

# Case Study #1

## Engineering Case Study



## Urban Boutique Property

# Case Study #1 - Opportunities

- Excess Capacity of General Engineering Resources
- Excess Travel Searching for and Retrieving Commonly Used Supplies
- Allocation of Area Director of Engineering Payroll Not Consistent with Property Specific Workload or Other Corporate Shared Resources
- Excessive Spend on Third Party Contractors with No In-House Skilled Engineers to Complete Work
- Difficulty Having Real Time Visibility to HotSOS Utilization and Hotel/ Condo Allocation Data

# Case Study #1 – Improvement Overview

## Project Overview:

Cost – \$60,000  
 Year 1 ROI – 6.6 x  
 Improvement POR – \$3.46

Defined Objective Description	Low-End Savings Potential	High-End Savings Potential
DO #1 - Improve Utilization Through Freezing Open Positions	\$40,238	\$80,475
DO #1A - Improve Storage, Increasing Utilization and Responsiveness	-	*\$174,000
DO #2 - Reallocate Area Director of Engineering Payroll	\$68,796	\$141,120
DO #3 - Replace Contractor Labor with In-House Skilled Engineers	\$150,115	\$174,880
DO #4 - Install HotSOS Allocation Tool to Monitor Engineering Allocation	-	-
<b>TOTAL</b>	<b>\$259,149</b>	<b>\$396,475</b>
*Additional cost avoidance of proposed \$174,000 spend to increase storage from 2015 CapEX not included in the total savings estimate		