

case study



Client: Global Oil & Gas Company

Project: Procurement Transformation

Project Description

Chaucer Consulting provided project management, change management, business analysis, and human resources expertise for a client's procurement transformation program.

The client had undertaken a global productivity transformation initiative, of which procurement transformation had been designated as a key to accelerating the client towards best-in-class performance.

A particularly important area was the downstream procurement function, which internal audits and benchmarking had indicated as being significantly behind other areas of third-party spend. The procurement transformation program was expected to deliver leading edge year-on-year savings to the client by:

- Developing and implementing an integrated procurement organisational structure
- Implementing appropriate performance management standards
- Implementing common tools and processes to deliver added value

Chaucer's Scope

Chaucer was engaged by the client to develop a work breakdown structure and bespoke reporting tools that allowed for greater visibility of program progress, and more effective accountability. The Chaucer team focused on the following three workstreams:

- **Organisation and People.** The transition of roles, teams and work-scopes had resulted in a degree of unease among the global procurement workforce. The client leveraged Chaucer's change management expertise to reduce the likelihood of personal anxiety among its employees, or disruption to its operations.
- **Performance Management.** Chaucer focused on developing internal incentives (performance targets were established for all job descriptions under the new organisational structure), and improving visibility into the progress of procurement projects (a reporting pipeline was created to manage financial information, project progress, and other key project data). The Chaucer team also implemented a robust reporting methodology that was consistent across the entire organisation and aligned with established principles and best-practices of program management.
- **Common Tools & Processes.** The Chaucer team reviewed existing procurement tools and processes from a project management perspective. They developed a taxonomy system for segmenting over 1,200 discrete procurement projects to determine the appropriate degree of project management rigor for each project. In addition, a bespoke project management toolkit was developed, which brought together the best aspects of the existing tools, and best-in-class principles and techniques based on Chaucer's experience. The toolkit was developed to be adaptable, and could be tailored to fit the specific needs of each project.

Benefits

- **The Chaucer team fully supported the client with their project management, change performance, analysis and human resources expertise.**
- **Chaucer worked with the client to ensure that key areas of their procurement transformation program (organisational restructuring, performance management, common tools and processes) were addressed in a highly professional, organised and disciplined manner.**
- **Chaucer successfully transformed the clients procurement function across the globe - resulting in 'best-in-class' performance and a staggering \$200m in cost savings.**

