

case study



Client: Major Oil & Gas Company

Project: Implementing Superior Supply Chain Practice in Global Real Estate

Project Description

Our client required a radical overhaul of supply chain management capability in its property function. The project objective was to implement a set of work streams, each directed towards practical business benefit and financial savings and requiring organisational change and capability improvements.

Based upon its expertise in both supply chain and project management, Chaucer was asked to devise and execute a series of initiatives focused on improved supply chain capability, delivery of procurement activities, and improved supplier performance.

The initiatives were to be focused on a number of principal challenges:

- To embed supply chain management (SCM) excellence in the property department - and to create a 'high performance' culture.
- To create a set of projects to improve supply chain performance based on clear ownership and accountabilities, and manage them in a focused, transparent and accountable manner.
- Development of a new, sustainable SCM organisation in the property department.

Chaucer's recognised skills at working with disparate teams and people meant that the project could operate on an inclusive and integrated basis - which investigated the existing supply chain issues, analysed the interface to group purchasing, and mapped relationship with regional property delivery teams.

Chaucer's Scope

Chaucer provided a wide range of disciplines to keep this rapidly changing and geographically diverse project on track:

- Program management, governance and assurance
- Planning, resource scheduling, progress monitoring and tracking
- Project accounting and budget / project cost control
- Issue management
- Risk management and mitigation
- Management reporting and facilitation of meetings
- Change management
- Strategy development

Benefits

- The strategy deployment was regarded by our client as highly successful because the project realised significant, immediate financial value that was 70% higher in the first year of delivery than anticipated.
- The change management that took place moved the procurement team from a position of relative obscurity and irrelevance to a position where they were at the centre of managing \$1bn of supplier spend, and viewed as integral to delivering property management services.
- During the course of the program, client executives decided to change the centralised property management function to a de-centralised model. The Chaucer approach to project management was flexible enough to re-design the implementation strategy, without losing delivery value or savings.

