



Case Study – Avanté Group

Procurement Automation

Avanté Group experiences increased visibility, control and cost savings with Direct Supply® DSSI™





Avanté put Procurement Automation to work for their organization

Success in the Senior Living profession means seizing opportunities by overcoming process challenges. Thousands of beds across various care models, multiple communities in multiple states – all of these factors require a variety of vendors of all sizes and technical capabilities. Making sure those invoices from all those vendors are entered correctly into a procurement system by multiple communities can be a challenge. It can be especially difficult for organizations using a manual procurement system.

Surmounting purchasing challenges was the primary goal of Lloyd Fossey, Vice President of Dining Services at the Avanté Group, Inc. – and he chose to address his process issues with DSSI. Fossey worked with DSSI to implement Procurement Automation in September of 2010, and since then Avanté has realized significant benefits.

“Our manual system was chaos. We experienced little to no consistency,” says Fossey. “We had 20 facilities and most weren’t using our primary vendors. And when they were being used there was no consistency of product, pricing on product and so on. I couldn’t track costs, or justify costs, or budget costs, because I didn’t know what we were buying from week to week. We were running close on our \$4 million room budget – that was a lot of money to not have control of.”

“Our manual system was chaos. I couldn’t track costs, or justify costs, or budget costs, because I didn’t know what we were buying from week to week.”

*- Lloyd Fossey, Avanté Group
Vice President of Dining Services*

Manual Billing & Invoice Inconsistencies

When it came to billing, Avanté saw the inconsistency in their manual system becoming more and more of a challenge. "How did we find and track any billing errors? If they weren't caught at the community level – since we received the invoice manually – they weren't caught at all," says Fossey.

He explains that the manual system was just as disorganized when it came to capital purchase approvals. While using a manual procurement process, an Avanté community had to collect three or more quotes from three different vendors for a capital purchase. The quotes were attached to a capital request and sent to the building's administrator for approval, and were then sent to Avanté's regional vice president of operations. Many times the request would be sent to Fossey for his approval, then sent back to the regional vice president of operations, and finally would be sent to Avanté's CFO for final approval. "It was a dinosaur," says Fossey. "It wasn't efficient. These approvals could honestly take a month, and if they were faxed or scanned, these things used to get lost."

The Benefits of Automation

Avanté realized that they needed to control their purchasing in the slow economy to make every dollar count. Fossey, who was familiar with the DSSI system from a previous role, decided to implement DSSI Procurement Automation to replace Avanté's inefficient manual process.

"We chose DSSI because it's the best and most comprehensive procurement automation system on the market," says Fossey. "I was familiar with it and what it could do for us. It could really save us dollars by standardizing products, and it could save us time and improve efficiency. Instead of spending three hours chasing vendors around, we can put through two or three orders in an hour. Now our purchasers aren't running around and doing 9- or 10-hour days. They have more time to do what they're employed for."

Fossey describes the efficiencies gained by using DSSI Procurement Automation in an example that happened just months after implementing the system.

"One of our communities said they needed an oven desperately. I spoke to the regional vice president and she said, 'Yes, they need it. The one at the community is 15 years old and it keeps breaking down.' I went onto the community's DSSI site and ordered it myself. Then it came to me for approval, and it was shipped as soon as I clicked the approval. It was at the community four days later, delivered."

Procurement Automation is hosted and maintained by DSSI, creating a unique electronic solution that automates and optimizes procurement processes, specifically for the Senior Living profession. It results in increased efficiencies, lower transaction costs and ensured contract pricing. Users report a combined hard and soft cost net savings of 10% on every dollar of spend.

DSSI Procurement Automation enables Senior Living provider organizations to develop a single, customized spend management platform that automates and controls their front-end ordering process and manages every invoice flowing through their communities. It is hosted and maintained by DSSI, so customers do not have to pay any hosting costs or incur additional IT expenses.

Contact DSSI today at [1-888-374-3499](tel:1-888-374-3499) or email info@dssi.net to start taking advantage of the exciting benefits and savings of Procurement Automation.



Avanté

About Avanté Group

Avanté's sole commitment since 1989 has been to improve the quality of life and care for seniors through skilled nursing and rehabilitation care. Throughout each of their 20 communities, encompassing 2,400+ beds, the company's focus is on community, integrity and service. Avanté's ultimate goal is to help their residents reach and maintain the greatest possible level of independence.



About Direct Supply® DSSI™

Direct Supply DSSI, the first and industry-leading web-based purchasing system in Senior Living, offers a completely customized procurement and reporting solution that links care providers to their supply chain networks. Since 1995, DSSI has helped an ever-increasing number of Senior Living providers and their suppliers save millions of dollars annually as their single purchasing and reporting source.

Simple Implementation & Training

Implementing Procurement Automation was easy and went quickly for Avanté group thanks to the support they received from the staff at DSSI.

“Once we approached DSSI, it moved very quickly,” says Fossey. “DSSI helped us put a lot of training in because we needed the system to be successful very quickly, and the support was excellent. I put a road-show together to roll out DSSI that kept us out on the road for a month. There were at least two DSSI representatives there at every meeting to help train the department managers and administrators. That was fantastic support because our people could ask a question, and it’s great to go straight to the horse’s mouth. The DSSI people knew it in and out. It was quite user friendly.”

Rather than introduce vendors onto the DSSI Procurement Automation system one at a time, Avanté wanted to introduce them all at once. This could have been a difficult feat, but with the partnership between DSSI and Avanté, the process moved speedily.

“DSSI came to Avanté a number of times and worked with us on the interfaces that had to be built between the IT systems,” says Fossey. “With DSSI’s support it only took a month – from start to finish, the beginning of training to the first day of implementation. It was that quick.”

“Once we approached DSSI, it moved very quickly. DSSI helped us put a lot of training in because we needed the system to be successful very quickly, and the support was excellent.”



Avanté has automated almost 9,000 invoices in just seven months with the help of DSSI.

Contact DSSI today at **1-888-374-3499** or email **info@dssi.net** to start taking advantage of the exciting benefits and savings of Procurement Automation.



1-888-374-3499 ■ directsupply.com/products-services/dssi.html

Taking Cost Out of Healthcare®

