

ARCHIBUS Success Story



San Diego Gas & Electric Normalizes Multi-Year Capital Project Management with ARCHIBUS

With a goal of moving from an inefficient legacy system for its annual capital project management process to a multi-year approach that normalizes activities and budgets, San Diego Gas & Electric (SDG&E) transitioned from a collection of project management, work order, and financial software with limited data-sharing capabilities to a centralized, highly integrated IT platform featuring ARCHIBUS at its center.

The capital project challenge for an organization as large as SDG&E, with its diverse facility types, is considerable given its more than 2 million square feet of office buildings, operating bases, substations, and payment centers. Upgrading the existing system to manage that function required a plan equally large to connect its multiple platforms and make them work as one.

Indispensable Planning

“Dwight Eisenhower once said that ‘In preparing for battle, I have always found that plans are useless but planning is indispensable,’” says SDG&E Real Estate Resources Manager Dave Carew. “I think there is something to that statement; by the time a plan gets to a piece of paper it seems like you’re on to the next thing or process.

“We had a project management spreadsheet that had 220 columns for each row; each row represented a project, and we had over a thousand rows (project requests) each year. And the formulas — you needed to be a rocket scientist to figure out what cells were calculating off which formulas at any given time. We had implemented ARCHIBUS in the other areas of facilities and real estate management — lease administration, MAC and space planning — so we thought that we needed to revitalize our project management system and tie it all back into ARCHIBUS as the central point of information exchange.”

With the legacy project management system in place, along with Microsoft Project, ARCHIBUS applications, Maximo for processing work orders, and SAP handling the company’s financials, SDG&E created a 9-month, three-phase implementation plan to improve its capital project process.



Vital Statistics

Organization:

San Diego Gas & Electric

Location:

San Diego, California

Facilities Facts:

4,100 square mile service territory, over 2 million square feet of facilities including office and regional headquarters buildings, operating bases, substations, payment centers

ARCHIBUS Applications:

Capital Project Management, Space Management, Move Management, Lease Administration, Energy Management, Asset Management, Portfolio Planning & Forecasting, Emergency Preparedness

Reasons for Implementing:

Integration of capital project management processes with real estate/facilities management tasks/data, Maximo maintenance information, and SAP/financials

Benefits Gained:

Improved capital project management, cost/accounting control, normalized long-range project planning and budgeting

Business Partner:

Facility Management Planners (FMP)

Web Site:

www.sdge.com

That plan would phase out the legacy system, which couldn't easily perform automated, bi-directional data interchanges with other systems. Microsoft Project was eliminated and its basic functionality duplicated and enhanced through the customization of the ARCHIBUS Project Management application. It would also integrate space and preventive maintenance data and processes. Ultimately, the SDG&E team would link all that information with SAP financials to track actual costs per project.

Enhanced Capabilities; Organizational Transformation

In order to create the new project management platform, the SDG&E plan included gap analysis, process reengineering, data mapping/normalization, establishment of background data/standards, definition of workflow rules, design of feature enhancements, and concluding with training and system roll out.

The functionality goals were equally specific and covered the management of project requests, workflow approvals, cash flow and budget tracking, schedules/milestones, project close-out and last, but not least, document management.



"We used ARCHIBUS Business Partner FMP, Inc., to help us come up with the most integrated and economical solution," remembers Carew. "So we used all the parameters we had identified to design the new system, which also added ARCHIBUS Capital Budgeting and Project Management applications. And as we continued, the ability to report on accurate project details gave management greater confidence in the group's ability to manage more money. So over the last 5 years the budget increased from \$5-7 million a year to over \$40 million annually."

Just as important, a more transparent, integrated project management system meant that projects could be kept on track more easily to avoid the hockey-stick effect at the end of the year when budgets have to be spent (or forfeited) in the final months of the year. The new system, in contrast, aided the organization in pursuing multi-year project cycles to keep those projects moving forward.

"So today, we now have anywhere from \$10 million to \$15 million in projects that we will have in motion from year to year," notes Carew. "And the execs have also transitioned from thinking of projects in one-year cycles to now being able to think of ongoing project activities in three-year increments for more normalized, long-range planning and budgeting."

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—Dave Carew
Real Estate Resources
Manager
San Diego Gas & Electric

