

# **Procuring for Productivity**

*'Transforming Procurement to become the Enabler'*

**#CE Nuclear Productivity Series**

**Volume 4**

## **Route to Market – Champion Sorin Berniczki (LHR)**

- Building on the work of project 13 a more outcome focused specs
- Incentivisation against programme achievement/improvement
- An engagement process that does not engender a 'win at all costs' mentality, whilst enabling contractors to earn a fair margin
- An approach that provides visibility and the ability to forward plan resource engagement and training
- A collaborative process where the supply chain partners have the responsibility to manage and match capability/capacity to decide best athlete(s) for the job

## **Contracting Models – Champion Mark Huddart, Costain**

- Target Value Design at the earliest conceptual stages of a project
- Using 'Super ECI' with supply chain experts to establish if there actually is a sustainable business case
- An Integrated Form of Agreement (IFOA) a multi-party alliance with an Incentive Compensation Layer
- Client/owners may also consider a small equity in the final project, or interim bonus payment released on milestone achievement

## Supporting project delivery – **Champion Ian Bayes, Systra**

- Integration with ‘Digital Modelling’ - output into a procurement plan similar to ERP in a factory
- Lean Integrated Project Delivery (LIPD) with supply chain partners working together to optimise programme delivery
- ‘Last Planner’ methodology fully utilised
- Independent evaluation of jointly developed balanced scorecard both in tender evaluation and throughout project delivery

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## Organisational Configuration – **Champion Martin Rowark, Watling Fosse**

- Procurement is central to the organisation and not just a vehicle to getting the invoice paid
- Project/programme strategy and procurement strategy are fully aligned to drive in the same direction
- Education & Development of future procurement leaders is progressive
- Propagate collaborative ideas and actions with supply chain

## **Continuous Improvement – Champion Jas Kalra, HPC**

- The need to train our graduates appropriately in the Acquisition of major infrastructure programmes
- The requirement for new Public Contract regulations that support a much more productivity focused approach
- Rigorous examination of competitive tendering to find a more cost effective solution

# Champions

- Take the lead role in each of the theme areas
- Work up into a (max 3 page) chapter written in a consistent style to Volumes 1,2&3
- Not to be just the author of just another publication, but be the 'Pioneer' for putting our recommendations into practice within your span of control

## The programme to completion

- By end of June 2019 issue final draft for approval
- Issue to stakeholders for endorsement by mid July 2019
- Printing and distribution to membership in Sept 2019