

**Spend Under Management: \$220M**

**Client: LARGE RETAIL (\$130M)**

## Business Challenge

- Spend ~ \$80M pa
- National operations with 70 cleaning suppliers over 1,100 sites
- Sub-optimal cleaning specifications
- Escalating costs driven by legislative changes and increasing number of new sites
- Lack of transparent around pricing
- No consistent supplier performance framework
- Multiple internal business stakeholders


## Services Provided

- Strategic review to identify target outcomes (e.g. benefits, 'fit for purpose specification')
- Competitive sourcing of new and expiring contracts
- Supplier performance management
- Management information reporting (Spend, service delivery and benefits)
- Budget preparation
- Supplier contract administration
- Supplier and market knowledge management

## Benefits Achieved

- Developed new cleaning specifications
- Renegotiated rates
- Created new supplier performance management methodology

Year 1 Benefits: 10-15%  
Current Year: 4-6%



### Value Driver

### Results (CY)

Labour rates

2-3%

Specification & volume

2-4%

Competitive tension

8-10%



Performance dashboards highlight spend, continuous improvement initiatives and supplier performance

