

# CASE STUDY

## Developing Capability

### project

A local government authority required assistance to undertake a Procurement Capability Review focussing on:

- Governance – are the appropriate structures and controls in place for procurement and contract management;
- Capability Analysis – people process and systems;
- Spend Analysis – identify opportunities to reduce costs and improve cost efficiencies while also mitigating any potential supply risks within the procurement and contract management function.

### the challenges

- The organisation had a lack of awareness of current contracts, procurement processes and the benefits of compliance.
- Poor supplier selection had resulted in low performance, which was impacting the cost and effectiveness of service delivery.
- Duplication of effort was reducing the efficiency and effectiveness of the procurement function.

### our approach

- Utilised our experience in best practice procurement and contract management to identify and address key causes for high non-contract spend.
- Conducted a procurement capability assessment survey to collect information on people and skills, strategy and process and training requirements.
- Included corporate social responsibility into the procurement process (quadruple bottom line, social and sustainable procurement etc);
- Demonstrated a cooperative approach to identification of risks and potential issues affecting good procurement practice.
- Proactively sought and recommended solutions to identify issues in line with corporate objectives.
- Provided recommendations on how to improve the procurement structure.

### outcome

- Reviewed the current procurement practices and aligned with the organisation's strategic corporate objectives.
- Developed a sustainable procurement model.
- Delivered an improvement plan detailing specific, actionable recommendations, strategies, costs and benefits.

