenance and repair investment. Get Connected to Corrigo.