37% Increase in Compliance for
Global Fortune 50 Retailer

evident

About The Client

Client:
Fortune 50 Global Retailer

Industry:
Retail

Product Range:
Grocery, home goods, beauty products, and more

Global Reach:
Products sourced from 22 different countries

Number of Suppliers:
40,000 (across various risk categories)

Maintenance Suppliers:
Responsible for on-site maintenance services

Unique Insurance Requirements:
Varied based on product, service, and origin

Problems The Fortune 50 Global Retailer Faced

In a world of innovation, even giants face obstacles. Before joining forces with Evident, this Fortune 50 Global Retailer grappled with a myriad of supplier compliance challenges:

1

Manual Certificate of Insurance (COI) Collection:

Multiple departments (purchasing, risk, operations) independently collected COIs from suppliers, creating inefficiencies, and duplications.

2

Verification Bottleneck:

A small team of 2 individuals reviewed the COIs against specific insurance requirements, which led to a backlog of work.

3

Inefficiencies and Errors:

Manual processes were prone to errors, and they couldn't effectively translate and verify international supplier coverage.

4

Time-Consuming Communication:

Communication between departments and suppliers about non-compliance was time-consuming, with an average of 30 minutes per supplier back-and-forth.

5

Delayed Compliance:

The process took seven days from COI collection to determining compliance, hampering supplier relationships.

6

Low Compliance Percentage:

Compliance was only at 45%, with international supplier status remaining unknown.

7

Claim Payout Liabilities:

A third-party claim arose due to an outdated COI, causing the retailer to pay out the claim. Lack of additional insured status added complications.

How Evident Helped

Evident addressed these challenges by fully automating the supplier insurance verification process:

1

Customized Insurance Requirements:

Evident configured all 85 different groups of insurance requirements into the solution, automating supplier certificate verification. This allowed the team to no longer have to compare COIs to the specific requirements, saving 3 minutes per COI, per supplier (average 3 COIs per supplier).

2

Automated Communication:

Evident automated supplier communication, streamlining COI collection into a single, efficient process. Within the communication, the supplier had visibility into their specific insurance requirements, allowing them to submit compliant COIs the first time. The retailer saw 14% of their suppliers submit compliant COIs the first time around.

3

Efficient Non-Compliance Handling:

Evident directly communicated non-compliance reasons to suppliers, facilitating quick adjustments by brokers and suppliers. This saved the supplier management from having to decipher what the non-compliant reasons meant and explain them to their supplier.

4

Supplier Assistance:

Evident provided small suppliers with insurance fulfillment options through partners, helping them meet requirements and find cost-effective coverage. This functionality helped non-compliant suppliers come into compliance 2.4x faster

5

International Coverage Analysis:

Evident extracted coverage types from COIs in 22 countries and 15 languages, enabling instant, accurate compliance verification.

6

Dramatic Compliance Increase:

Compliance surged from 45% to 82% within 12 months.

7

Premium Savings:

Utilizing Evident's reporting, the retailer negotiated a 4.5% reduction in premium costs at insurance renewal due to better risk management.

What Would Happen if They Did Not Implement Evident

Additional	Additional	Additional	Additional
6,700	**$200,000**	**$97,000**	**$1M**
Hours a Year Working on Supplier COI Compliance	in Administrative Costs for US Suppliers	in Administrative Costs for Global Suppliers	of Potential Claim Liabilities

Had the Retailer Not Implemented Evident:

Resource and Cost Overhead: The retailer would still require significant resources - 2 full-time resources equating to an additional $100,000/year - and technology to manage global vendors manually.

Claim Risk: They would remain vulnerable to claim liabilities due to missing COIs.

Global Supplier Compliance: Ensuring compliance across 22 countries would require language-specific resources.

Project Delays: On-site suppliers would need to submit COIs weeks in advance, causing project delays due to a 7-day turnaround time.

Implementation

Efficient Timeline: Evident and the retailer implemented the system within just 4 weeks.

Requirements Gathering: Evident required the retailer's full supplier list and their specific insurance requirements.

Global Coverage: Evident's existing capabilities in verifying coverage in over 140 countries seamlessly handled the retailer's requirements.

System Integration: Evident and the retailer integrated their systems, allowing compliance data to flow seamlessly into the retailer's supplier management system, eliminating the need to log in separately.

By implementing Evident's automated solution, this Fortune 50 Global Retailer not only streamlined its supplier compliance process but also significantly **reduced costs**, **minimized claim liabilities**, and **improved global supplier management**. The success story serves as a testament to the transformative power of automation in optimizing business processes.