

# Supply Chain Sustainability School Project Case Study

**Client:** ISG

**Project Title:** Supply Chain Improvement Programme

**Dates undertaken, from/to:** March to October 2022.

**Project Manager & Team:** Bill Marshall

## The Task

*In October 2019, ISG committed themselves to an in-depth external assessment and evaluation of their procurement function and operations to potentially develop and improve the company's procurement performance and expertise. The assessment and evaluation was to be conducted against the best practice contained in ISO20400:2017, 'Sustainable procurement – Guidance'. As a global construction specialist, outstanding procurement performance coupled with high expectations of the ISG supply chain, the 'delivery dynamic', is judged essential to the business for its continuing success. It is also seen as an imperative that sustainability is incorporated into ISG's procurement activities to be able to meet clients' increasingly demanding sustainability needs and expectations.*

*Building on the assessment and evaluation undertaken in 2019, now as a Partner of the Supply Chain Sustainability School, at the beginning of 2022 ISG took the decision to take advantage of the free consultancy time and support available via the school under the 'Performance Through Procurement' programme. The programme aims to, 'significantly increase the quality of procurement training materials and use them to deliver training that will improve procurement approaches across the construction, housing, infrastructure, and local authority supply chains'. Given that the programme also aims to address the issues of complex supply chains and poor relationships in the construction sector and, as ISG place significant value on 'strong supply chain partnerships and working collaboratively', there was a natural fit between the programme's targeted training and ISG's procurement and supply chain priorities.*

*The task was therefore to deliver the procurement and supply chain management support and training available via the Supply Chain Improvement Programme to ISG and its procurement teams, helping them to develop their procurement skills and expertise to drive greater productivity from their subcontractors and suppliers and increase value to the business and across its operating sectors.*

## The Action

*In order to initiate the programme, a 'Kick-off' meeting took place in March 2022. This enabled individuals to introduce themselves, their roles and for the proposed support and training to be discussed and subsequent activities agreed in principle. ISG's two main points of contact were their Senior Procurement & Supply Chain Manager and Supply Chain Sustainability Manager.*

*An important activity linking the original assessment and evaluation with the Supply Chain Improvement Programme was a review of ISG's procurement policies and procedures etc and the progress made in implementing the recommendations contained in the 2019 assessment. These also linked the integration of sustainability considerations (focussing on carbon & climate change, circular economy, environmental management, and social value) in the procurement of plant, materials, and subcontract services into ISG's purchasing together with the subsequent activities needed to successfully manage supply chain relationships post contract award.*

*Coincidentally, at the same time, an important initiative to improve procurement being implemented in ISG was the introduction of 'SmartSource', an electronic supply chain management solution. Being delivered in three phases, phase 1 related to vendor onboarding and assurance; phase 2 implementing a 'purchase-to-pay' module relating to suppliers and phase 3, replicating phase 2 but aimed at subcontractors. The support and training afforded through the Supply Chain Improvement Programme thus presented an opportunity to help promote 'SmartSource' to ISG staff and so further enhance and improve procurement performance across the company.*

*Discussion and engagement progressively turned to the proposed training workshops, their content and a proposed timetable and delivery programme. The six training sessions were set up to take place during the summer and ideally be completed before August 2022 when people were likely to be on leave. The training, which covered the procurement of plant, materials, and subcontract services to achieve value, was planned to take place first followed by sessions on performance management and supplier relationship management post order. Close liaison with ISG took place to optimise attendees, content, sequencing, and timing of the training to ensure that the procurement staff taking part and receiving the training achieved maximum benefit.*

*Upon completion of the training sessions, ideas were explored on the best method of reinforcing the support and training provided up to that point, including the potential of drafting an 'Achieving Value' guide for ISG procurement staff based on the content of the training and a draft index of proposed contents was drawn up and circulated. However, ISG decided that sharing the content of the support and training received with their supply chain, particularly their 'key' subcontractors. would be of potentially greater benefit. This also tied in with ISG's aspiration to support its corporate business strategy by, 'developing and managing an approved, compliant, ethical, and verified supply chain that enhances ISG's competitiveness and success through best practice and aligned cultures'.*

*Following further dialogue with ISG, it was decided that developing bespoke workshops for their supply chain and potentially running a series of three sessions aimed at their small, medium, and large subcontractors and suppliers respectively could be beneficial. The aim being to get feedback on the ISG supply chain's experiences with the Supply Chain Sustainability School so they can understand how best to encourage their supply chain*

*to learn more and correspondingly upskill their own staff and employees. The proposed workshops would be designed and delivered by the School in conjunction with the three Partner Relations Teams.*

### **The Outcome, Benefit and Lessons Learnt**

*Out of the consultancy support, ISG received feedback and/or advice on how to improve their procurement documentation including:*

- *Sustainable Procurement Policy*
- *Sustainable Procurement Implementation Plan (aligned with ISO 20400)*
- *Supply Chain Charter*
- *Category Risk Map and Spend Analysis*
- *Sustainable Procurement Questions, Goals and Standards*

*In addition, ISG received advice and/or potential guidance relating to:*

- *Sustainable Procurement Metrics*
- *Development of a RACI (Responsible, Accountable, Consult and Inform) responsibility assignment matrix*
- *Balanced Scorecards*
- *BES 6001 – Framework for Responsible Sourcing*
- *Annual Diversity Survey*

### **Testimonial Quote for use on our Website and in Proposal documents, as appropriate**

*‘Our third-party assessor of sustainability and sustainable procurement has measured an increase in our scores for sustainable procurement since we engaged the School and embarked on the supply chain improvement plan.’*

ISG Supply Chain Sustainability Manager, 22<sup>nd</sup> August 2022.

**Written by: Rory O’Callaghan, Supply Chain Sustainability Manager**

**Date: November 2022**