

CASE STUDY

High stakes supplier selection for a key programme

Selecting suppliers and mobilising for success

Our client was a global consumer goods company mobilising a €100m+ programme to achieve a major step change in its global information capabilities. The programme was one of the company's top strategic initiatives, not just for IT but for the business worldwide. With such a lot at stake, our client engaged us to help them develop and provide expert delivery programme know-how to run a rigorous supplier selection and mobilisation process to appoint the organisations who would ultimately support them in creating a new fit for purpose infrastructure. We worked closely with the client's own procurement function, making the most of their internal expertise but supplementing that with our strong external experience of delivering similar programmes at other clients, and our specialist knowledge of the products and services being bought.

Bringing together knowledge

With operations across the world, our client's operational processes were struggling to deliver the level of support that the Executive team increasingly needed. In particular, Business Intelligence systems were fragmented across different functions and geographies. They also lacked the capability to handle the substantial growth in volume and sophistication of data required to enable and sustain market leading business decisions.

Mobilising for change

Our client was therefore mobilising a €100m+ programme to deliver a common global information core and advanced capabilities to analyse the wealth of intelligence available across the business. Based on our long-standing relationship with our client, we had already worked closely alongside them playing a significant role in the early stages of the programme - helping to develop the programme framework and guide it through internal approval. Now, in parallel with our work to create both high level and more detailed programme plans, our client asked us to provide core input to the supplier selection and manage the mobilisation process that would underpin the next phase of work.

Working as one team

Working as part of integrated team from IT (Development and Operations), Enterprise Services and Procurement, we helped develop and run a supplier selection and mobilisation process for the programme.

The joint team worked closely together to define an initial process, and then create an end-to-end delivery methodology which would lead to the very best outcome

Managing the whole process

The joint team created and issued an RFP, and then researched and engaged suppliers. We then worked with them to evaluate the bids, and generate the short list. After oral presentations from the shortlisted suppliers, feedback was coordinated from a wide range of stakeholders and the downselect decision reached.

“Selecting a partner or third party is not just about getting the best possible commercial deal at that moment in time. It's about making decisions to work with other people and organisations, sometimes for a period of many years - through thick and thin - and maximising the chances at the start of doing this successfully.”

Juliet Armstrong
Partner



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Ensuring a tailored approach

No two projects are the same. As a result, we strongly believe that in terms of how you approach them, one size very rarely fits all. So as part of our decision making process, we took time to ensure that the BI methodology of our selected Systems Integration supplier was specifically tailored for this particular programme.

A strong contractual foundation

Working hand-in-hand with our client's Procurement and Legal teams, we conducted detailed contractual negotiations with the chosen suppliers, reaching agreement and contract signature in line with the plan. The strong contractual position we established gave our client confidence.

Transferring valuable skills

As part of the contracting process, we helped strengthen our client leadership's team understanding around how to create robust contracts and frameworks. This has brought them new skills they can take with them to other significant negotiations in the future.

The suppliers were then rapidly mobilised and we handed over the management of them to the client team members that had been appointed as ongoing supplier managers.

The right support in place

The vendor selection process was completed within the set timeframes, successfully engaging three suppliers. We then supported those suppliers as they ramped up the programme to full capacity, and their resources were actively working on the programme on schedule.

Getting the best value

Representing the programme, our detailed contractual negotiations input not only brought our clients the right suppliers and programme methodology, but also delivered significant procurement 'savings'. For example, our input helped achieve reductions on initial bid price, including rates lower than incumbents'.

Delivering strong supplier management

We put in place an on-going programme supplier management framework, which included quarterly performance reviews with each supplier. We really brought our delivery experience to bear highlighting the ability to collaborate and work constructively together across the three key suppliers would be a key factor underpinning the ultimate success of the programme. So we made it a key criterion for evaluating their performance on the programme. We developed a satisfaction payment regime, which was consistent for all three suppliers

and based on both individual and group performance. The contracts included an innovative, outcomes-based supplier bonus/ penalty scheme to really drive the right types of collaborative behaviour.

A blueprint for success

We're proud of the supplier selection process we helped create, and the way in which we worked collaboratively to achieve the right result for our client, is now considered to be the best practice template for all their major programmes. It was a fundamental factor in setting the programme up to deliver effectively across a wide range of business functions and geographies.