



Asked & Answered

Changing suppliers doesn't have to be painful

Q&A WITH NEAL DUFFY, SENIOR MANAGER, FACILITIES SOLUTIONS TECHNICAL TRAINING

When a facility manager hears the term “changing suppliers” they automatically think “big headache”. Expensive headache. Time-consuming headache. But what if the new vendor not only made the transition smooth but also made your job easier? Changing suppliers doesn't have to be painful; in fact, it can be one of the best things you could do for your business. To learn more about what a smooth supplier transition can look like we talked with Neal Duffy of Staples.

Why are facility managers hesitant to switch suppliers?

Neal Duffy: The facility manager has so many responsibilities that the vendor review and evolution is generally relegated to a low priority until there's a problem. They tend to run from putting out one fire to the next fire to the next fire. So unless there's a major vendor issue or a tremendous number of complaints, they are not really focused on that aspect of their job. If it's not broken, you don't fix it.

But switching suppliers can actually help eliminate those “fires” from occurring at all.

Restrooms in a building compose about 5 percent of the floor space but represent well over 50 percent of the complaints and concerns a facility manager has to deal with. So the better their facilities partner can help them proactively address the concerns, the fewer complaints, and the more productive they can be.

How can an effective facilities partner cut down on these recurring problems?

By taking the approach of discovering a solution that dramatically reduces costs or their labor or puts out a specific fire.

For example, if the customer is running out of paper towels because they're using folded towels and they're either jammed in the dispenser or stacked on the sink and they're going through tons of them, one solution we often suggest is a controlled roll towel dispensing system with a stub roll feature that lasts longer and reduces waste.

What aspects of a vendor change do customers usually say brings the most value?

We strive to develop close relationships between our account manager and the facility manager at that customer. That is extremely beneficial in the long-run.

Those account managers work with the facility managers at our customers to identify lower-price solutions, reduce product usage, and lower overall cost.

QUESTION:

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ANSWER:

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In short, we make their job easier.

When you say “lower overall cost,” is that different from “lowest price”?

It can be; it means more savings. For instance, back to hand drying towels, if you install controlled towel dispensers, even though the initial price of a case of rolled versus folded towels may seem higher, what you spend on an annual basis will be lower because of reduced usage (not to mention reduced refill labor and complaints from outages).

To help demonstrate this long-term approach, we offer a trial in a high-volume restroom or building, to show that you'll save money. Trials are a big benefit to having an account manager that knows your business needs.

One of the most important things to a facility manager is reliable, dependable distribution. What should a facility manager be looking for from a supplier in these areas?

You're right—reliability is very important to facility managers when changing suppliers and we take it to heart. Some of the reliability benefits we highlight include next-day delivery, a very high fill rate, and the fact that we don't backorder products. Customers don't have to worry that their order is not showing up.

Most of our customers do their ordering on our website and that experience has to be reliable. We set new clients up with a shopping list of their frequently ordered items. We have an approval option, easy tracking and return processes. And it's very quick, so an order can be placed in seconds versus more phone calls or faxes or other antiquated methods.

A facility manager wants a vendor who understands his business; it's hard to start from scratch teaching a new vendor about your specific needs. Does Staples have experience with many kinds of companies?

We start with a customized, facility site assessment that helps us learn the specifics of a customer's current situation. You really can't make effective recommendations from a “usage list”. We sell to every kind of business that is out there. We have a tremendous number of satisfied customers. A facility manager might be concerned because they don't think we can handle that kind of facility, but we can; we probably have multiple other businesses just like it that we supply. We have hospitals, manufacturing facilities, office buildings, schools, casinos, even theme parks. We do it all.

Besides ease of ordering, what other time savers are associated with Staples Facility Solutions?

We can consolidate vendors for them. A customer might be buying things from multiple different vendors, and we can bring it all under one umbrella. That's a huge reduction in time spent with vendors: fewer delivery interruptions, fewer invoices, fewer checks being cut.

Only 5 to 10 percent of a facility budget is the products and the equipment. If we just offer a lower price, that might be a 2 percent savings, that is marginal. But if we can offer them double digit savings by finding a better solution, that's a big change. That's a significant impact on their bottom line.