

CPL - Choice, Passion, Life Procurement Services

CPL – Choice, Passion, Life is a not-for-profit organisation providing disability, therapy, employment and aged care services across Queensland. Following a comprehensive procurement review and the provision of ad-hoc contract review and negotiation services, CPL engaged Charles Kendall Australia (CKA) to deliver procurement services on an on-going basis.

The engagement started in May 2017 and is still thriving as of today. The outcomes outlined in this case study were all achieved by June 2018.

The Challenge

- No internal procurement resource to lead procurement and contract management activities.
- No sufficient workload to justify a full-time procurement manager.
- Low level of expenditure control due to decentralised procurement model.
- Key supplier contracts not consistently managed leading to contract leakage.
- Lack of capability and capacity to manage high value and complexity contracts.

Our Approach

- Deployed a procurement resource via a flexible arrangement with a mix of on-site and off-site delivery of services and supported by a team of procurement experts in areas such as dispute resolution, contract law and category specific intelligence.
- Demonstrated the value of procurement and contract management across key departments such as Corporate Services, IT and Marketing.

- Consolidated all future procurement activities in a forward procurement schedule and identified priority categories to be addressed.
- Consolidated all supplier contracts into a single database.
- Established relationships and value alignment with key suppliers.
- Continuously identified value for money and efficiency improvement opportunities by, for example, reviewing the fleet specifications and benchmarking the fleet contract.
- Acted as a trusted procurement advisor to the business for contract drafting, reviews and negotiations.

Outcome

- Delivered \$317k in annualised financial savings in addition to qualitative benefits resulting in return on investment of more than 3 times.
- Increased transparency of procurement procedure, spend limits and approval authority.
- Improved planning of procurement resources to address high value categories.
- Improved contract database that includes key contract information and documentation.
- Negotiated fundraising rebates and donations as part of key supplier contracts
- Conducted 14 contract reviews and reduced risk exposure to CPL.
- Raised more than \$10k for programs such as the Let's Talk and Rai Collective programs

Industry

Not-for-Profit

Service

Procurement

Region

Asia Pacific

