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# Hays Supplier Management – Supplier Management

Hays provide specialist recruitment worldwide for projects, temporary assignments and permanent positions. In addition to a traditional recruitment service, Hays also offer a Managed Service Providing (MSP) programme. As a Managed Service Provider, Hays comprehensively steer the procurement and management of external resources for companies in all business sectors. Every potential for optimising cost reduction and improving efficiency is identified and, through our innovative solutions, exploited to its fullest extent. An essential part of the Hays Managed Service Providing portfolio is Hays Supplier Management.

# **Background:**

While clients often manage strategic suppliers of services in a centralised and closely controlled way, a lack of clarity can result when working with non-strategic suppliers, whose purchasing volume should not be ignored. The identification of potential avenues for optimisation is often complicated by decentralised procurement: supplier data and contract information are managed inconsistently in differing systems and achieving the necessary transparency takes up time and resources and results in increased costs. Purchasing departments often opt for radically reducing suppliers as a suitable strategy for mitigating this expense. In so doing, however, they face the challenge of wanting to consolidate suppliers on the one hand, while not being able to do without the services of their non-strategic vendors on the other.

# Solution

As part of a product group strategy, the customer first identifies those strategic suppliers with whom he would like to remain in a direct contractual relationship. Once this has been done, he can continue to make use of the services of his non-strategic suppliers by pooling these with Hays. Hays then integrate these service providers into our comprehensive supplier management system. While taking into account all qualitative and quantitative aspects, contract conditions and services are transparently prepared for the customer.

As part of our MSP service, Hays manage several hundred service providers with a multidisciplinary team providing, among others, the following services:

- Screening, assessment, classification and development of suppliers
- · Setting up of supplier pools in line with individual customer requirements
- · Optimisation and automation of procurement and implementation processes
- · Benchmarking and evaluation of supplier performance

The results of these analyses are clearly provided to our customers and assist them in determining their supplier strategy and in opening up previously unexploited potentials for savings.

# **Result:**

By using Hays Supplier Management, the performances as well as the capabilities of a customer's supplier base become transparent. Non-strategic service providers no longer require costly administration and yet they still remain quickly and easily accessible. Through Hays' controlled development measures, supplier performance is enhanced and thus contributes more to the long-term success of customers.

SUPPLIERS HAYS Experts in Resource Management ACCELERATED MANAGED PROCESSES **SERVICE PROVIDING -**PROCUREMENT AND MANAGEMENT **OF EXTERNAL SPECIALISTS** REDUCED

New possibilities and perspectives open up for suppliers pooled with Hays. Service providers can maintain good working relationships with their customers, secure or even expand their order volumes over the short and long term given a good performance. Moreover, Hays offer qualified service providers access to more than 800 companies in the German-speaking regions.



### Reference:

Due to an initiative for consolidation of IT services at Deutsche Post AG, Charax GmbH is working in conjunction with Hays AG as part of a Managed Service Providing agreement.

### Charax, the Company:

Charax, founded in 2003, are an association of project managers, large business consultans and Damm Software Development. The three business pillars at Charax are: technology, business and management. The company have their headquarters in Gerlingen and currently employ 15 members of staff.

**Dr. Dirk Radtke, Charax GmbH Managing Director:** "Our initial concerns about having a so far unknown partner, mediate an important customer relationship, completely vanished after a couple of months. Since things have been handled by Hays, invoicing, among other things, has improved enormously. With Hays we have been able to secure greatly abbreviated nominal credit terms and thus improve our liquidity management. On the basis of this experience and through the newly improved supplier management process, we have taken the opportunity to strengthen this partnership and, via Hays, to tap into new customers. Due to good contacts on the part of Hays, within a few months we were able to successfully place a number of our consultants. We will definitely continue and strengthen this partnership."