



Better Contract Negotiations Through **PROCUREMENT**

Taking Advantage of Tools and Techniques

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Consolidated sourcing has dominated meeting trends for several years. Today, that trend is still strong, but it's more nuanced. No longer is the story about helping procurement people understand meeting planners and vice versa. Now, it's about negotiating optimum contracts through standardization, consistency, and better tools and technology.

For *MEET* Magazine, Pamela Wynne, CMP, CMM, manager of corporate meeting planning for Educational Testing Service, explains how standardization has not only given her more

leverage with vendors, but has also made financial disputes a snap to resolve. Deloitte's director of travel and procurement, Michele Bryant, tells how consistency plus some sophisticated tech tools let her five-member team evaluate every RFP response in exactly the same way. A consistent policy regarding hotel contracts improves negotiations and on-site service for Mindi Guiliano, sourcing and contract manager for medical device manufacturer and distributor Cardinal Health. *(cont. next pg.)*



Global Leverage, Financial Strength

A meeting planner by training, Pamela Wynne has been in the ETS procurement department for five years. Prior to that, she says the company had perhaps 50 administrative assistants negotiating meeting contracts for whatever group they worked for. “There was no consistency, no leverage,” Wynne says. Once meetings were brought into procurement, she says, “[It] gave us control and the power to make global decisions.”

Contracts are now negotiated strategically and systematically. “We look at the total amount spent with a vendor,” Wynne says. ETS has also taken relationships out of negotiations. “With long, strong relationships, you get complacent about problems,” she says. “Procurement has really made vendors quantify what they have to offer.”

Wynne cites the example of an ETS group that happily used one venue for its meetings for five years. Although the hotel gave the group a lot of perks, it also increased rates by three to five

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percent every year. Once procurement entered the picture, ETS negotiated its standard contract terms and got better rates as well as several comp items. “Now we’re achieving cost savings,” Wynne says.

How did standardization trounce financial disputes? Before Wynne joined the procurement department, ETS normally paid for all meeting expenses through company checks or purchase orders. Thus, disputes had to wait — possibly for months — while the checks and POs were processed. Once in procurement, Wynne immediately standardized payment by putting meetings on a corporate credit card with the same company that handles business travel for ETS. “When hotels mis-charge us, we can see it on the bill immediately and dispute it,” Wynne says. “I’ve always gotten that corrected right away.” If there’s a problem with any vendor, she says, “We can report the problem to the credit card company. Payment will be withheld until the problem is cleared up.”

Automating RFPs

At accounting Deloitte, Michele Bryant and her five-member team of planners work in procurement, handling venue sourcing for the more than 800 meetings the company holds each year. Two other procurement groups handle meeting logistics and finances.

Before all the hotel sourcing was consolidated, company meeting planners used individual sourcing methods and Excel worksheets that they built themselves. Different planners focused on different property criteria, overlooking others. Once Bryant’s team coalesced, all members used one advanced Excel tool that formats worksheets for every meeting facility in the same way, with the same criteria listed for each property. “We’re all looking at the same information, in the same format,” Bryant says. “And we’re looking at all the information, not just part of it. Everyone is sourcing the same way.” *(cont. next pg.)*