

Broadspectrum Procurement Transformation

Broadspectrum is a facilities management organisation that operates in a complex matrix organisation, with five service lines across three major sectors servicing across nine industries, four of which are NSW Government.

Charles Kendall Australia (CKA) was engaged to provide quality procurement consultants for Project Turbo, an initiative established by the CEO and the board to improve EBITDA, provide a holistic view of procurement activities to identify and assess synergies, process re-engineering and overall improvement opportunities within a wide range of categories.

The Challenge

- Cleansing of data to get an accurate baseline, products, services and supplier classification.
- Stakeholder change management to manage the transition from a decentralised procurement model to a centralised model.
- Reduce the lead-time for the hardware delivery category from 21 days lead time, and reduce the bottleneck in payment process.
- Rebranding Transfield Services to Broadspectrum (raise procurement profile as a service under new name).
- Management of national tenders, including scope definition, contract documentation and so on.

Our Approach

- To devise accurate products and services

classification, by supplier, across specific categories.

- To obtain spend records by collaborating with the finance team to establish an agreed spend baseline.
- Project management to ascertain and agree transparent process objectives, actions and timelines.
- To review and evaluate current materials resource planning process, defining true lead-times.
- Develop a strategy to market procurement as a service position across the organisation and its clients.
- Identify category synergies across clients, review & evaluate supplier response, and introduce standard commercial models.

Outcome

- Accurate data analysis, reporting and assessments.
- Accurate spend data landscape between BRS, suppliers and clients.
- Established strong relationships and communication lines between key stakeholders and procurement.
- Implemented total cost of ownership solutions, reducing lead time from 21 days to 3 days.
- New logo applied in procurement tools, systems (TenderLink) notification to suppliers, and negotiation with suppliers that provided branded products.
- Commercial outcome of 25%-45% reduction across categories; predominately facilities management and information and technology.

