

## Department of Transport and Main Roads Procurement Value Management Project

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

CKA 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

The team faced a number of challenges including absence of consistent historical records, decentralised procurement activity, and a broad spectrum of stakeholders with conflicting priorities.

In order to fulfil TMR's requirements, CKA:

- conducted workshops with TMR to map current procurement activity and identify improvement areas;
- conducted spend analysis and spend categorisation;
- researched and developed best practice procurement performance measures capable of reporting to QGCPPO requirements; and
- identified category savings initiatives and developed a corresponding implementation roadmap.

### Outcomes

- An estimated procurement department saving of \$140 million.
- 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 CKA to the internal TMR team to establish in-house capabilities for future development and enhancement.

Industry

Infrastructure

Service

Procurement

Region

Asia Pacific

