

Hospice Care Provider Saves with Avotus Intelli-Sourcing

Executive Overview

The customer is a Florida-based hospice care provider that runs approximately 50 hospice programs across the United States and employs 10,700 professionals tending to terminally ill patients every day. The customer turned to Avotus for help in running Intelli-Sourcing and improving the contracted rates and service levels for their voice, data, and wireless services.

Business Need

The Customer required compelling pricing for their communications needs and sought carrier assistance and incentives on transition and implementation.

Further, they wanted to facilitate growth of their communications environment, foster solid vendor relationships and consolidate vendors where possible.

Background

The team from Avotus—in collaboration with the customer team—developed a set of 264 questions on contract terms and Service Level Agreements. This allowed the bidders to compete with each other on issues that were crucial to the customer. The client team assigned weights to these questions; this helped the bidders gain fair insight into the importance that the client placed on the different terms and conditions.

In addition, team Avotus developed a set of 233 bid items, which provided the bidders with opportunities to compete with each other on the current wireless services of the customer. The customer team reviewed and approved current costs, volume, and other items specific to the customer network.

Avotus Advantages
Savings of \$3.75 million (34%) of total spend

Technology upgrade to ethernet

Improved SLAs

Consolidation of vendors



Sourcing Process

The sourcing event was open to the bidders for a total of 11 business days. Thirteen bidders participated, committed 101 total bids and added 49 collaborative users. The bidders directly competed with each other and had visibility into how they ranked in relation to the other bidders. They were able to adjust their bids to better their score, thereby driving SLA scores up and prices down. Throughout the development and duration of the sourcing event, Avotus sent daily tips to the bidders on how to improve their score, and posted answers to bidder questions to the site for the bidders' benefit.

The bidders submitted 50 references. On the basis of the reference responses, Avotus awarded the bidders extra credit points toward their question and answer scores. At the close of the sourcing event, 17 references had completed the online questionnaire sent to them.

Sourcing Results

The best case scenario savings achieved by the Intelli-Sourcing was \$3.75M (34%). These savings could be achieved by awarding all voice and data services to six incumbents. The customer utilized the savings to upgrade their network to purchase Ethernet services.

In addition, since the incumbents bid on their existing business, it encouraged them to come out with improved SLAs from the customer's perspective. This resulted in vendor consolidation and SLAs that were in line with customer requirements.

In order to provide the company with alternatives to the main solution strategy suggested, Intelli-Sourcing results delivered four other savings scenarios based on various bidder combinations, which if implemented, could help the company realize savings that ranged from 27% to 34%.

About Avotus

Founded in 1981, Avotus is an award-winning provider of intelligent enterprise Call Accounting solutions. Since its inception, Avotus has worked with corporate telecom administrators to help them tackle the challenges associated with managing their complex enterprise communications assets, which increasingly include a growing number of mobile phones, tablets and other smart devices. Avotus serves customers across 41 global destinations, many of which are industry-leading Fortune 2000 customers.

For more information, please visit www.avotus.com.