

ARCHIBUS Success Story



Pirelli Improves Property Management for Italian Government with ARCHIBUS

A division of Italy's famed conglomerate known primarily for their premium automobile tires, Pirelli is also one of that country's top real estate development and management firms.

The company currently has a €15.3 billion (nearly \$21 billion USD) portfolio of residential and commercial properties under management in Italy, Poland, and Germany. €3.8 billion (over \$5 billion USD) of that portfolio is owned by Pirelli.

As important a player as Pirelli is in private sector property management, they gained unprecedented public sector traction when they recently won, within a 24-month period, government contracts worth €260 million (over \$360 million USD) for managing the offices of 350 federal and local public sector agency clients. The contracts entail the management of over 3,000 buildings, representing 5,000,000 square meters (approximately 50,000,000 square feet) of space, and oversight of more than 4,500 service-specific contracts.

In order to better serve their new clients, Pirelli embarked on a business process reengineering project. They chose ARCHIBUS as the central platform for integrated management of their many, demanding public sector accounts.

"One of the most important reasons the Italian government chose Pirelli as a partner," says Pirelli's Alessandro Barni, "was the promise to implement and use ARCHIBUS."

Simplifying, Integrating Management Processes

To simplify oversight of their new public sector contracts while also optimizing service quality, Pirelli wanted to integrate a range of contract management processes through a unique, comprehensive database containing all building and equipment information. They also needed a better way to monitor management costs and revenues.

With the help of Italian Business Partner eFM, ARCHIBUS Project Management became the technology foundation Pirelli now uses to manage administration of their government contracts.

From there, Pirelli also implemented ARCHIBUS Space Management to streamline space data collection and analysis for buildings under management. Automated data collection and extraction (in Excel and



Vital Statistics

Organization:

Pirelli Real Estate

Location:

Milan, Italy

Facilities Facts:

€15.3 billion of commercial and residential real estate under management in Italy, Germany and Poland; €260 million in new government contracts managing 3,000 buildings comprising 5,000,000 sq. m. of space, and oversight of 4,500 service contracts

ARCHIBUS Applications:

Project Management, Space Management, Building Operations Management

Reasons for Implementing:

Business process reengineering to better service 350 government client entities acquired within a 24-month period

ARCHIBUS ERP Integration:

Internally developed financial management software

Benefits Gained:

Centralized information, improved information sharing, enhanced unplanned and preventive maintenance processes

Business Partner:

eFM

Web Site:

www.pirellire.com

PDF formats) as well as more sophisticated capabilities for visualizing building floors, rooms, and equipment made a dramatic improvement in Pirelli's ability to "see" what their data actually meant in physical and financial dimensions.

Finally, ARCHIBUS Building Operations Management was added to manage the 10,000 work requests Pirelli receives annually from their public sector clients, as well as to administer 300,000 preventive maintenance work orders and related contractual KPIs throughout the nation. A service desk function supports company employees who manage the many work requests coming from the public administration offices. Service desk staff take care of the entire request process which includes initial intake, opening of maintenance tickets, and close-out of tickets once work is completed.

The preventive maintenance (PM) process, says Barni, has provided several key advantages including on-time reliable maintenance, real-time monitoring of preventive maintenance projects and progress, and a reduction in systems and equipment failures. A single screen makes it possible to know the planned maintenance schedule for each piece of equipment in each building under management.

Systems Integration, Knowledge Diffusion

"The joint Pirelli-eFM team was able to achieve its performance goals through systems integration for centralized and improved information access and sharing that enabled continuous improvement," Barni points out.

A key part of the overall project, and an additional reason for their success, was a "knowledge diffusion" component centered on client training in the use of ARCHIBUS to support management best practices. Over 50 training courses were held on different topics and were attended by more than 450 end-users, building managers, vendors, and others throughout Italy.

Systems integration also included development of custom interfaces to Pirelli's internal financial management systems as well as links to Microsoft Outlook and to workers' mobile phones using SMS technology. When work requests are entered into the Building Operations Management system, an e-mail is automatically sent with a work order attachment. Work orders are received by both the building manager and members of the maintenance team.

The availability of relevant information for maintenance and other purposes is also fostered by more detailed facility visualization, using the Autodesk DWF format, which allows distribution of drawings over the Internet.

"Thanks to ARCHIBUS implementation, they (Pirelli) are able to monitor: project timing, estimating and management; contract administration and the many contract changes that occur; vendor services, and much more all on a single central platform," reports Barni. "We're also able to mitigate risk because we can know, in real-time, service provider performance, work order status, building condition, and other KPI benchmarks that help us improve customer service and revenues while containing costs."

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—Alessandro Barni
Pirelli Real Estate

