

Customer Overview:

- ✔ A Georgia Based Regional Hospital engaged Profit Advisory Group to audit their spend for voice, data, wireless, internet and equipment.
- ✔ Spend volume: \$1,200,000 annually
- ✔ Project included 23 locations

Key Challenges & Objectives:

- ✔ Challenges included extensive data collection.
- ✔ Client Vendor relationships were not in a good place.
- ✔ Project objectives included achieving cost savings and more favorable terms and conditions through a strategic plan.

Profit Advisory Group Solution:

- ✔ Extensive Data collection using Profit Advisory Group Data Collection process and analysis phase preceded the scoping of the spend to be reviewed.
- ✔ PAG created a comprehensive inventory of all services currently in use by the Hospital and its facilities.
- ✔ PAG reviewed current invoices for contract compliance.
- ✔ Profit Advisory Group worked with the client on consolidation of existing services.
- ✔ Each Vendor submitted a detailed proposal based on the customer's business requirements and services used. Analysis included an evaluation of any technical requirements and commercial terms, to ensure suppliers were able to meet the customer's needs.
- ✔ PAG conducted extensive utilization studies to insure network was the right size to meet current and future needs.
- ✔ A formal Contract strategy was defined and implemented.
- ✔ PAG received quotes from existing providers to keep current business, and insure Hospital was receiving their best offer.
- ✔ Profit Advisory Group worked with existing vendors to insure relationship improvement. Also, a schedule was established to improve communications and to hold vendors accountable for updates and billing reviews.

Results:



Client was able to reduce costs by almost 25% or \$324,000 without any vendor change. Secured a credit of \$185,000 for missing contract discounts. Additionally, more favorable terms were added to the new agreements to insure that future changes could be made without penalty, services not being utilized could be cancelled with no penalty, and bandwidth could be right-sized and the Hospital would only pay for services they were actually using. Implemented optimization strategies helped reduce cost.