

THE CHALLENGE

Our client is a leader in providing education and professional development to the financial services, accounting and real estate sectors in Australia.

- The client had, and was continuing to undergo a huge phase of growth, with numerous acquisitions over the years. There were many disparate supplier relationships, contracts and processes, and it was timely to do an exercise of supplier consolidation, and improved rate negotiation, leveraging on the increased buying power of the group.
- We were approached to help the client rationalize existing suppliers, streamline processes and reduce overall costs, without sacrificing quality of products or service.



OUR APPROACH

- Being largely a training organisation with many training manuals to print on a monthly basis, printing costs contributed to a large percentage of their expenses. The Adroit team prioritised this category and completed the analysis, tender, supplier selection and transition within 2 months. Due to the criticality of deadlines every month, Adroit's mandate was to ensure that a high level of service and quality was maintained while achieving streamlined processes, rationalization of the supplier base, increased use of technology as well as dollar savings.
- Due to the various "pockets" of staff with differing viewpoints and modus operandi as a legacy of the acquisitions, our project approach had a heavy focus on engaging the stakeholders and aligning everyone's goals on the desired outcomes. Going beyond supplier consolidation and price reductions ensured a successful and sustainable outcome that exceeded the expectations of all impacted client stakeholders.
- Besides running the tenders and overseeing the successful transition to the new contracts and their post-implementation, we initiated supplier and contract management processes, with quarterly supplier reviews held between the client and suppliers, facilitated by Adroit.

CLIENT BENEFITS

- A total of 10 cost categories were reviewed by Adroit over a 6-month period, including office supplies, travel, fixed and mobile phones, couriers, multifunctional devices, teleconferencing, amongst others.
- A weighted average savings rate of 28% was achieved across the categories, with savings rates in each of the categories ranging from 18% to as high as 64%.
- The client was pleased that the service levels received from their supplier base had improved right across the board and that there was greater visibility on supplier KPIs, spend, contract compliance as well as internal compliance.
- Reviewing policies helped unlock a significant amount of savings. In some of the areas, leveraging on the increased buying power of the client as well as emphasising long-term relationships with the incumbent suppliers helped obtain better rates and better service - without any transition costs at all.

