

LEADING U.S. UTILITIES CLIENT SEES

Significant Improvements To Its Supplier Management Processes

BY WORKING WITH AVETTA



ABOUT

The client provides reliable and affordable energy to customers throughout the western and central regions of the U.S. The client provides essential services to more than 730,000 residential and business customers.



BUSINESS CHALLENGES

In 2021, this leading U.S. utilities client saw a need to streamline their supplier management processes while reducing administrative burdens on internal and supplier teams. The client had historically managed suppliers manually, which created certain challenges around aligning internal requirements with outside partners.

Their primary challenges were:



Mapping contractor and supplier requirements against several different master agreements and the internal risk matrix



Efficiently managing insurance requirements and reducing the burden on primarily small, rural contractors



Transitioning from a manual prequalification process to a digital process



Collecting diverse data including ESG (Environmental, Social and Governance) metrics and integrating them into supplier evaluations

At the time, the client's labor-intensive review process was manual and included many steps. The client needed a way to streamline and enhance their contractor management program.

SOLUTION

After several months of evaluating Avetta against other vendors, the client made the decision to partner with Avetta to take advantage of the Avetta One offering, a comprehensive solution that addresses their challenges and transformed their supplier management program. The Avetta Team advised the client that change management was the most critical success factor, which helped separate Avetta from the competition. The client then held 8 internal townhall meetings with each functional team to help stress the importance of the program.



Avetta One streamlined the insurance compliance process by introducing the **Universal Insurance Questionnaire**. Thanks to this questionnaire, approximately 80% of the company's suppliers benefited from a standardized experience, while the remaining 20% underwent thorough reviews by **Avetta Insurance Professionals** and the client's team via the variance process.



The extensive manual audit Avetta provides helped the client understand the safety culture and metrics allowing them to gain important insights and implement necessary controls to become a safer company.



Finally, Avetta One facilitated the collection of ESG data from suppliers, helping the client assess suppliers' **ESG maturity levels**. This initiative aligned with the client's commitment to community engagement and diversity.

RESULTS

By partnering with Avetta, the company completely overhauled its approach to managing suppliers, shifting from manual prequalification to a digital process.

Avetta also enabled deep insights into supplier risks. These insights led to data-driven conversations with suppliers, which ultimately led to working much better with them to make sure everyone gets home safely.

Moving forward, the company seeks to expand its use of Avetta and is in the process of deepening its due diligence around suppliers' financial and legal risk.

