

## New Outsourcing Contract Yields \$1 Million+ Savings for Dickinson Wright

Dickinson Wright is a Michigan-based law firm with a significant national practice and over 450 attorneys. By 2017 the firm had been with its outsourcing service vendor, Excela, for several years and enjoyed a workforce spread across three offices: Detroit, Troy, and Phoenix. Around the time Excela's contract came up for renewal, however, Director of Human Resources Linda Reyna, noticed an increase in staff turnover at the Troy office as well as some signs of under-utilization at other offices.

Linda's colleague, John D. Gorzalski, Chief Administrative Officer for the firm, encountered Rob Mattern, president of Mattern, at an industry event; he suggested the firm engage in a Request for Proposal (RFP) to refresh their relationship with Excela, and update their understanding of the services offered in the market with a view to improving the firm's contract terms and conditions. Firm leadership agreed, and Dickinson Wright brought in Mattern to expertly manage an RFP for the firm's outsourcing services.

### Mastering the RFP Process

With Mattern's assistance Dickinson Wright was able to confidentially navigate the RFP process, Reyna states, "First and foremost, Mattern was great. Running RFPs is not our core competency and so Mattern's expertise was a much welcome efficiency gain as well as a way for our firm to immediately access industry-wide insights and benchmarks that were invaluable to the process."

Engaged to comprehensively review all outsourced operations and help guide the firm through the RFP process, award, and contract negotiations, Mattern managed the entire process from the ground up. Eight vendors in total expressed an interest in participating in the outsourcing RFP and, with Mattern's guidance, the firm moved forward with three top competitors. Reyna comments: "Mattern kept the process on track; visiting all the sites and shadowing staff to build a solid understanding of inefficiencies."

Mattern's complete on-site assessment of outsourced labor services at each of the firm's three offices included a review of the outsourcing vendor's staffing levels, workflows, and processes. Based on this evaluation, benchmarks, and demonstrable expertise within law firm operations, Mattern made several recommendations for the firm's consideration, including improvements to staffing, training, contracts, and reporting requirements. Mattern then collaborated with the firm to create a uniquely tailored RFP that addressed the firm's areas of concern. "They shepherded us through the whole process," adds Reyna.

### Better Pricing and A More Flexible Contract with the Incumbent

After careful review of the competing vendors and precise contract revisions guided by Mattern, the firm elected to retain its service provider, Excela. A few key changes to the service terms, however, made the renewal of the relationship with Excela possible. Reyna explains, "Rigid severance package terms that had previously tied the firm to strict staff ratios were significant stumbling blocks in the existing contract. These had been non-negotiable previously and we were grateful to the artful negotiations of Mattern to win this key flexibility for the firm."

#### Mattern

223 Wilmington/  
West Chester Pike

Suite 104

Chadds Ford, PA 19317

(610) 459-7750

[www.matternassoc.com](http://www.matternassoc.com)

The new contract incorporated many other significant changes, such as:

- Right-sized staffing configuration.
- Employees shifted from variable hour work weeks to a 40-hour standard work week.
- Elimination of equipment from the labor agreement.
- Monthly staff training and reporting guarantees, including cross-training.
- Mandatory reporting on services metrics.
- Significantly improved contract terms and conditions, including
  - Elimination of non-solicitation clause and severance costs
  - Inclusion of untrained staff and staff underage credits
  - Inclusion of backfill guarantees
  - Guarantees to meet both number of staff on-site daily and service levels
- Penalty based service level agreements.
- Installation of updated technology.
- Monthly incentive of 2% off labor management fees.

Through the Mattern process, the firm was able to enter into a firm-friendly contract that guaranteed the firm and the on-site staff would receive the attention required all while decreasing month-to-month costs by 19%; a projected savings of over \$1.1 million dollars over five years. Furthermore, Mattern was also retained by the firm to oversee implementation of the project, the on-going monitoring of the contract, and to manage the RFP process for firm's multi-functional devices.

### Complete Peace of Mind

Post RFP, the leadership at Dickinson Wright was pleased with Mattern's expert guidance throughout the RFP process and elected to retain Mattern to oversee implementation and monitoring of the agreement. "Even this aspect of our arrangement with Mattern has demonstrated value," Reyna adds, "as Mattern has already identified anomalies in our invoicing highlighting credits owed to the firm that would not have been noticed or applied. It's a cost savings to us and good practice to keep the vendor alert to our SLAs."

"Overall, it was a tremendous advantage to engage Mattern. Their wealth of expertise in the RFP process proved crucial and having specialists on-board was invaluable to the firm, saving both time and money. We now have an improved relationship with our outsourcing partner and were able to save the firm on costs along the way. Working with Mattern through this process and knowing their experts will be there in the future gives complete peace of mind."

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