



# eSourcing in Action

An on-going series of real life case studies

## FlexRFP™ Travel & Expense Automation Case Study

### Background:

A global diversified manufacturing client needed to investigate and implement an Enterprise-Wide Travel & Expense Automation Software solution. They decided to form a cross functional project team to evaluate potential providers and utilize FlexRFP™ to streamline and automate the bid process and related communications.

### Project Goals:

1. Objectively evaluate vendor submissions using a cross functional team
2. Create an apples-to-apples pricing matrix
3. Maximize competition

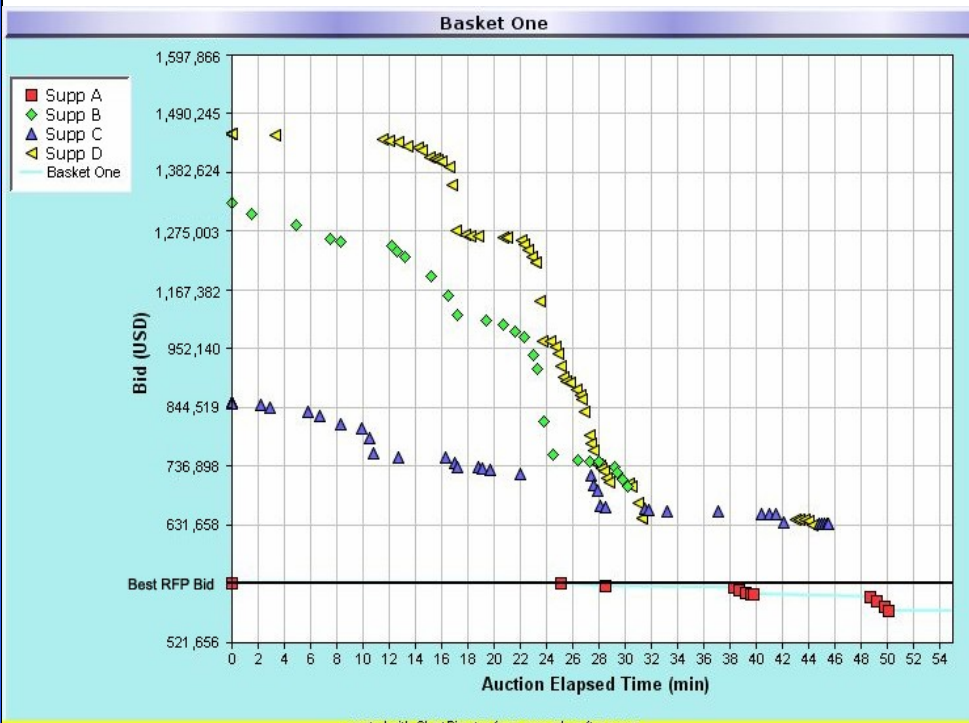
### Execution Strategy:

- This project consisted of 6 suppliers, over 100 qualitative "RFI" questions and approximately 50 "RFP" line items.
- The RFI questions were allotted point value totaling 1500 points and then each team members scored all supplier answers. Then FlexRFP™ calculated an average supplier score by question and then a total weighted average RFI score for each supplier.
- This resulted in a ranked supplier scorecard that was used to make award decisions along with pricing information from the auction
- After RFP pricing was received and normalized, the items were added to an "auction basket" for the final step in the negotiation.

### Results:

- During the auction sessions, the pricing decreased significantly—one vendor by over 44%.
- The most important factor for success was that the event was not just an auction by itself; but rather a very strategic RFI and RFP that was used to set the stage for a very competitive reverse auction event.

### Auction Graph:



### Additional Benefits:

This event helps to dispel the myth that auctions are only suitable for "commodities" or "pencils and paper-clips"

The reality is that a reverse auction can add value for many areas of spend if there is sufficient qualified competition for the requirement



EC Sourcing Group, Inc.

18 Cattano Ave., Unit 2B  
Morristown, NJ 07960

## About EC Sourcing Group

One of the most important things to know about EC Sourcing as a company and its philosophy of doing business is to understand the backgrounds of our company's principals & founders. We previously held positions similar to most of our clients, directing the Strategic Sourcing efforts of a well-known Fortune 500 company. This means we grasp the practical and everyday requirements of the supply management solution you seek.

We began by extensively reviewing the current solutions in the marketplace, and we liked the overall concept of applying a technology tool to the Sourcing process. However, we found that the tools available fell short in several key areas important to everyday sourcing professionals like:

1. Most were designed by IT people, not for Sourcing, Purchasing or Procurement viewpoints
2. Most were too complex for the average user (both, buyer & supplier) and did not address the day-to-day realities of what actually occurs when doing the work
3. Most required too much training and therefore don't even get used once their purchased
4. Most were inflexible "you have to do it their way" or "you can't do that in the system"
5. Most were too auction-focused, & sometimes take an adversarial approach towards suppliers

## Our Unique Differences

- Founded by Strategic Sourcing Professionals with a focus on developing tools & services that are:
  - Flexible to meet the unique needs of each client
  - Easiest-to-use, taking less than 3 hours to learn, so they get used & stay in use
  - Familiar by capturing & managing data your way without requiring you to change your current process
  - IT friendly, thereby requiring no IT involvement
  - Supplier-friendly to insure their willing participation
- We believe software companies shouldn't be telling you what's important to your business or how to organize and manage your sourcing data.
- We offer many easy ways to do business with us, including flexible zero-risk payment Options and understand that your ROI defines our success.
- Above all else, we value our clients; therefore, we understand the importance of follow-up, and follow thru in every aspect of our service and support.

## Contact Us:

Toll Free: (866) FLEX - RFP  
(866) 353 - 9737  
E-Mail: [sales@ec sourcing.com](mailto:sales@ec sourcing.com)  
Visit Us: [www.ecsourcinggroup.com](http://www.ecsourcinggroup.com)