

Global Pharmaceutical Company Recognizes Annual Savings of \$60,000 Per Facility with Avetta

With a workforce of 28,000 this global, research-based biopharmaceutical company has a strict internal safety initiative and needs to make sure contractors are properly trained, certified and reviewed according to OSHA standards.

Industry

Pharmaceutical

Profile

- Founded in 2002
- \$27.9 Million in Revenue through June
- 50-200 Employees

Challenges

- Manage hundreds of contractors without increasing costs
- Monitor and store thousands of compliance documents in one secure, accessible place
- Proactively alert company of expiring insurance plans and other certifications

Solutions

- Supplier Prequalification
- Insurance Monitoring

Results

- Reduced administrative burden with Supply Chain Risk Management solutions
- Saved time and money sourcing approved suppliers
- Annual operational savings of \$60K per facility
- Improved contractor review process

The Challenge

Faced with a ballooning administrative workload, combined with the refusal to compromise his company's strict safety standards, a Senior Safety Construction Specialist in North Chicago had a decision to make: hire more staff and absorb the cost of salary, health care insurance, and training—or look for a more efficient and cost-effective approach to de-risking his supply chain.

But with several hundred contractors working at his site alone, managing them all and meeting company goals had become too much work for one person. "Our standards state that all contractors must have an EHS review at least every two years," he says, noting that these reviews had been done in-house and by hand. "With hundreds of contractors, there was always somebody up for review every week. And we could just never get to the point where we were consistently doing two-year EHS reviews for each of them."

With overflowing file cabinets, an increasingly complex supply chain, and the ever-present concern over contractor risk, something needed to change.



The Avetta Solution

Recognizing that without an automated system he could not comply with the company's Global Technical Standards, the Senior Safety Construction Specialist approached his managers and suggested they look into a third-party vendor to assist with supply chain risk management. They contacted three different companies, including Avetta, and had each present before the evaluation team, which included individuals from contract administration and directors from other departments outside of Health & Safety.

After the vetting process, the team was unanimous in its selection. "Avetta offered a bit more than the others. The application looked really easy to navigate. The flag system was really easy to understand," he recalls. "All of our internal stakeholders were for Avetta."

One Centralized System

Today, staff members in the purchasing department will log in to Avetta, check whether a contractor is in the system, and then verify the contractor's flag color. If a prospective contractor is not in the Avetta system, the buyer will let them know they have to enroll, comply with the program, and send in their EHS information. And the good news—it's been working for contractors and the client alike.

Contractors have been complying, and the process of issuing POs is easier than ever. Contractors, in some cases, are leveraging the system to make changes or improvements in their business practices. A few have shared that the system has made them go back and look at their safety program and get more training—and that simply didn't happen before.

Communications before Avetta is described this way: First, a prequal form would be sent to the contractor. Then, they'd fill it out. It would take them a week, sometimes longer, to send the information back. And then it may be incomplete. Then, someone needed to contact them to submit the remaining information. It could be several weeks before everything was finally submitted. With Avetta, this no longer happens.

Retiring the File Cabinets

According to the Senior Safety Construction Specialist, the critical task of checking on contractors is now easier and faster: "I can type in the name of any contractor and see everything at my computer—versus going to a filing cabinet, pulling out their folder, and then looking through hundreds of pages to find what I want. Now I can see everything in one application," he says. "It's much, much easier and more efficient."

The Avetta dashboard is especially convenient and instantly conveys the high-level information. "That front page just says so much. I can see everything that's going on," he says. "I can look at their profile. I can go deeper and look at documents, such as their confined space program or their OSHA 300 log. Being able to go in and look at all that stuff is so easy."

The Results

Today, the biopharmaceutical organization is one of Fortune Magazine's "World's Most Admired Companies" (2015). Asked how Avetta helps the most, the Senior Safety Construction Specialist is unequivocal in his response: "Avetta definitely saves us time and money in terms of sourcing great suppliers."

In fact, he calculates that the value of Avetta is equivalent to hiring one employee for his single facility alone. "If we didn't have Avetta, we would have to hire someone to manage contractors at this site full time—around \$60,000 per year plus benefits—and we could keep that person busy all year long."

The new platform has proven to dramatically reduce supply chain risk across the company. The Avetta solution promotes compliance with the organization's Global Technical Standards while keeping up with industry best practices.



"We're moving forward working with Avetta and making sure that we have safe contractors working on our property. What seemed impossible before is definitely achievable now."

Senior Construction Safety Specialist

Global Pharmaceutical Company