

Department of Transport and Main Roads Procurement Value Management Project

The Department of Transport and Main Roads (TMR) engaged Charles Kendall to embed Procurement Value Management (PVM) into the organisation and deliver savings.

Charles Kendall delivered the PVM project on time and within budget, providing a consistent plan and structure to achieve estimated procurement savings of \$140 million.

The Challenge

- Coordinate with the TMR's dedicated project team and wide-ranging (and often conflicting) stakeholders to develop a PVM framework and supporting implementation plan;
- Achieve results for reporting to the Queensland Government Chief Procurement Office (QGCPPO) despite decentralised procurement activity and an absence of consistent historical measurement or performance reporting on procurement.

Our Approach

Development of a JP&RS pilot scheme (and later a full toolkit) to deliver:

- Workshops with TMR to map current procurement

activity and identify areas for improvement;

- Spend analysis and categorisation, plus best-practice procurement performance measures for reporting to QGCPPO requirements;
- Category savings initiatives and develop a corresponding implementation roadmap.

Outcomes

- An estimated procurement department saving of \$140 million by December 2012;
- Delivery of a PVM plan capable of being embedded into TMR, along with consistent methodology and plan for future procurement performance measurement;
- A defined TMR spend category structure and savings initiatives, with full implementation roadmap and reporting process;
- Knowledge transfer from Charles Kendall to the internal TMR team to establish in-house capabilities for future development and enhancement.

