

Why Pay Retail?

Saving 20 percent on your Facilities Management Spend.

As facilities management budgets shrink and customer expectations grow, high-end multi-site retailers across the country face a variety of challenges staying competitive in a crowded marketplace. Keeping a focus on profit and loss margins while maintaining the finer points of the customer experience is challenging, and retailers are faced with difficult decisions in order to maintain profitability. The pressure to realize savings while maintaining the experience customers demand has never been higher, and retailers must find innovative ways to strike that balance.



The Helzberg Diamonds Retail Experience

With retail locations across the United States, Helzberg Diamonds is one of the nation's leading fine jewelry, precious gems and watch retailers. But in addition to the traditional selling points of a fine jewelry retailer, Helzberg focuses on the ambient environment of each store—plush carpeting, direct and indirect spotlighting, comfortable temperatures and enticing product showcases. These specific facilities maintenance details, often taken for granted by shoppers, are an integral part of the Helzberg retail experience.

The facilities management issues facing Helzberg aren't unique to the jeweler; the recent economic slowdown has caused belts to tighten across the board, including a reduction in Helzberg's allotted annual facilities management spend. In order to achieve the reduction while minimizing the impact on the shopping experience, a strategic approach is required—an approach that better manages labor cost, sets reasonable service thresholds and makes the most of each service visit.

The retail market is very competitive, and every advantage you can gain helps. That's why, like many other multi-site organizations, Helzberg trusts its facilities management operations to First Service Networks.

A Strategic Partnership at Every Level

Helzberg Diamonds engaged First Service Networks to determine how best to manage their multi-site facilities management concerns. To that end, First Service Networks offered a series of innovative processes and solutions based on the unique, proprietary Fusion™ approach to facilities management.

The Fusion™ approach offers a variety of customizable and innovative solution-based methodologies that maximize the resources and requirements of multi-site facilities management, including competitive local labor sourcing, personalized relationships driven by First Service Networks' service centers, and the myFSN web-portal. These strategies, and the data and analytics behind their success, are the backbone of First Service Networks' Fusion™ approach.

"Helzberg Diamonds has partnered with First Service Networks to handle our facilities management needs for the past four years," says Joe Goss, Director of Construction at Helzberg. "First Service Networks is accountable for virtually all facets of our day-to-day and preventative facilities maintenance, including windows, janitorial, showcases, carpets, doors and HVAC.

"In four years we've seen our total facilities spend reduced by more than 20 percent, matching both our projections and our expectations while strategically helping us prioritize our schedules and maintenance concerns. Those are real numbers, and that cost savings is substantial."

The results speak for themselves—here's how Helzberg and First Service Networks achieved them together.

Competitive Local Labor Sourcing Creates Better Cost Control

When first reviewing Helzberg Diamonds' facilities management needs, it became apparent the company could save money on contractors and service visits. With sites all across the United States, each with regular and situational maintenance, the organization's facilities management budget was being consumed piecemeal, with job costs being inflated by broker mark-ups and ancillary costs such as excess fuel, truck, trip charges and materials price mark-ups of more than 100 percent. Without an over-arching strategy behind local vendor procurement or price certainty, there was no way to effectively budget an entire year of service requests.

“We couldn't achieve that kind of guaranteed efficiency without First Service Networks.”

First Service Networks' Fusion™ approach offered a clear solution with its processes for competitive, local labor sourcing.

First Service Networks uses detailed analytics and historical data to ensure selected high-quality local vendors are charging market-appropriate pricing for the day-to-day repairs that make up a large part of their strategic partners' facilities management budgets. Prior to Fusion™, Helzberg had to rely almost exclusively on brokers and regional vendors to perform janitorial, electrical, carpet cleaning and HVAC service tasks. Costs varied greatly, and with no standard service thresholds, vendors were called intermittently, driving costs even higher.

Fusion's™ competitive local labor sourcing allows First Service Networks to source local vendors, which provides a pool of qualified vendors adhering to pre-negotiated and enforced rates, and removes hidden costs to ensure Helzberg gets the most-competitively priced, high-quality vendor for each task. Resulting in consistent costing, strategic scheduling and lower overall labor and materials costs, while maintaining the retail experience Helzberg customers have come to expect.

For Helzberg, incorporating Fusion's competitive labor sourcing eliminated the added cost of dealing with a broker, “extras” charged by vendors, and in the case of electrical

subcontractors, has reduced its lighting maintenance spend by almost 10 percent year over year.

“First Service Networks has eliminated the guess work from our vendor sourcing,” says Goss. “We're now working to build in value-added efficiencies with our vendors—for example, our electrical vendors guarantee they will carry specific bulbs and ballasts on all Helzberg service calls; if they don't, the return trip is no cost to us.

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Dedicated Service Centers Trusted to Get the Job Done

Another aspect of First Service Networks' industry-leading Fusion™ approach is dedicated service centers. First Service Networks' unique service center approach helps maintain high service by creating a level of trust and alignment between the First Service Networks staff and the staff they work with at each of the client partners.

Dedicated service centers are a key to the success of the Fusion™ approach—reflecting a deep sense of corporate intimacy beyond the typical vendor relationship. First Service Networks' service center staff becomes an extension of the company they serve, reacting to and anticipating service calls and solutions, and working to streamline every service request. And by processing hundreds of thousands of service requests annually, First Service Networks' service centers have perfected the art of managing service requests from the initial call through completion and even post-call reporting.

First Service Networks' Dallas service center worked closely with Helzberg's construction and design teams to make suggestions regarding the best lighting strategy to maximize product shine and customer appeal, determining what bulb worked best under what environment while managing to budget. A solution was created before a problem was realized—that's the power of First Service Networks' dedicated service centers.

That type of success further bonded the Helzberg Diamonds and First Service Networks teams.

“Our customers’ in-store experience remains very positive and we’re spending our facilities management dollars more effectively.”

“First Service Networks’ service center handles service requests from our managers and their staff has developed strong working relationships with our team,” says Goss. “The key to those relationships is trust—the managers know the First Service Networks staff will manage calls and requests through completion, giving our management team great peace of mind.”

MyFSN Web Portal Tracks All Activity and Improvements

Another large part of First Service Networks’ Fusion™ integration and customization for Helzberg Diamonds has been the use of the myFSN® web portal, which gives real-time visibility into each aspect of the facilities management process, including site history, service request history, itemized invoices and complete asset inventory.

Watch to discover more about MyFSN.



Manage activity and spending



With regional managers having increased access to each facet of the operational process, basic cost-savings strategies became apparent. Fusion™ helped Helzberg set a new electrical replacement threshold and carpet cleaning was optimized to before Christmas and Valentine’s Day, two traditionally busy times for Helzberg when stores need to look their best.

The results of the myFSN portal integration at Helzberg have been felt across the organization. The data and analytics in the myFSN portal allows for better strategy, reducing costs without negatively impacting service levels.

“The myFSN portal allows us to be more strategic in our decision making, showing us where the real costs lie and how we can address those costs without impacting the customer experience in our stores,” says Goss. “Our regional managers get real-time, useable data, which has removed a lot of the risk from our facilities management budget.”

10 Percent Facilities Management Costs-savings, Guaranteed

The savings realized by Helzberg Diamonds through First Service Networks is uniquely attributable to the innovative Fusion™ approach. Through the combination of competitive local labor sourcing, dedicated service centers and the myFSN portal, Helzberg Diamonds has realized an overall reduction in its facilities management spend of more than 20 percent.

In a crowded retail marketplace, a 20 percent cost savings is huge, and offers Helzberg a competitive advantage without negatively impacting its high-end customer experience.

Joe Goss describes the nature of Helzberg’s relationship with First Service Networks best.

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Connect with First Service Networks today to find out how you can start saving a minimum of 10 percent on facilities management.

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