Case Study: Athletic Apparel Retail Chain

Under Armour Store Development FM Team Achieves 'Full Circle Accountability' with Vendors Nationwide

Highlights

DATA-DRIVEN VENDOR MANAGEMENT via quantitative performance scorecards

AUTOMATIC INVOICE PROCESSING based on established policies

OVERALL IMPROVED VENDOR RELATIONSHIPS/ ACCOUNTABILITY through transparency and timely payments for services

Quantifiable Results

20% REDUCTION IN AVERAGE INVOICE AMOUNT

52% INCREASE IN VENDOR FIRST-TIME WORK ORDER COMPLETION RATE

16% DECREASE IN AVERAGE WORK ORDER RESOLUTION TIME

Customer

Under Armour (NYSE:UA, UA.C), the originator of performance footwear, apparel and equipment, revolutionized how athletes across the world dress. Designed to make all athletes better, the brand's innovative products are sold worldwide to athletes at all levels, including at 168 owned & operated stores in North America.

> "We know exactly where we stand with every vendor, which helps us make them more accountable using hard data that we can generate anytime. This full-circle accountability has made everyone better."
>
> – Kim Bowling, Senior Manager Global Store Development

Challenges

Before deploying ServiceChannel, Under Armour's facilities management process was largely a "pen-and-paper" operation, creating major issues for the 2-person FM team responsible for the owned & operated stores in North America. These included:

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Service Automation

Invoice Manager

Analytics Custom

Compliance Manager

Mobile App
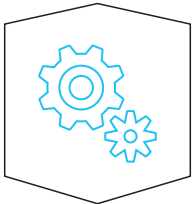
→ Limited visibility into or systematic way to track/monitor store issues

→ Inability to prioritize open work orders according to urgency or other criteria

→ Limited use of key performance indicators to improve operations beyond achieving "positive customer experience"

→ Legacy invoicing and payment process, leading to errors and lags in payment to vendors

→ Preventative Maintenance vs Demand Maintenance

Goal

Due to limited staff resources, Under Armour's FM team looked to service automation to modernize its operations through efficiency and cost savings. Specific deployment goals included:

→ Real-time reporting, budget tracking, invoice management

→ Timely payment for vendor services

→ Establishing operational stopgaps and reducing cost overruns during spikes in repair and maintenance work order demands

→ Improved access to information

→ Improved Integrity of information
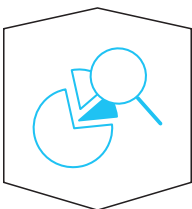
Solution

ServiceChannel's software solution has been in place at Under Armour for more than five years, starting with a deployment of 35 stores to a full deployment across all company owned & operated locations in North America. Under Armour primarily relies on the following ServiceChannel solutions:

→ **Service Automation** to provide a comprehensive facilities management system with full transparency

→ **Invoice Manager** to reduce invoice and payment processing costs while reducing invoice approval time

→ **Planned Maintenance Manager** to ensure scheduled services like HVAC, cleaning and Fire/Life/Safety inspections occur as needed

→ **Analytics Custom** to generate full program visibility and actionable data-generated insights across locations and vendors

→ **Compliance Manager** to efficiently track vendor certificates of insurance and get alerts on upcoming expirations

→ **Mobile App** to let stores manage tickets from 'open to close', regardless of location
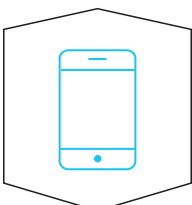
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Benefits

Using ServiceChannel's solution has enabled the Under Armour FM team to be a highly efficient, disciplined and data-driven organization. In addition to saving time and money, implementing ServiceChannel has given the company **greater visibility through real-time tracking** and **dramatically improved the business relationship between the FM team and its nationwide network of vendors** by:

➜ Enabling both stores and the FM team to know what's happening at any given time, and have data to refer back to and use in the future

➜ Generating data-based reports and scorecards that serve as the basis for "vendor summits"

➜ Creating updateable vendor scorecards tracking KPIs such as on-time check-in rate; number of work orders year-over-year; frequently recurring issues by store, trade, etc.

➜ Auto processing of invoices according to established policy and not-to-exceed (NTE) cost boundaries to save time and limit manual intervention

➜ Receiving timely alerts of vendor compliance issues such as expiring insurance certificates

"Using ServiceChannel, we get time back in our day because the system basically manages itself. It has given us the ability to prioritize, track everything and be more efficient overall. Using the system to our advantage and to our specifications has been a huge help and has changed our world."

– Kim Bowling, Senior Manager Global Store Development

Results

In general, the Under Armour FM team has **gained the visibility to understand what's going on with its operations in real-time**, as well as a history of data to refer back to and use in the future for **enhanced planning, budgeting and forecasting**. Some specific quantifiable benefits that the team has been able to measure and track include:

➜ Decreasing average invoice amount by 20%

➜ Reducing average invoice approval time by 83%

➜ Shortening average work order resolution time by 16%

➜ Increasing first time completion rate of work orders by 52%

➜ Improving vendor check-in rates by 26%

About ServiceChannel

ServiceChannel provides facilities managers with a single platform to source, procure, manage and pay for repair and maintenance services from commercial contractors across their enterprise. By delivering unprecedented transparency and data-driven analytics of service quality, across all trades, locations and contractors, facilities managers drive significant brand equity and ROI for their organizations without outsourcing or investing in new infrastructure. The world's leading global brands use ServiceChannel and Big Sky solutions daily to help optimize millions of transactions and billions of dollars of spend annually.