



**Expense Reduction  
Analysts**

# Can Anything be done to Fight Inflation?



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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 for 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

# Agenda



**Costs are going up. What can be done about it?**



**What obstacles are keeping you from mitigating price increases?**



**How can you overcome those Obstacles?**



**Q & A**

# Is this Relevant to You?



**You're probably doing a good job of managing expenses**



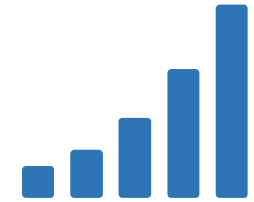
**You know prices are increasing, but don't know if your vendors are taking advantage of this.**



**Want to know how much of your price increases are do to inflation VS vendors improving margins.**



**Some important initiatives may be under-funded?**



**You could put Additional Cash Flow to good use**

# The Opportunity to Reduce Costs



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%**

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***This is true even during inflationary times.***



# How is this Possible?



1

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

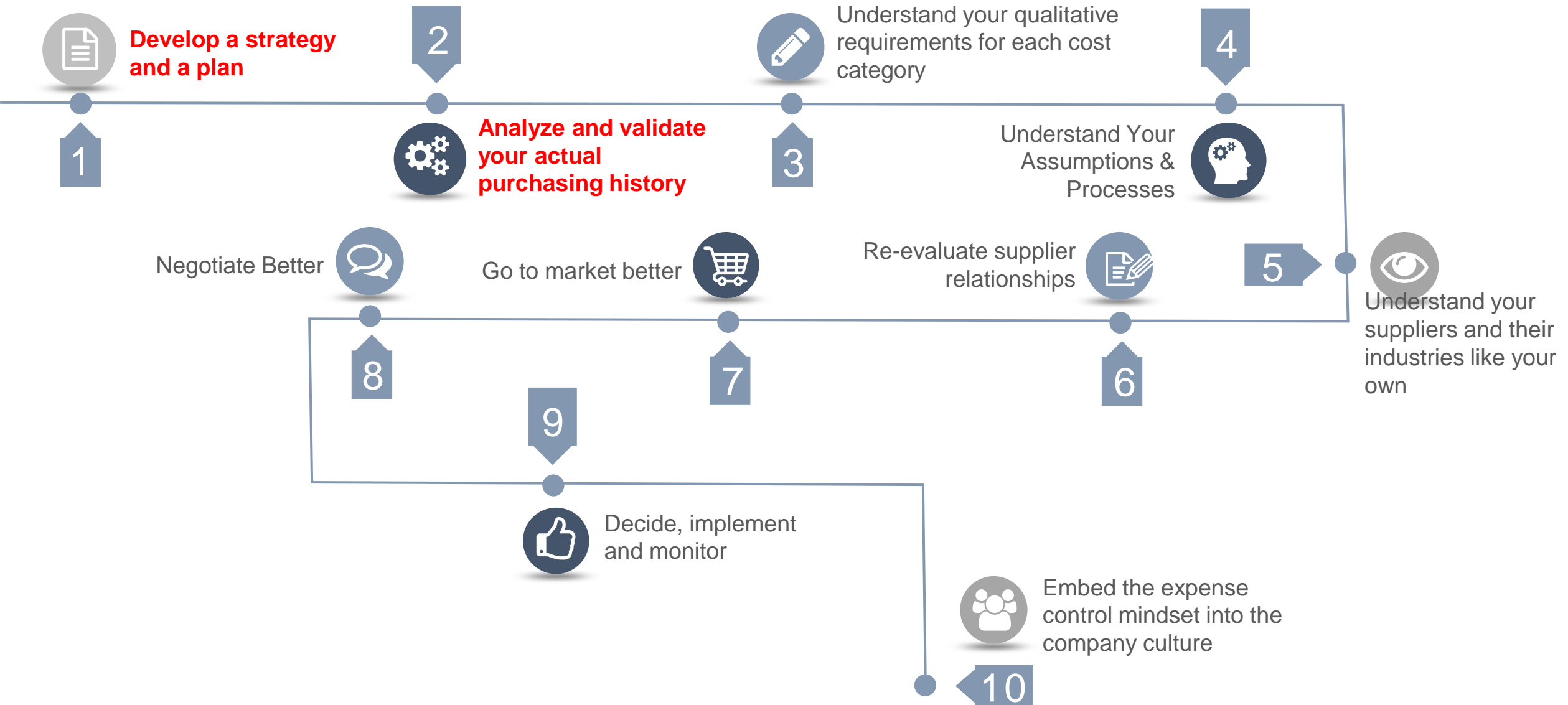


# Top 10 Common Misconceptions Whether in Inflationary Times or Not.

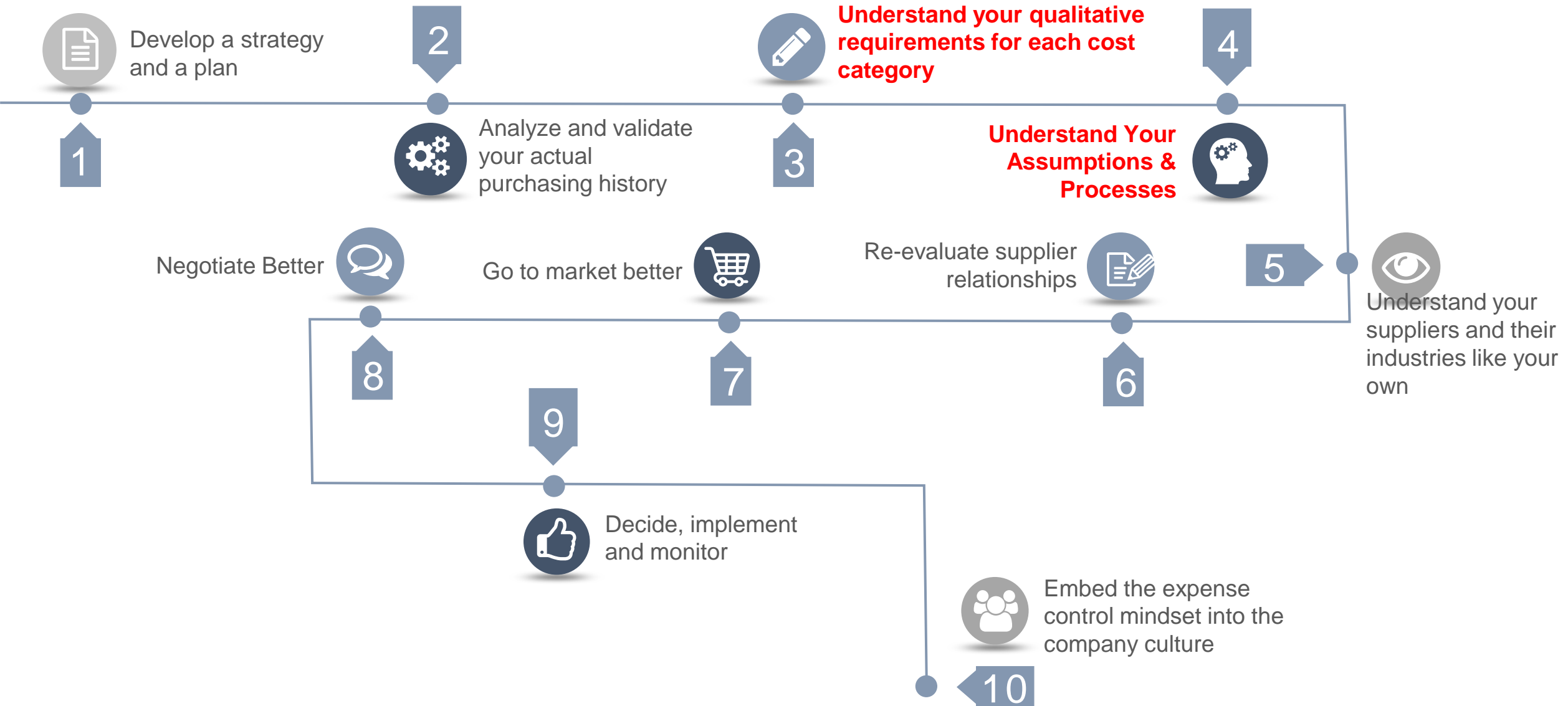


- 1** Suppliers give similar pricing to similar clients and customers
- 2** Your strategy and expertise in purchasing in one cost category will produce similar results in another
- 3** National pricing agreements are always better than local or regional agreements with the same Supplier
- 4** Supplier loyalty translates to best pricing and service
- 5** More volume always gets you a better deal
- 6** Getting three bids will get you to the best price
- 7** You're asking the right questions in your RFPs
- 8** Group purchasing will always get you the lowest costs
- 9** Lower price means lower quality and service
- 10** Lowest price is the same as lowest cost

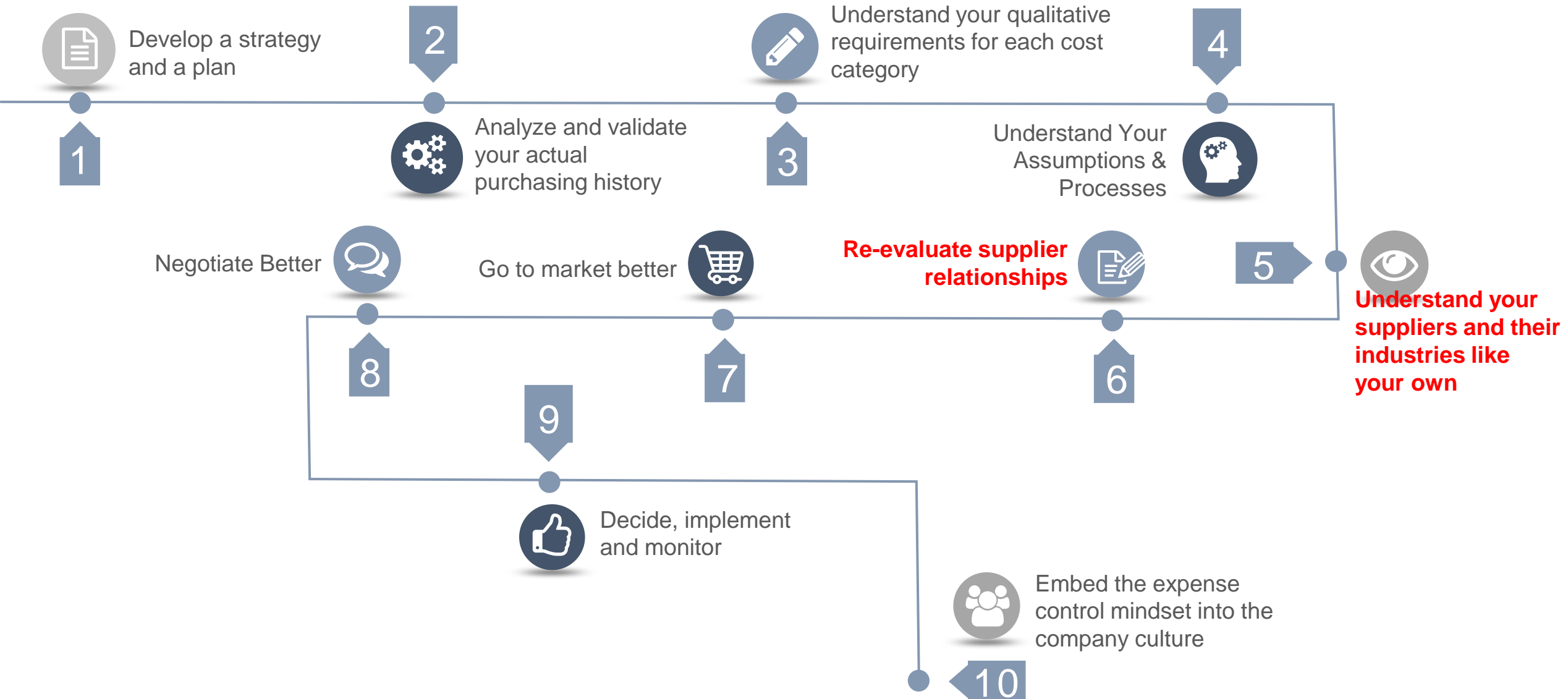
# Hope is not a Plan for Fighting Inflation!



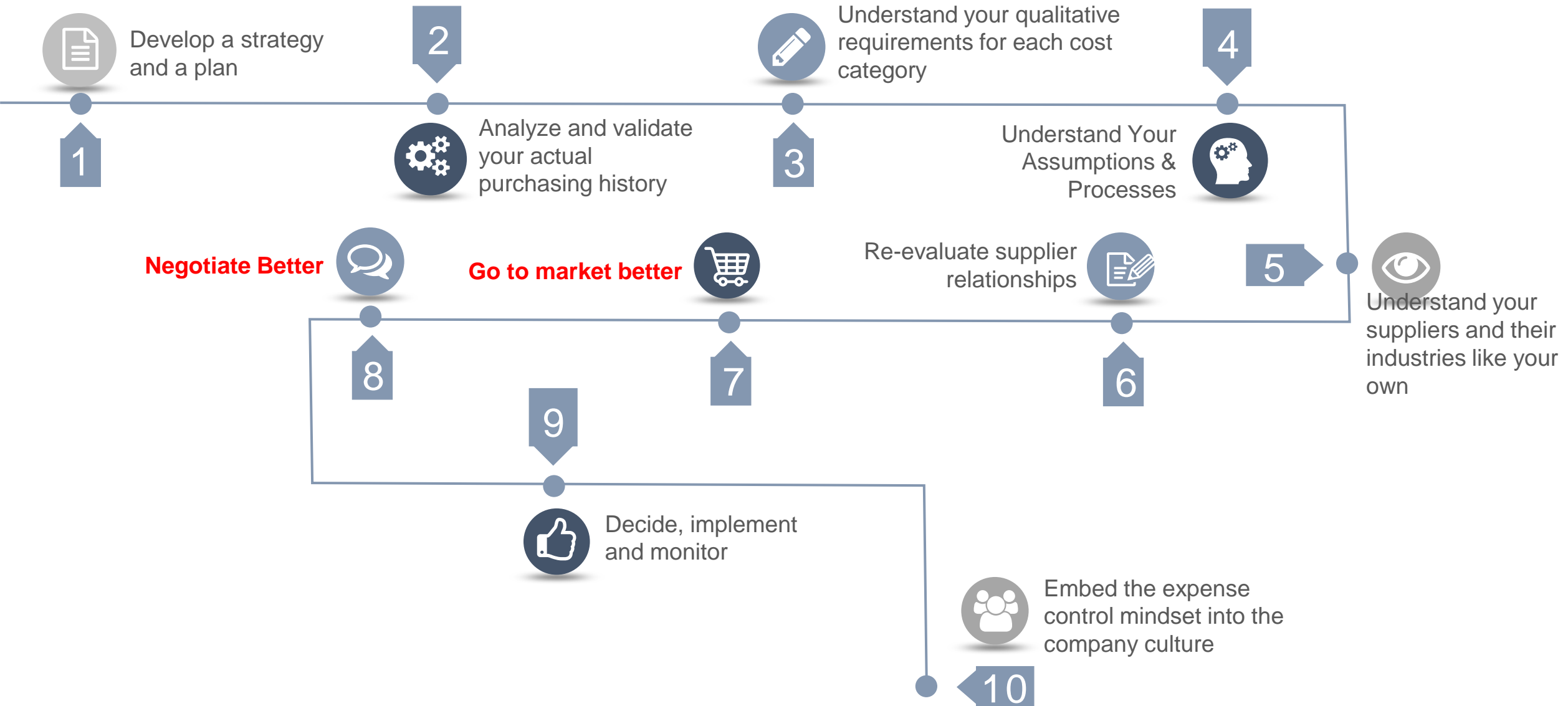
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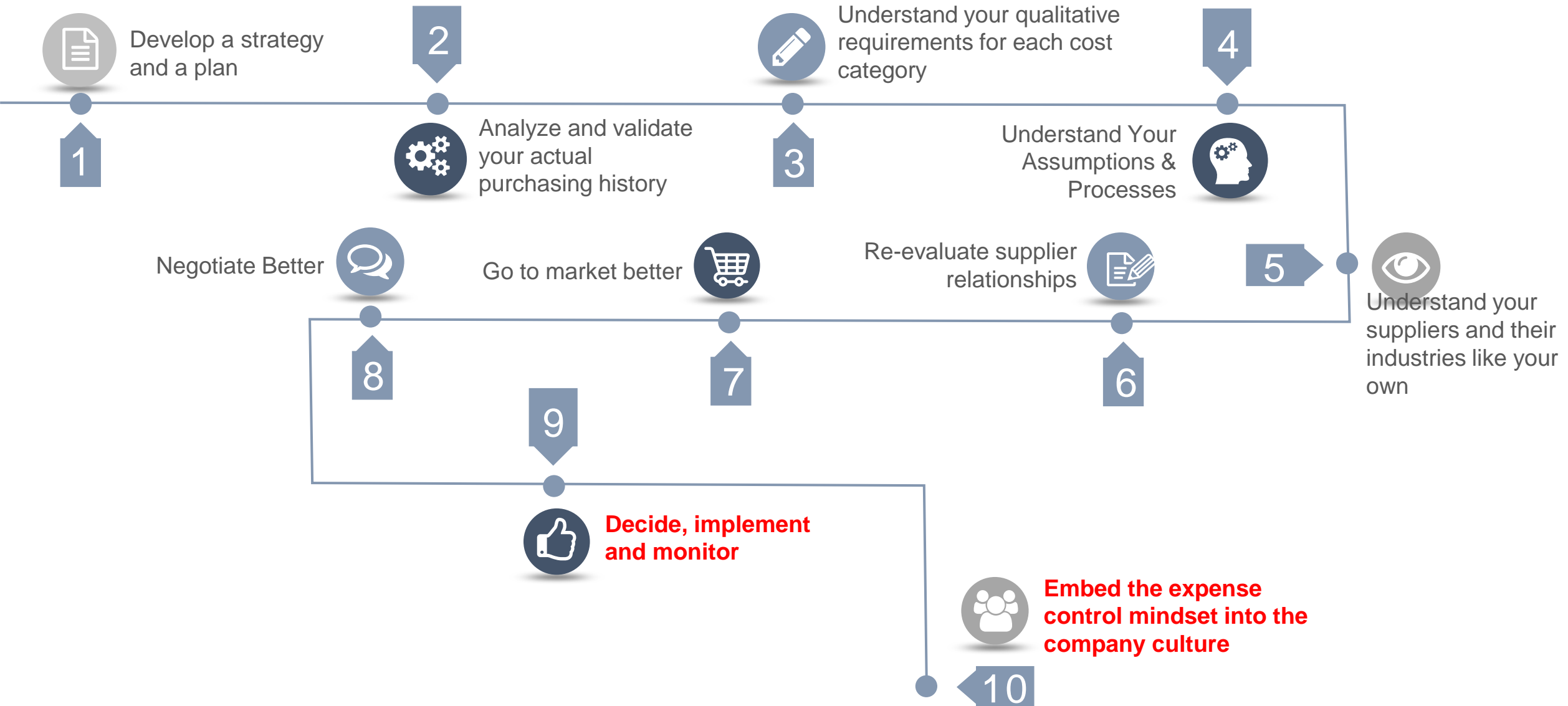
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Question &  
Answers