

Staples

Framingham, MA | www.staples.com

BACKGROUND

- 76,000 employees worldwide
- Serves more than 21 countries with over 2,000 superstores
- 65 health care vendors and over 400 documents

HIGHROADS BENEFITS

- Significantly reduced cycle time for conducting RFPs
- Double-digit reduction in vendor bid price from start to finish
- A comprehensive audit trail that complies with governmental regulations
- Consolidation of documentation in a centralized location, improving data management efficiencies
- Demonstrate control and value of programs to senior leadership

OVERVIEW

Staples, Inc. is committed to making it easy for our customers to shop and/or order a wide range of office products, including supplies, technology, furniture, and business services. The team that makes this all possible is over 76,000 talented associates worldwide.

With 2007 sales of \$19.4 billion, Staples serves consumers and businesses ranging from home-based to Fortune 500 companies in 22 countries throughout North and South America, Europe and Asia. Headquartered outside of Boston, Staples operates more than 2,000 office superstores and also serves our customers through mail order catalog, e-commerce and contract businesses.

BUSINESS CHALLENGE

The HR team at Staples needed to change the way the company managed the extraordinarily complex process required to secure world-class health care benefits. The team was accustomed to the rigors of the industry standard: a manually intensive process that required a great deal of administration and paperwork to get through each stage of the process. Spreadsheets, binders and hours spent going over tiny print to sort the real deliverables from the marketing promises of benefit vendors, are well-known to any HR manager tasked with designing, sourcing and managing benefits packages.

In evaluating operations, Staples found that its approach to benefits supply chain management relied on the typical model found in thousands of organizations: Each step in the process was treated as a series of independent activities. The

“HighRoads creates an online environment where consultant, buyer and seller **collaborate more efficiently** and effectively, and where all **benefit.**”

- Director of Global Benefits

disjointed process resulted in longer cycle times, disparate data sources and higher overall costs.

Prior to HighRoads, “when asked to provide information on a Summary Plan Description (SPD) or a vendor contract by an employee or senior management, we would be going through file cabinets in storage rooms trying to find the information.

With [Staples] rapid growth – it would take significant time trying to find the documentation,” said Lisa Blasdale, Benefits Manager at Staples.

To accomplish an ambitious goal of streamlining the process, reduce overall costs and continue to provide competitive healthcare packages to the company’s thousands of associates, managers and executives, Staples adopted a more holistic approach to managing the HR process - ensuring visibility, value and control over the entire process.

To change this model, Staples identified four key areas for improvement that could deliver the kind of efficiency and optimization needed to strike the right balance between costs and quality.

- Reduce administrative work
- Improve data management
- Improve monitoring vendor relationships
- Demonstrate control and value of programs to senior leadership

THE HIGHROADS SOLUTION

To gain control of their health care costs, Staples turned to the HighRoads to automate labor-intensive tasks and streamline day-to-day operations.

This packaged solution is delivered and supported by HighRoads HR information specialists, an experienced team with domain expertise in corporate benefits and technology.

HighRoads provides Staples with one system of record for managing all of their HR programs and vendor content to improve the employee experience while dramatically reducing health care costs. Staples top issues were resolved with HighRoads through:

- **Improve data management** – Collection of the data was very cumbersome. HighRoads stored the needed data in single location, in a single format which was clearly owned and controlled by Staples.
- **Reduce oversight time for vendor management** – Staples’ HR staff had limited time they could spend on their vendor relationships. HighRoads provided automated penalty calculations to ensure fees were being collected from vendors not performing to contractual obligations.

- **Improve internal control during vendor bidding** - Staples wanted to create a transparent bidding system so all vendors could be evaluated fairly and objectively based on predefined criteria. HighRoads provided:

- All vendors with the same information
- All vendors complied with Staples bidding process
- Staples had auditable trail of bids, terms and conditions and any follow-up questions.

- **Demonstrate control and value of programs to senior leadership** - Staples needed to be able to generate reports for management which showed a regular review of their plans, vendor contracts, and compliance. With HighRoads interactive Web-based dashboard which displays realtime performance metrics for all critical HR and benefits programs – Staples is able to show value metrics on their HR programs.

- **Integrate easily and efficiently during an acquisition** – They needed to be quick and provide reliable, accurate information to new associates being enrolled into the Staples health care programs. HighRoads ability to compare and analyze plans and programs offered against those of the acquirer in an apples-to-apples format, allowed for a quicker turn around time.

“Staples is in the process of going through a lot of acquisitions. The work HighRoads does - allows us to integrate the newly acquired companies faster into the benefits program.” Lisa Blasdale, Benefits Manager at Staples.

RESULTS

HighRoads provided unprecedented levels of visibility to information across multiple plans, processes and transactions to support informed decision-making. This insight enabled Staples to engage in the highest quality of employee health care benefits at substantially lower costs.

By streamlining procurement and plan renewal process to negotiating and managing final contracts to monitoring and tracking vendor performance – Staples was able to achieve “more with less” and improve the employee experience. Staples – for the first time – was able to see some of the following benefits:

- **Reduced cost of health care plans** - Staples has realized a year over year savings in costs using HighRoads by being able to document savings from competing bidders against prior year rate.

- **Reduced time required for RFPs and/or renewals** – Using templates and existing documents as a baseline, Staples was able to significantly reduce the time for an RFP. In the past five years, Staples has successfully conducted RFPs and/or renewals for medical, dental, pharmacy, stop loss and other employee benefit plans.
- **Meet legal and audit controls** – Staples can now meet legal and audit control requirements with an automatically created audit trail on actions performed by the HR department.
- **Better Reporting Capabilities** – Staples is able to run reports in a standardized format in real-time that can be segmented by various criteria including time of year, plan type, industry, company size, geography and funding.

“Given that Staples is such a fast moving, data-driven company, it is imperative to have timely information to make decisions. HighRoads accomplishes this and makes it easy with its real-time data in a standard, presentation-ready format,” Holly Comprone, Project Manager, HR Financial Planning & Analysis, Staples, Inc.

Staples has gained better control over its data, automated many labor-intensive tasks, and improved audit controls which ultimately have demonstrated significant cost savings both in terms of money and time.