The problem of asset maintenance

Gruppo Coin has more than 1,000 stores in Italy and abroad. With all those points of sale, there are a lot of assets to manage, including electrical and air conditioning plants; smoke detection, fire safety, and alarm systems; public address and sound systems; hoisting systems; and the hardware for its data transmission systems.

The company traditionally has worked with 20 external companies to manage the maintenance of these systems and equipment, and has specific Service Level Agreement (SLA) contracts with the suppliers. These maintenance companies work closely with Gruppo Coin’s store managers, area technical assistants, and central technical management. Gruppo Coin’s sites aren’t very large, and none of them requires the daily presence of internal maintenance specialists.

Scheduled maintenance procedures, depending on the circumstances, may be performed weekly, biweekly, or monthly. Hence, strict scheduling of these activities is important. In case of alarms or requests for extraordinary procedures, on-staff personnel (like the store manager) request help from the external maintenance company.

In order to control and monitor the situation in the past, someone had to manage the handoff between the site that generated a call, the external company that received the call and performed the maintenance, and the internal technical department. The technical team is made up of 20 specialists who must keep track of all of these activity flows, so they can verify the technical necessity and suitability of the calls and service procedures. Moreover, they must constantly monitor the activities to avoid additional and unjustified costs.

These external companies relied on Excel spreadsheets and Word files sent by email, text messages, and telephone calls to manage both planned and extraordinary maintenance activities.

“These were absolutely insufficient tools for guaranteeing that our technical services provided suitable and effective monitoring and control over the maintenance services,” explained Andrea Scussel, the engineer who heads Gruppo Coin Technical Services.
"Actually, this lack of specialized tools made it impossible to precisely check and analyze compliance by our external suppliers with the services stipulated in the SLA contracts, and therefore, it was also impossible to keep track of actual costs and overall efficiency of the services."

Defining their objectives

In light of the limitations of these management, control, and monitoring activities, Scussel and his team decided to define their priorities and set out these objectives:

- Creation of a database, starting from a detailed list of the assets found in the different points of sale, and then the construction of a system to ensure compliance by external suppliers
- Management of information and information flows on all operations linked to maintenance activities to provide clear understanding of the current situation, control over relationships with suppliers, and supplier compliance with the SLA contract clauses
- Control and containment of costs, especially for extra calls generated by points of sale

To achieve these objectives, Gruppo Coin needed a powerful, flexible enterprise asset management (EAM) system. An immediate software selection search was launched to find this solution, and the search uncovered Infor® EAM and another company's product.

After two months of checks and comparisons between the two applications, which involved the corporate IT division verifying the more technical aspects, Gruppo Coin chose Infor EAM. They made the selection because, Scussel explained, “it seemed clear to us that this company was particularly active, receptive, and flexible concerning our specific requirements.”

Infor EAM is an enterprise asset management solution, deployable in the cloud or on-premise, that allows companies to manage the lifecycle of their assets, helping to improve their return on investment. This solution manages the daily details of plants and equipment from the time they are purchased to their disposal. The work order management processes provide businesses with the tools they need to simplify activities, starting from the acquisition of the job to its completion. The main functions of EAM include the management of asset lifecycles, of work orders, including predictive and preventive maintenance, and of the warehouse—aligned with scheduled maintenance and supported by materials and services procurement.

To implement Infor EAM, the Padua-based company Know-How came on board as a partner. In the opinion of Scussel, “Know-How proved to be a highly flexible, present and competent partner.”

Guided by a team of specialists from Know-How and staff from the Gruppo Coin Technical Division, the first stage of the project entailed the transfer of the detailed list of assets from each individual point of sale into the program. This included identifying the internal and external company personnel and divisions (store managers, technical services, maintenance service suppliers, accounting department, and the controller) authorized to access the system, with different levels of authorization, and the information found in each level.

One year after the initial implementation, the system became operational. Scussel noted, “No specific problems arose during the development of the project. All of the requirements and change requests submitted during this stage were collected and resolved in a positive manner.”

The system was tested for about two months. This involved gathering information from about 30 points of sale, and the store managers. Afterward, the new system was implemented in all of the stores.

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—Andrea Scussel, Manager of Technical Services, Gruppo Coin
Infor EAM has had a positive and highly significant impact on how the company works and its internal processes. This impact has been significant precisely because of the company's structural characteristics.

Scussel explained, “For a business like Gruppo Coin, which is made up of many medium-small units spread all over Italy, the new system based on EAM has now become a benchmark, promoting the implementation of uniform conduct and practices by the store managers of many points of sale and many maintenance service suppliers.”

Info EAM has also proved to be a boon for the maintenance service suppliers for another reason. These companies, which provide services to Gruppo Coin’s points of sale locations across Italy, can use the system to organize their work and optimize their procedures. This is especially helpful in cases where the same supplier is assigned to serve several of the company’s points of sale.

“We are pleased with EAM and with Infor. The application has kept all of its promises. It has become an irreplaceable control tool and an important benchmark for the company. Infor knew how to listen to our needs and supported the creation of a work group that was aimed specifically at meeting our demands and translating them into the best solutions,” Scussel said.

Future developments

The Infor EAM project is ongoing, and a series of new steps are in the works. Gruppo Coin will be implementing Infor EAM for their remaining assets; this was not done initially because maintenance operations for the assets of the company’s Upim stores were already managed by another program. Several new implementations are also in store, beginning with integration of all of the activities and operations performed by external companies on mobile devices. Maintenance service suppliers will then be able to access maintenance schedules for their assigned points of sale, and open and close jobs using these devices. With the same devices, they will be able to read the barcodes, which will be soon applied to all individual assets, enabling fast, singular identification.

The benefits

Using Infor EAM in the cloud, store managers can view the status of all of their store assets, scheduled maintenance procedures, and any changes to services entered by suppliers based on their requirements. The detail lists of all points of sale are updated automatically, whenever any scheduled or extraordinary maintenance procedure is performed. This allows Gruppo Coin to monitor the costs of the procedures and of the materials used, giving the company up-to-date information about all of their assets.

As more data is added to the database, Gruppo Coin will be able to perform a detailed historical analysis of each individual asset. This will include the use of business intelligence tools and methods (scoreboards, key performance indicators, etc.), the analysis of jobs completed, and a more precise monitoring of costs and maintenance procedure completion times. This way, the company can be sure that they’re meeting contractual conditions and that service level agreements made with maintenance service suppliers are met, which will make it possible to renegotiate individual contracts, if needed.

Among the original developments that came out of this project, Scussel mentioned the “virtual bulletin board,” developed by the specialists at Know-How based on a request submitted by Gruppo Coin’s Technical Services Division. As the manager explained it, “The bulletin board is made up of a spreadsheet where each job request is entered by the store managers or by the supplier. This request keeps its virtual status until it is evaluated and authorized by the Technical Services Division, the only department that can decide if the request is urgent or not. As a result, the job is either assigned a priority or put on a list of other scheduled procedures. A more precise estimate may also be requested.”
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