

**Speaker 1:** 0:04

Thank you so much. First live interview. So now we have a game for you, fine folks. All right, we're going to do most of it, so don't worry. Don't worry, I'm going to give this back to you All right. And Dan, I will hand this part over to you.

**Speaker 3:** 0:22

Okay, so what we have for you guys is actually a couple of scenarios that we're going to do here. I am, just so you know, just a lowly procurement officer in this scenario, just trying to make my way in this world. For those of you on the podcast, we're all wearing mustaches.

**Speaker 1:** 0:48

We all have mustaches on currently oh the humanity.

**Speaker 3:** 0:52

So there are some scenarios we're going to go through. One of those is with Wiseguy's office furniture. Hey, this is my vendor.

**Speaker 1:** 1:03

I'm walking over here.

**Speaker 3:** 1:03

This is my vendor. I'm walking over here, so I want a little audience participation here. Somewhere on some table, there is an envelope that says Wise Guys Office Furniture Scenario. What we're going to do we're going to have this scenario read aloud. Then we're going to ask you guys through Poll, everywhere right, yes, sir? To rate it on our five-point rating scale. So let's see where we wind up with this. We have no idea how this is going to go.

**Speaker 5:** 1:36

Wise Guys Office Furniture. The company profile what Large manufacturer and distributor of office furniture and supplies, with a catalog listing of over 1,800 products. Yeah right, Well known in the field, have a reputation of being higher priced but with excellent customer service. Of course, I knew that the CEO is known to be abrasive and combative when confronted with ordering issues.

**Speaker 1:** 1:59

I don't agree with that.

**Speaker 5:** 2:00

This vendor is always timely with reporting and submits sales analysis as required, being late only once in three years.

**Speaker 1:** 2:09

Maybe Okay, I don't know.

**Speaker 5:** 2:12

The reviews from agency customers review. One ordered 15 office chairs at nearly \$300 per chair Good chairs. The chairs are very well built but they promise delivery within four days and we received them 10 days late. Their customer service manager dropped the price 15% due to the delay, but we had temp staff with no place to sit for a week. This is not acceptable.

**Speaker 1:** 2:34

That's not my problem.

**Speaker 5:** 2:37

Review two Wise Guys is amazing. They delivered 14 standing desks for us with no issues in an emergency. That's better. Would recommend them highly if your agency has the budget for it, because they are expensive, of course, really, really expensive. Yeah, we paid more than 20% above normal market pricing, but it was an emergency and they had the fastest turnaround.

**Speaker 1:** 2:59

Yeah, that sounds about right.

**Speaker 5:** 3:02

Review three Never, ever, buy a product from Wise Guys, oh come on.

**Speaker 5:** 3:07

They messed up our entire order. We ordered 15 new seats for our reception area. We ordered black fabric-covered cubes and benches. What we received was 12 red and blue striped chairs. This is good. When we called to have them correct it, we spoke with Kevin and he let us know this was not their fault. No, we submitted the wrong product codes. We verified our submission was correct. Kevin would not accept responsibility and only committed to replacement at 50% off within the next three months. We would have to pay to return the furniture we received. Absolutely, times are hard. Have to pay to return the furniture we received.

**Speaker 1:** 3:42

Absolutely. Times are hard. This mustache, okay, doesn't cut itself Alright.

**Speaker 3:** 3:56

So you guys heard some really good, some not so good, some real challenges there. Maybe Kevin presents a challenge himself. We'll find out in a few minutes. How would you evaluate this vendor based on that feedback? One to five. Please vote Two, two, three, three, three.

**Speaker 1:** 4:13

You guys like that candy right?

**Speaker 3:** 4:18

Wow, wow, ooh.

**Speaker 1:** 4:22

Ah, oh, come on, I'm walking here. Oh my God, all right, my mother's going to be so mad.

**Speaker 3:** 4:33

Just a couple more seconds here. Sounds like Kevin and I are going to have a real discussion.

**Speaker 1:** 4:43

There's nothing wrong with those chairs. They're good chairs, all right, I think everybody who? What those chairs?

**Speaker 3:** 4:45

are. They're good chairs, All right. I think everybody who wanted to vote voted. Kevin, we've gotten some feedback lately on your performance and it is not up to our standards. You can see here just visually it's a little bit less than two overall in terms of failing to meet standards. What are your concerns?

**Speaker 1:** 5:12

Well, you got all the twos up here and I don't got no threes or fours.

**Speaker 3:** 5:16

So tell me a little bit about what you think happened. What does a two mean to you?

**Speaker 1:** 5:23

Well, it means to get the chairs where they're supposed to go, right. So you got. They wanted some chairs right. We gave them the chairs, the correct chairs. Well they could sit down right.

**Speaker 3:** 5:38

The chairs that they ordered in the contract.

**Speaker 1:** 5:42

Well, maybe not the correct chairs, but they were chairs.

**Speaker 3:** 5:47

Okay, I don't think anyone's arguing that they were chairs. So what happens, though, when we order something like that and what we receive is not what we order? What would happen if it came from your supplier? So you ordered 30 leather chairs and you got 10?

**Speaker 1:** 6:05

plastics. Jimbo wouldn't do that to me, but I'd be very upset if he did.

**Speaker 3:** 6:08

You would. So you can kind of understand our agency's feeling here.

**Speaker 1:** 6:12

Okay, I guess so.

**Speaker 3:** 6:13

Okay. So I mean, look, this is not the end of the world. I know it's hard to see these numbers sometimes, but let's get you back on track. What would you need to do differently? What could you do better to get from these twos up to maybe just a three, three and a half?

**Speaker 1:** 6:30

up to maybe just a three, three and a half. Well, I guess maybe we could work with whomever to do a discount or something if we were late. Maybe you know, we could get them the right chairs. That would be a good start, actually, now that I'm thinking about it. And you know, just have more communication, probably More communication.

**Speaker 3:** 6:48

That sounds like a good thing. Okay, let's get the chairs where they need to go. Obviously, a great, great starting point. What else, hmm?

**Speaker 1:** 6:59

Hmm, hmm, I'm thinking why don't you tell me, what else I?

**Speaker 3:** 7:03

could do? Why don't we renegotiate this contract and start all over again?

**Speaker 1:** 7:10

No, that's a really good idea. Yeah, yeah, that's a really good idea. Yeah, yeah, that's a really good idea, we can get on that All right.

**Speaker 3:** 7:15

Thank you, Kevin. So that was scenario one. Round of applause for everybody. The one thing this shows and I want to point it out is you guys heard three very different reviews about this one particular vendor, and there are 25, 30 people in this room, and yet you were all really close. Not a single four, not a single three. The other thing that you can start thinking about here is I don't want to get too technical, but inter-rater reliability Can we apply consistently across agencies, across raters? And I think when you hear certain feedback, the answer is yes, all right. So let's try that with scenario two here.

**Speaker 2:** 8:02

Mod solutions. We're a new startup, we're always positive, we always do the best work and it's all about customer relations.

**Speaker 3:** 8:11

We shall see if that's true or not. Scenario two we have Mod Solutions Furnishing somewhere on a table. Someone like to read for me?

**Speaker 4:** 8:22

Yes, Mod Solution Furnishing company profile reseller of furniture primarily made in Mexico and Taiwan. Designs are modern and sleek, with generally fast turnaround times. Products are built to spec but materials are inexpensive and furniture is less likely to last long. Fairly new to government solutions work but have a solid B2B reputation. They have grown considerably over the past five years. Here are reviews from some agency customers. Number one ModSolutions portal was easy to order from. We added eight new oak desks. Was a little disappointed when they turned out to be veneer over MDF. Don't think these will hold up well to a lot of you. Still not bad for the price and they delivered on time.

**Speaker 2:** 9:10

See yeah that's good, always positive. We're delivering.

**Speaker 6:** 9:14

Yeah, a second review. The contract requires notice if shipping will exceed standard rates and we were charged for expedited shipping today that we did not request. It was an extra \$399. We asked them to reverse the charges and they did, but it took 10 days to show the credit. It was easy to resolve with the company but created a lot of issues with our F&A office. Why can't vendors just do what we ask up front?

**Speaker 2:** 9:48

We're growing. We're just a growing company Startup.

**Speaker 7:** 9:51

We're growing, we're just a growing company, start up. The chairs that we ordered were cheap plastic and one of them had a crack in the seat when it came off the truck. We refused to accept it as a deliverable and they are in the process of replacing it. It has been 14 days and we have no replacement yet. We reached out via email and continue to get auto-generated customer service responses Very frustrating. When we initially notified them of the crack chair, they offered to also add a credit for future purchases.

**Speaker 2:** 10:16

That's nice. Yeah, yeah, thank you.

**Speaker 1:** 10:19  
Customer service Big deal.

**Speaker 3:** 10:25  
Okay, so let's go back to the Poll. Everywhere solution, and I think it's 22333. You will rate these vendors. It's only taken me four years to remember those five digits.

**Speaker 2:** 10:44  
Wise guys.

**Speaker 3:** 10:45  
I'm getting threes. Oh, we get a little bit of a spread here.

**Speaker 2:** 10:47  
Wise guys, I'm getting some threes here, competition Almost twos. He's got nice chairs, nice colors, modern and sleek. Okay, whoa.

**Speaker 3:** 11:04  
So you guys are a tough crowd.

**Speaker 2:** 11:07  
No.

**Speaker 3:** 11:07  
fours or fives, yeah, no fours and fives and we did give discounts. I think we set that up in the scenario. There would be no fours and fives when there were some failures. Okay, let's talk here. Who was that? I am calling out Patrick, my boss's boss right now for that. Okay, all right. Thought that was going to be him for sure. Uh-oh, I'm losing the mustache. Guess we're just going to take that one off. Who?

**Speaker 2:** 11:36  
are you? What Magic, there you go, magic.

**Speaker 3:** 11:43  
Okay, so let's talk Mod Solutions. You guys are struggling a little bit with us. I know you're new, you're growing, but it still looks like we're underperforming a little bit, especially in relation to replacing some mistakes and delivery times. It looks like you're probably at a 2.6.

**Speaker 2:** 12:12  
What does that sound like to you? Sounds like we're growing. Sounds like everybody wants to invest in our company.

**Speaker 3:** 12:18  
We're doing a round of series of raising investment, so come on in Okay, sounds like you're growing, also sort of implies sometimes they're growing pains. Maybe a little pain here. Always positive, always positive, excellent. So then I'm absolutely positive you can more than meet our customers demands in the future.

**Speaker 2:** 12:36  
Absolutely Everything.

**Speaker 3:** 12:38

So to do that I would really. You know you're sitting at this. Two, Two point six. Let's say it's good. Not a one. Tell me about that, that's good.

**Speaker 2:** 12:50

Not a one. Tell me about that. Well, we're not a one. I mean, two is good, two is closer to three.

**Speaker 3:** 12:54

Three is pretty good.

**Speaker 2:** 12:56

Two is closer. Two is closer to three 2.6. That's pretty good. So yeah, I think we're doing okay.

**Speaker 3:** 13:01

So you feel like two is okay for now. For now, because you're growing.

**Speaker 2:** 13:06

Yes, we're showing a lot of growth year over year.

**Speaker 3:** 13:07

Okay, if you were to talk to your suppliers and you, your supplier, was getting rated as twos from a different source. How would you feel about that?

**Speaker 2:** 13:22

It would put mod solutions in a little bit of a pickle and that's what that's what we're seeing, kind of being able to resell this stuff. So yes, I see your point, I do.

**Speaker 3:** 13:31

So you see that I'm kind of a big dill, yeah, yes.

**Speaker 1:** 13:36

That was a good joke. That was good, you caught me, dan.

**Speaker 3:** 13:40

No, now I got folks walking out. This is exactly what we were going for.

**Speaker 1:** 13:45

We have more mustaches. It's fine.

**Speaker 3:** 13:47

Yeah, so let's talk about then. I mean, you've clearly had some successes, but a few issues along the way. What would it take for us? What would be different? What would our state agency customers experience differently if you move this 2.6 to just to a 3.2, a 3.1, somewhere in there, I think?

**Speaker 2:** 14:11

the expectations that we set and that we sell ourselves on. They need to match our delivery and I think that that is a room for improvement and I would take that into consideration, that that is a growth criteria.

**Speaker 3:** 14:24

Okay, excellent. So you can understand, in the process of that, we'll have to apply some financial consequences. Yes, I mean, yeah, sneak that in there right, I was not expecting that. All right. So do you guys get a sense of a little

bit of how this works? We're trying to have fun with it, lighten it up a little bit, but this is just one tool, one offering here, right, yep, all right, what else do we want?

**Speaker 1:** 14:52

to talk about yeah, so thank you guys for your participation. Thank you, give our procurement professional. A round of applause, and it was me and Josh. All along, you guys, oh no, oh my gosh. You should see the look on your faces. The audience is so for you at home. The audience is so surprised right now.

**Speaker 3:** 15:14

I never knew who they were.

**Speaker 1:** 15:16

Yeah, shocked, shocked. Okay, thank you guys for participating in that. So now we're going to do. We have one more game that Josh and I like to play, called the takeaway game. This is a different hand motion. You go oh, takeaway game, like that, Ready Takeaway game, Ready takeaway game. Oh my God, oh my God, you guys are so scary. Okay so, but before we do that, we'd like to give you guys a chance. If you have questions, Any of you that may have legislative requirements to implement a system like this opportunity to discuss. Of course, you can always talk to Dana after the session too. Does anybody have any questions? Yes, Layton, thank you.

**Speaker 5:** 15:53

Have you guys ever used this to bypass a respondent on a solicitation so you utilize their past performance if it was just absolutely terrible to bypass them on a future bid?

**Speaker 3:** 16:04

Not exclusively with the vendor performance tracking, but it is a tool and that one example I gave, where we started seeing the numbers slip, at the same time we started seeing those complaints increase. That was probably the closest one that we had.

**Speaker 5:** 16:20

And I have one more question Is this something that you can utilize for all of your vendors or just very particular types of contracts? Say, is it just for commodity contracts or commodities and services?

**Speaker 3:** 16:31

We apply it to all of our service and commodity contracts. There's actually a. I can't remember all these off the top of my head, but I'll just tell you really quickly. We associate this in our financial system with 10 different methods of procurement. So state term contracts with requests for quotes, without requests for quotes, state purchasing agreements, invitations to bid, requests for proposal, invitation to negotiate anything with total cost greater than \$2,500. So any of those will generate this auto survey.

**Speaker 9:** 17:05

I had one too. You briefly mentioned this at the beginning, but have you ever run into any legal issues with, let's say, when you say to a vendor okay, you have a 3.7, how do you think you can get to a 4? Do they ever read into that that you're trying to make them do more than the specs require? Have you had any issues?

**Speaker 3:** 17:27

No, not yet, but that's probably coming one day soon. No, not yet, but that's probably coming one day soon. To be honest, you know we have to be cautious with not trying to make them fulfill something out of the scope of the contract, right? But this is more about vendor relationship building than that true what I would say the true legal side. It's more of just helping develop that relationship so that in the future we we can avoid those legal discussions any other questions?

**Speaker 6:** 17:58

I don't. I'm not gonna pretend to understand Florida's a procurement scope, but I assume these responses you're getting and the tracking and vendor performance is from your state agencies. I know you probably have a lot of contracts used by local governments and schools and things around the state. Are you able to capture that feedback as well?

**Speaker 3:** 18:21

No, these are all coming from our state agencies. We don't have quite that level of outreach with our eligible users.

**Speaker 8:** 18:34

Hi Dan, hello, quite that level of outreach with our, with our eligible users. Hi dan, hello. Laurie denhart, pulse blog administrators, shameless plug. I have a question about about having these conversations. So when you're talking to a vendor and you're having these kind of hard conversations, have I want to talk about that gotcha moment? Because I know that a vendor may try to spin it and be like well, do you know about survey bias? Do you understand that? What do you say back to that? Because analytics is something that we use in state government and in public work. It's something that we are pivoting to try to push and drive more policy. How do you take that into account when you're having that hard conversation, when they're trying to say I have an entire analytical department and why don't you tell me something that they're not going to?

**Speaker 3:** 19:21

That's tough and I'm not going to sugarcoat that at all. Right, a lot of our vendors have more sophisticated data analysis than we do. They have a lot more tracking than we do, but the way that we kind of pull that back is you know, I understand that you have a lot of analytics and I would love for you to share that with me so that we can mutually benefit from that discussion. But this is what our data from our agency customers is showing us and I think it's important that we be able to share that with you as well.

**Speaker 2:** 19:55

Any other questions? Cool, Okay. Well, I was going to say procurement content manager-wise.

**Speaker 2:** 20:03

This session really spurred from a lot of input that I had received about this subject, and one of the reasons why we put that first question up there about statues is that that's what we've been seeing.

**Speaker 2:** 20:14

Some of the trends going on is some sort of former fashion of a vendor rating system that is going to be legislated. I know that I believe Hawaii I got feedback that it is in legislation right now, and so it can be a number of reasons, but we are really seeing that there are some statutes out there that are going to require this at some point in time and then, based on the enhancements, is this rolling in with your e-procurement system? I know that Connecticut actually they've used their budgetary system to do this and so really, you know, contact any one of us, but if you are doing this, if you are in the process or you need any advice, or if you want us to connect you with anybody else, feel free to contact us. We'll be putting out a lot more content on this as well. So we really thought that this was a very hot topic and we hope you enjoyed it.

**Speaker 1:** 21:12

Yeah absolutely.

**Speaker 3:** 21:14

One last question Does anybody else need candy? Because that's a good question. Got a little bit more I'm happy to throw at you.



**Speaker 1:** 21:21

Okay, so real quick, before we end here and again, thank you guys. This was the first I don't know if I said that before or not the first Pulse podcast live. Yes, round of applause to yourself. You've been so good today. We really appreciate you. Last thing that we're going to do, we're going to play the takeaway game. This is a game that Josh and I like to play. We just like to keep count. I think you're up one, you're up one Right now.

**Speaker 1:** 21:48

Yes, the night is young. Okay, so what this game is is we present our takeaways to our interviewee, mr Dan, over here, and he's going to decide which one of us are right. Right, which one of our takeaways is better. Right, he'll rate them, if you will. Okay, so, dan, I need your help for this. Yeah, so Dan, I need your help for this. Yeah, so Dan. This is my takeaway. I was taking copious notes, right, I wasn't paying attention to anything else, yeah.

**Speaker 1:** 22:25

My takeaway is that rating on a scale from one to five is the best way to rate literally anything. Wow, it's pretty good.

**Speaker 2:** 22:28

Hold your applause please, yeah yeah, this one I just made up on the spot. This in no way, shape or form has anything to do with building relationships with vendors to let them know how well they're doing. I am simply giving them a three so I can go home at the end of the workday have a glass of wine and sleep with my cat.

**Speaker 1:** 22:48

That is a great takeaway.

**Speaker 3:** 22:53

I'm going to turn this out to you guys, because I'm not sure either one of them were listening at this point. What do you think Should that be our takeaways? That life is a series of ratings of one to five and drinking wine with your cat is the best moment of the day? No, no, no, no, no, no. All right, somebody give me a real takeaway.

**Speaker 8:** 23:15

How about the rating is just a tool to use to start performance improvement conversations with our vendors?

**Speaker 3:** 23:22

Excellent, that is fantastic.

**Speaker 1:** 23:23

Yes, that is a good takeaway.

**Speaker 3:** 23:27

Are these the swag bags, any last takeaways, anything you guys want to share? We were okay on time, I believe. Yeah, we still got some time. Okay, then I'm going to go and tell the two of you that you both lose that takeaway game. Oh man, yeah, so I guess. Cats, no payments, seriously.

**Speaker 1:** 23:47

Well, we got until the end of the year. Okay, let's give Dan another round of applause, please. Thank you so much for joining us, dan. We really appreciate it. Thank you.