



**Expense Reduction
Analysts**

10 Misconceptions and Best Practices to Consider when Dealing with your Suppliers



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Expense Reduction Analysts

A Global Expense Management Firm

Finding extra cash flow within your supplier base and putting it back to work in your institution



Expense Categories

Services

- Printing and Imaging
- Food Services
- Payroll Processing
- Janitorial Services
- Copiers
- Uniforms and Linens
- Waste Management
- Utilities and Energy
- Records Management
- Equipment Leasing

Insurance

- General Business
- Worker's Comp
- Health
- Claims Services

IT/Telecom/Data

- Telecommunications
- Software
- Hardware
- Data

Supplies

- Facility Consumables
- Office/Janitorial
- Chemicals and Lab
- Medical

Recruiting & Contract Employees

Banking Services

Merchant Card Processing

Logistics

- Small Package Freight
- Freight and LTL
- International Freight

Partial Client List



- Hillsdale College
- Wartburg College
- St. John's University
- Southern New Hampshire University
- Hawkeye Community College
- Coe College
- Bard College
- California Baptist University
- Charleston Southern University
- Clarke University
- Des Moines University
- Hawkeye Community College
- Mount Saint Mary College
- Susquehanna University
- University of San Diego
- Wake Forest University



What's the Realistic Opportunity for You?



What Obstacles are keeping you from getting it?



How can you Overcome those Obstacles?



Q & A

Is this Relevant to You?



You're probably doing a good job of managing expenses



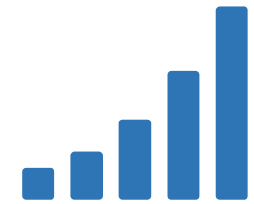
Thinking it's still possible that you're leaving significant money on the table?



Curious if you are, how much it might be, where it is, and how to get it?



Some important initiatives may be under-funded?



You could put Additional Cash Flow to good use

The Opportunity for Savings



ERA's Experience with over 25,000 client projects tells us:

Our studies show that, on average, most mid-sized organizations are overpaying G&A expenses by 20%



What could your College or University do with an additional 20% added back into your budgets?

How is this Possible?



1

The Goal of any Supplier's Salesforce is to Win as much business as they can, at the Highest Margin they can.

2

The Greatest Leverage comes from understanding your Suppliers' Industries enough to know where their costs & margins live.

3

Suppliers know it's Impractical to dedicate equal resources to less strategic, lower volume cost categories.

4

Most colleges and universities lack the comparative market data to know what pricing & terms are possible.

5

There are many Misconceptions about Procurement Best Practices.

Top 10 Common Misconceptions



01 ONE
Suppliers give similar pricing to similar clients and customers

02 TWO
Your strategy and expertise in purchasing in one cost category will produce similar results in another

03 THREE
National pricing agreements are always better than local or regional agreements with the same Supplier

04 FOUR
Supplier loyalty translates to best pricing and service

Top 10 Common Misconceptions



05 FIVE
More volume always gets you
a better deal

06 SIX
Getting three bids will get you to
the best price

07 SEVEN
You're asking the right
questions in your RFPs

08 EIGHT
Group purchasing will always
get you the lowest costs

Top 10 Common Misconceptions

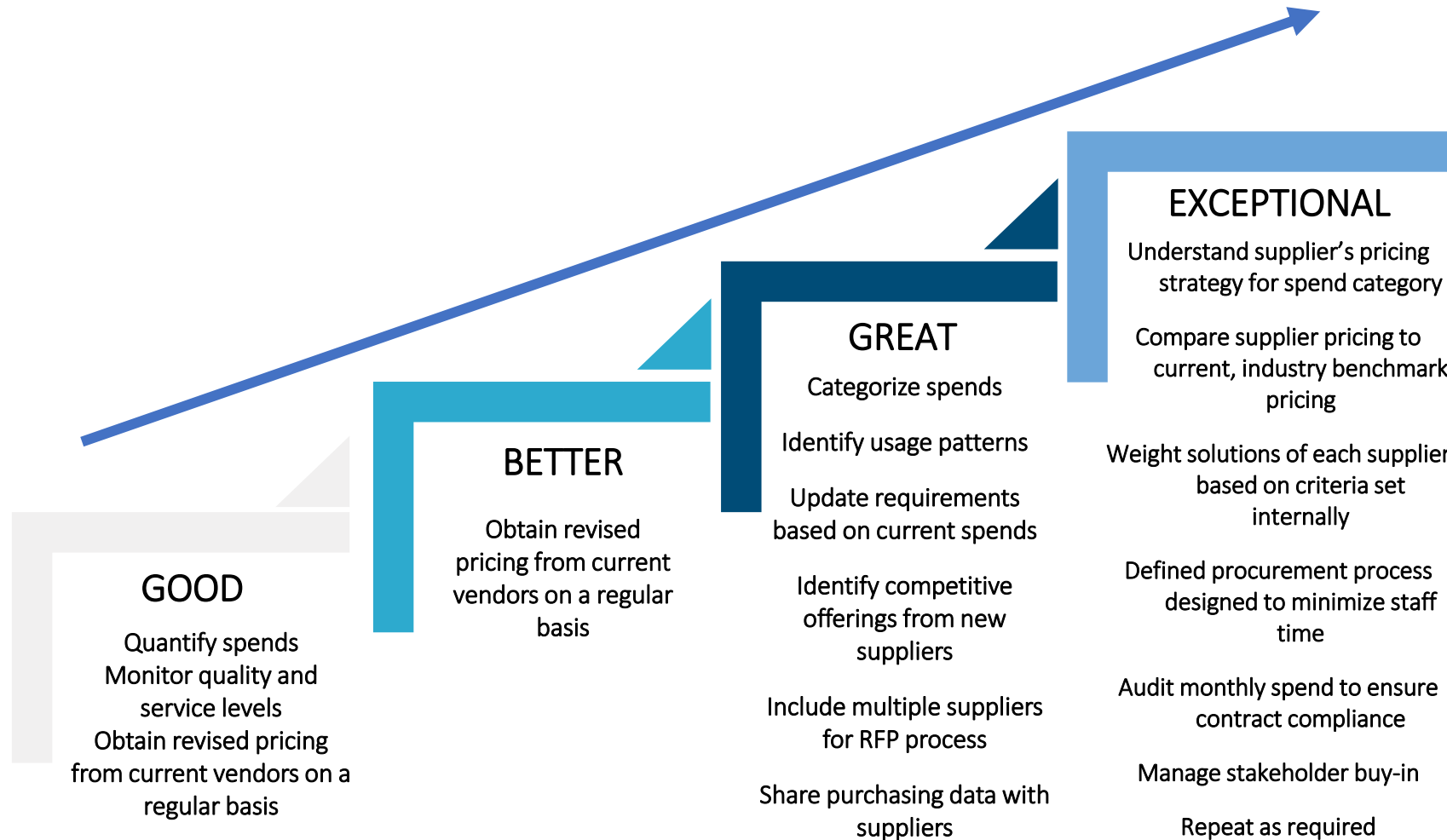


09 NINE
Lower price means lower quality
and service

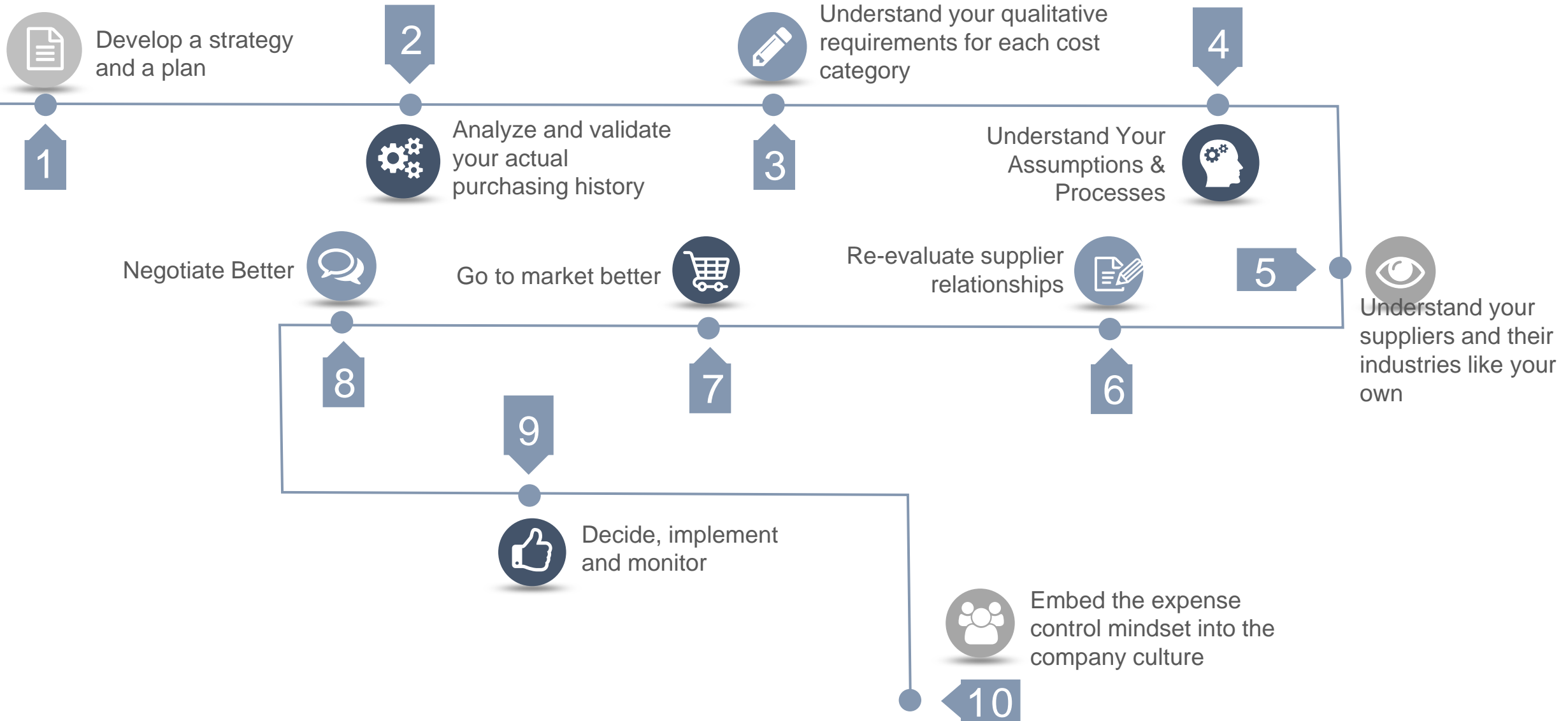
10 TEN
Lowest price is the same as lowest
cost

IS YOUR
ORGANIZATION
LIMITED
BY SOME OF
THESE
BELIEFS?

ERA Helps Organizations Move From....



How You Can Recover More Cash Flow





Question &
Answers