

PtP SCIP Case Study: Osborne

Client: Osborne

Project Title: Supply Chain Improvement Programme

Dates undertaken, from/to: July 2022 to March 2023

Project Manager: Helen Carter

The Task
<p><i>Osborne were seeking support in upskilling and refreshing the knowledge of their procurement teams in Procurement and Supply Chain Management via our Procurement learning journey of workshops. In addition to this they were looking at specific support relating to a tender for waste management and an understanding how they define value, risks and opportunities in specific categories of spend. They had recently sold an element of their business and were in a period of transition that saw them redefining the roles and structure of procurement as well as refining the procurement processes and approaches they were looking to embed in the team.</i></p>
The Action
<p><i>The Supply Chain Sustainability School started out by ensuring the participants undertook the procurement self-assessment of 14 skill/topic areas within procurement as a function and scored themselves ranging from 1 point for minimal knowledge to 5 points for expert level knowledge.</i></p> <p><i>The cohort identified for training were then placed on a training path that took them from the basics of procurement through to the more advanced elements including performance management, supplier relationship management and collaboration training. All the training courses were completed by the team at the end of 2022 and during Q1 of 2023, the Supply Chain Sustainability School provided hands on support in defining the required criteria for a waste management tender that was being delivered and undertook a risk and opportunity assessment that allowed procurement teams and stakeholders to define what value, risk and opportunities existed in 6 categories of spend they were focusing on.</i></p> <p><u>Training:</u></p> <p><i>During the training element of the programme, we ran 6 training courses that included:</i></p> <ul style="list-style-type: none"> ✓ <i>Introduction to procurement</i> ✓ <i>Cost & Value in Materials Procurement</i> ✓ <i>Cost & Value in Subcontracting</i> ✓ <i>Supplier Performance Management (SPM)</i> ✓ <i>Supplier Relationship Management (SRM)</i> ✓ <i>Category Management</i> <p><i>We delivered 324 hours of training over that period to 27 individuals</i></p>

The cohort was tailored to ensure that the training was aligned with the roles and responsibilities of the procurement team members however there was still opportunities for individuals to understand other aspects of procurement that they were not directly involved with, and attendees expressed an interest in evolving their careers to undertake other aspects of procurement that they had not thought about.

Waste Management Tender:

Osborne were issuing a tender that would establish a new agreement for waste management services. In supporting Osborne, the Supply Chain Sustainability School undertook the following activities:

- ✓ *Review and guidance relating to the category plan and procurement requirements*
- ✓ *Development of key areas of requirement for the tender including, account management, reporting and modern slavery*
- ✓ *Evaluation of tender responses*
- ✓ *Review of SLA and KPI requirements with advice and guidance on areas for development.*

This activity ran from December 2022 to March 2023

Value, Risk & Opportunity Analysis:

To support category plans and procurement requirements, Osborne required a process of value, risk and opportunity analysis against key procurement challenges and sustainability impacts. To support this process the Supply Chain Sustainability School undertook a facilitated session with key category managers analysing their area of spend against 13 key criteria. These were:

- ✓ *Labour & Skills Shortage*
- ✓ *Supply Constraints*
- ✓ *Economic & Financial Risk*
- ✓ *Health Crisis*
- ✓ *Commodity Crisis*
- ✓ *Carbon & GHG*
- ✓ *Waste*
- ✓ *Water Use/Quality*
- ✓ *Air Quality*
- ✓ *Biodiversity*
- ✓ *Skills, Learning & Development*
- ✓ *Modern Slavery/Labour Rights*
- ✓ *Community Engagement & Investments*

After working through where value, risks and opportunities existed in the supply chain advice was then given on how the prioritised areas could be incorporated into both the category/procurement process and embedded into an SRM structure that was being developed.

The Outcome, Benefit and Lessons Learnt

Outcomes from Phase 1 lead to Phase 2 wherein we:

- a) Engaging with all levels of procurement staff within Osborne and allowing the more senior members of the teams to share knowledge and best practice*
- b) Identified procurement resources from our School to align with the organisation's strategic priorities, namely:

 - *Embedding a more collaborative relationship with suppliers*
 - *Embedding a more formalised approach to supplier management process that would allow collaboration, innovation, and continuous improvement*
 - *Developing an approach to performance management that encouraged collaboration**
- c) Identification of key criteria that would influence procurement requirements going forward which would lead a specific, efficient, and tailored approach to category procurement*
- d) Guidance on how the requirements identified from the risk/opportunity analysis could be fed into category and procurement strategies and inform the content of SRM programmes going forward*
- e) Support on the waste management tender and how the use of balanced scorecard approach, SLA's and KPIs can support good procurement with measurable and clearly defined outcomes.*
- f) Begin to create a learning programme to develop on the training delivered in Phase 1, looking at areas such as soft skills and supplier relationship management*

Participant Feedback

- ☞ I found the course very insightful, the discussions about 'mapping' & procuring for 'value categories'. Furthermore, it was interesting to hear the different ideas & also benefits regarding the centralised procurement strategy potentially being implemented across the business. I think this would be a great idea if it is implemented properly with input from QS's/Project Managers over how it could be most effective. It was also good to discuss the ever-growing inflation concerns across the industry and potential actions to mitigate the risk.*
- ☞ I took a lot away from today's session, i.e., thinking about longevity, not just procuring on price, procuring on responsiveness, service and trying to build and foster "partnerships" moving forward. It was great to hear others input, those with more experience than I.*
- ☞ Very insightful and shows where we are lacking collaboration with our current supply chain.*

☞ *As a business we buy most material through our subcontractors, however this session provided an insight into things that you may not normally think about when procuring materials*

Testimonial Quote for use on our website and to submit to CITB, as appropriate

Now is the time to upskill our procurement professionals in construction as we look to tackle wider issues such as economic instability, climate change, modern slavery and changes to legislation ensuring higher levels of accountability in the procurement process. We are delighted that this programme was so well received by our cohort and we are looking to build upon the momentum gained through this programme to continue to improve our internal processes to support our colleagues to deliver best practice procurement.

Sarah Chatfield & Maria Wood - Date: 23rd February 2023