

## Procurement & Vendor Management

Outsourced services increasingly constitute a large proportion of an organisations total logistics budget, so understanding how your current arrangements and vendor management processes compare with current best practice is crucial in delivering the right safety, service, goods and cost outcomes. Many organisations pay too much for supply chain services, goods and supplies and do not fully unlock the value potential in existing vendor arrangements. Our experienced team can help your organisation deliver not only price reductions now, but more importantly make sure that the benefits stick whilst maintaining safety and service standards.



Do you tender your services and supply contracts regularly?

Do you have clearly defined performance expectations for your suppliers?

Do you have effective management tools and processes to ensure your suppliers are performing?

Do you have a truly collaborative relationship with your strategic suppliers and are they incentivised to deliver your strategy?

*For our clients, the SCC team:*

- » Typically realised 10%+ p.a. cost reductions through tendering service contracts.
- » Identified the right vendors to deliver the right service/product at the best cost.
- » Implemented innovative commercial arrangements and governance processes to deliver year on year improvement.
- » Designed and implemented vendor collaboration models to define 'ways of working' and drive an aligned continuous improvement culture.

### Our Procurement & Vendor Management Capabilities

- » Our team has procured materials, goods, international logistics, domestic transport and DC operations services for clients across many industries and geographies
- » Specified, procured and implemented over 100 DC's fit outs globally
- » We have standard methodologies for all go-to-market tender processes to ensure requirements are met and benefits are delivered
- » We recommend a life cycle approach to vendor relationship and have supported many clients designing and implementing ongoing performance management frameworks.



### Case Study - Kraft

SCC designed and implemented the programmes to rationalise both the former Cadbury and Kraft's 3rd party distribution networks. This involved leading all procurement activities, from the tender process to negotiating and implementing performance-based warehouse agreements. The team subsequently led the development of Kraft's partner collaboration model, which clearly defined the principles and working relationships with all 3rd party logistics providers.



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