# DISRUPTIVE SOURCING

A modern Sourcing Strategy is key to achieving savings through new services and solutions whilst countering the cost impacts of mounting business disruptions. COEUS CONSULTING A WAVESTONE COMPANY

## INTRODUCTION

Outdated IT sourcing strategies leave organisations exposed to the cost of mounting disruption whilst missing out on the benefits of technology and service innovation. IT is both a key enabler and potential constraint in efforts to address the cost of business disruption. Boards urgently need to elevate their IT Sourcing Strategy alongside Business and IT Strategy to ensure it can deliver on organisational goals.

This Playbook sets out 10 priority areas where your IT sourcing model needs ongoing attention to take the business forward and counter industry or wider economic threats.

Our award-winning Sourcing experts explain what the causes are, why it's happening and advise their recommended approach.

## THE OPPORTUNITY

The pressures of industry and wider economic disruption do not have to mean compromising IT delivery with blunt cost down measures. Investment in digital solutions and accessing better value digitized services can enhance service within a necessarily tighter budget. It does require fresh thinking though...even a square one approach to your Sourcing Strategy.

For organisations looking to progress on their Digital Transformation journey at pace, to increase their ability to pivot and react to changes, to minimize costs, to provide continually improving customer experience and to deal with regulatory requirements, there is good news. Refreshing your Sourcing Strategy can unlock savings in the range 15 - 30%, optimise performance and build flexibility with collaborative innovation into contracts.

The question is, do you understand how your IT supply chain is helping or hindering your cost goals and Digital Transformation journey? And going back to Sourcing basics, do you know whether you have the right blend of internal and outsourced IT capabilities to deliver this?

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### COSTS ARE ESCALATING AS EXTERNAL DISRUPTION HITS YOUR IT SUPPLY CHAIN

#### **KEY CAUSE**

The IT supply chain is vulnerable to a broad range of disruptions such as cost increases, talent availability, supplier failure & geo-political instability with consequent impact on business operations. Meanwhile the necessary drive for sustainability

exposes some historic decisions and service models as out of step with corporate responsibility agendas.

#### WHY IS IT HAPPENING?

Post-pandemic there has been an explosion in demand for IT resources as organisations realise they must invest to survive. A whole generation of highly customised legacy systems are becoming increasingly expensive to support while newer cloud based (often shared) services move into the mainstream. The backlog of renewal demand has led to a dearth of talent in the market. Western service providers struggling to cope with their own legacy cost bases no longer offer reliable year on year savings. Meanwhile Eastern suppliers struggle with their own staff retention and escalating salary bills.

Overlay geo-political instability and suddenly some of those arbitrage savings move out of reach.

#### **RECOMMENDED APPROACH**

Make sure you understand where you are and start to cost optimise what you have.

Unless you have a very simple business model with limited scale, your IT supply chain is likely to be relatively complex with dark corners where your understanding of what services are, who really delivers them and why they are required will be sketchy. This applies equally to the in-house team as it does to your third party vendors and their subcontractors.

To complete this baselining you should also look outside the IT function. The growth of SaaS means there may well be IT services quietly scattered through the business and IT enabled BPO services are also part of the picture.

Once you have a deeper understanding of the landscape you can start to risk assess it and address it. It will take time and resources, but can be accelerated with the help of specialist skills and knowledge.

Also make sure your business knows where you are. Delivering the corporate agenda may well require investment or forgoing savings available in now redundant service models. They need to be on board and should, in any case, be made aware of dependencies that could impact business operations.

Make the case for change and investment where it's needed.

Whilst tactical choices may be a necessity, build in flexibility so that changes can be accommodated in a more holistic sourcing strategy.

It's not all doom and gloom though. A well-executed cost optimisation programme can deliver double digit net savings while at the same time strengthening business resilience.

## IT IS FAILING TO DELIVER CHANGE AT THE PACE REQUIRED BY THE BUSINESS

#### **KEY CAUSE**

The primary causes we see are non-structured business engagement failing to recognise rapidly evolving capability needs exacerbated by failings in demand

management and subsequent poor prioritization of internal and external resources.

#### WHY IS IT HAPPENING?

For a long time, IT has second guessed business needs and what to allow through or prioritise in the project pipeline. The Digital era means all business functions are becoming impatient to see their processes digitised. Solutions are more end user/Shadow IT friendly and the opportunities for SaaS by-pass leaves many IT functions on the back foot struggling with pent up demand and a new wave of technical diversity.

#### **RECOMMENDED APPROACH**

IT needs to get back on the front foot with a Sourcing Strategy that is directly driven by business capability needs and informed by a current view of market solutions. This means developing really good business engagement alongside an appropriate level of IT governance. IT often holds a deep understanding of business processes. By being an intrinsic participant in business strategy development, IT can help organisations make a step change in capability while avoiding expensive tactical errors in the digital sweet shop.

## YOU'RE NOT ABLE TO TAKE ADVANTAGE OF EMERGING SOLUTIONS AND SERVICES AS FAST AS YOUR COMPETITORS

#### **KEY CAUSE**

Contractual lock-in forces organisations to sustain uncompetitive legacy applications and services. Reluctance to write-off capitalised hardware and software investments can be an impediment to switching to 'as a service' offerings. Being wedded to principles like 'One Throat To Choke' or lack of willingness to challenge established processes and levels of functionality can create inertia that maintains the status quo.

#### WHY IS IT HAPPENING?

It can be frustrating for organisations that have invested heavily in their own systems and been effective in managing their suppliers to deliver stable high-quality services, that new entrants can challenge their market dominance with seemingly minimal investment. Those competitors are also untroubled by the difficulties of executing change at scale without risking reputational damage should things go wrong. Unless a system provides measurable competitive edge, the cost advantage of leveraging common shared solutions is plain.

The potential downsides of standard contract terms, generic service levels or limited ability to customise to suit business processes are increasingly weak arguments. Sourcing Strategies need to embrace the inevitable with a focus on managing these emerging and evolving eco-systems of supply.

#### **RECOMMENDED APPROACH**

Sourcing strategies need to get more granular. It's not sufficient to just re-tender the same bundle of services and systems in the hope of a slam dunk commitment discount. Each element of the IT landscape needs to be considered in terms of its lifecycle, current market options and future direction of travel. Functional or process uniqueness arguments that obstruct 'as a service' solutions should be challenged to test whether they are true differentiators for the business.

Future sourcing arrangements need to be more ready to cope with the unexpected. In procurements, flexibility should take a greater share of evaluation weighting accepting that there will be some price premium. Where existing contracts are already an impediment to change, a strategic conversation needs to commence with suppliers recognising the inevitable and addressing the short-term pain in the interests of long-term relationship. The business needs to be an integral part of this planning with the potential for best practice gains offsetting the impact of necessary process change or consequent write-down of past investments.

### YOUR AGILE / DEVOPS PROGRAMMES FAIL TO ACCELERATE BUSINESS VALUE

#### **KEY CAUSE**

The nature of Agile without a fixed deliverable end-point, and shared delivery accountability makes for a perfect storm of highly profitable, unbounded income streams for suppliers without traditional forms of accountability. However, at the business end, the lack of high-level sponsorship and alignment to business strategy means that many Agile programmes are tactical and failing to direct those resources to the most valuable areas. In between, ways of working between organisations and their ecosystem of Agile suppliers are failing to exploit and share innovative thinking from an early stage.

#### WHY IS IT HAPPENING?

At Coeus, we are strong advocates of Agile and DevOps, both as focused productive ways of working, but also as a catalyst for bringing IT and the business much closer together. We also see a role for the supply market to inject innovation and broader industry insight into projects. However, even highly advanced proponents of these ways of working can struggle to maximise value and demonstrate return on investment.

Whilst some of this will be growing pains, suppliers can also be guilty of behaving in traditional ways. Unbounded scope of work delivered largely on a time and

materials basis often without effective competition adds up to an attractive risk-free engagement for suppliers. Proving that programmes are delivering value and value for money is a challenge.

There may also be additional forgone benefits where clients fail to leverage the broader experience and insight of suppliers preferring to contain the design thinking activities to finite in-house teams.

#### **RECOMMENDED APPROACH**

There are quite a few things that need to change relative to traditional sourcing approaches. In the past, some organisations would maintain a panel of development partners. In the best examples, this would instil a level of competition on a programme by programme basis. In others, the tendency to overtly or subliminally favour particular suppliers would undermine this. In the Agile and DevOps world it makes sense to access the broadest talent pool in a competitive market.

So, **Step One** should be to think about establishing an effective eco-system of suppliers. This is more than establishing a panel and requires partners to commit to new ways of working with each other as well as the client.

**Step Two** is to re-think the contract. This needs to be lean in execution so as not to be an administrative drag anchor on work, but also re-introduce accountability whilst allowing for work to move seamlessly between partners. A new set of service metrics is required to track performance.

**Step Three** is to engage earlier with your chosen partners. Getting their ideas early is valuable in its own right, but can also open up gainshare models with accountability for business outcomes they have had a hand in targeting.

**Step Four** is to get the flow established between business strategy, product owners and funding funnelling into the delivery team so that the right initiatives get prioritised and linkage to business value is clear from the outset.

## YOUR STRATEGIC PARTNERS DON'T DELIVER ON THEIR PROMISES / ADD VALUE

#### **KEY CAUSE**

**Customer:** Organisations fail to execute effective vendor management processes for their strategic suppliers, allowing commitments to value-add to be overshadowed by BAU operational concerns.

**Supplier:** Suppliers fall short on promises to align to business outcomes and fail to deliver customised approaches for their strategic accounts.

#### WHY IS IT HAPPENING?

It's generally the case that an influential factor in selecting a strategic partner will be the value add they offer whilst pitching for the business. Both parties can see the value in collaborating to develop the services and work together on a broader strategic plain.

The initial steps in this richer relationship may be set out in the contract alongside firm governance commitments to keep everyone on track. For a while, things tend to run to plan.

As time moves on, client focus can easily slip from the strategic to day-to-day imperatives. Strategic forums become operational in flavour and there is little head space to look too far ahead.

Without proactive engagement, suppliers will also get distracted by new business elsewhere, squeezing account profitability and the calls of more demanding clients. The strategic agenda can easily morph into a conveyor belt of recycled projects from other contexts that have minimal relevance or value.

#### **RECOMMENDED APPROACH**

A good place to start when looking to revitalise a strategic relationship is the contract. It is not the case that good contract lives in the drawer! A good contract is the guidebook that will lead you to planned benefits and beyond.

Therein you should find those initial improvement commitments, though it may be worth a look back at supplier proposals if someone forgot to embody all the value-add promises. Take stock to consider what has been delivered (or indeed over-delivered) and explore what the inhibitors were if there is a shortfall.

A good contract will embody a process for refreshing these improvement plans throughout the term and have governance in place to keep everyone honest. If they don't exist, get them built in. They should be in the interests of both parties! If they do exist, take a look at how effectively they are being executed. Also consider the strategic drivers of your key suppliers. Are there opportunities to align rather than force square pegs into round holes? Should they have more skin in the game, such as risk/reward mechanisms to create a win-win environment.

Strategic supplier management is an investment that should have a tangible ROI. It should be a recognised discipline in your business and resourced with capable staff.

Be realistic about how many strategic partners you can or, indeed, want to proactively manage. Take a stratified approach so that truly strategic partners are managed effectively without abandoning the grey tail that will still need a consistent albeit simpler set of controls.

If you don't already have one, consider a balanced scorecard to frame a more strategic conversation and then have one...regularly and not just when there's problem!

## 6 IT SERVICES ARE NOT PERCEIVED AS A VALUE ADD TO YOUR BUSINESS OR YOUR CUSTOMERS

#### **KEY CAUSE**

All too often, sourcing strategies are driven by blunt cost-down tasks, without taking time to re-assess the complete sourcing landscape. Organisations are thereby missing opportunities to deliver more for less through an optimised, holistic sourcing

approach that recognises changes in the business capability needs and supply chain options. The result may see short term savings but ultimately damages the perception of IT as a business enabler.

#### WHY IS IT HAPPENING?

The perceived effort involved in decomposing large outsource deals can result in a quiet complacency that leans towards rolling everything forward without too much deep thought. Whilst each contract renewal may see a notional (even double digit) run-rate saving, the underlying trend may be deal drift through the impact of change orders and divergence from downward price trends in the market.

Meanwhile the business may be being underwhelmed by a lack lustre performance that isn't adopting new solutions fast enough.

#### **RECOMMENDED APPROACH**

Sourcing strategies need to be strategic and be prepared to take a fresh look at all services (internal or external) as if approaching a first-generation outsourcing decision.

They also need to be more challenging of the business and query which elements of service truly need to be bespoke and which business processes should be asked to conform to lower cost standard/shared solutions.

The important thing is to make these assessments in conjunction with the business, so that opportunities and constraints are fully understood. Buy-in will also be greatly enhanced.

## YOUR COST OF COMPUTE IS EITHER UNKNOWN OR EXCESSIVE COMPARED TO CLOUD PROVIDERS

#### **KEY CAUSE**

Your existing contracts may be hampering your ability to enjoy the benefits of AWS, Azure and other cloud providers. Attachment to legacy applications and constrained

approaches to data management and security may also be inhibitors.

#### WHY IS IT HAPPENING?

For once in IT the hype has been matched by the reality as the giants of Cloud computing have completely disrupted the hosting market.

For traditional service providers including some very big names this has been hard to cope with. Large investments in their own 'private cloud' data centres may seem mis-judged in retrospect.

Cloud provider pricing models are refreshingly transparent even if you do need a tin enthusiast to decipher the array of options.

This contrasts with a decade of increasing opacity from traditional vendors offering a wide variety of pricing models and service wrap bundling.

Very often organisations will struggle to identify the comparative cost of compute against which to gauge the benefits of increased Cloud adoption. Even if they do, they may find themselves stymied by workloads or other constraints that stand in the way of a wholesale transfer.

#### **RECOMMENDED APPROACH**

Unlike Cloud, most contracts will have an implicit minimum fee or volume band range that protects the service provider from declining demand. The exponential growth of AWS, Azure etc means these traditional players have already suffered loss of scale economy. This leaves little headroom for a relaxed interpretation by suppliers of contract commitments.

Traditional service providers urgently need to rationalise their own capacity and focus on niche requirements but this will take time and there is a danger that existing clients end up funding the transition.

Against this backdrop, it is important that organisations get on the front foot. A first step needs to be achieving cost transparency in their compute costs. It may be possible to unpick the detail from the contract or synthesise the supplier's cost and margin.

A review of the contract is also needed to assess shorter term flexibility and inform a longer-term sourcing strategy. A technical stream needs to evaluate the compute workloads and challenge which are truly not Cloud-ready.

### YOU CAN'T BE SURE THAT YOUR INSOURCING-OUTSOURCING BALANCE IS ADAPTING WITH YOUR CHANGING BUSINESS NEEDS

#### **KEY CAUSE**

Failing to revisit your sourcing strategy in a holistic way allows sourcing landscapes to be renewed on a tactical basis without checking their alignment to business capability needs, market solutions and value for money.

In a fast-moving tech environment with Agile, increasing levels of Dev Ops and cost-effective SaaS solutions maturing at pace, your sourcing strategy needs to be comprehensive and regularly reassessed.

#### WHY IS IT HAPPENING?

There is a reason why 'Outsourcing' has morphed over time to 'Sourcing'. It began as a question about what in-house activities could better be executed by third part specialists with work generally leaving the client organisation and a bit of retained organisation re-orientation to manage the new set-up.

Nowadays organisations need to think more broadly about the sourcing of services both within and outside the organisation.

Agile and DevOps are transforming the way projects are delivered in a much more business integrated way. The previous financial benefits of offshore labour arbitrage can be diluted as the need for closer collaborative (same timezone) working increases. Organisations are also questioning whether the knowledge in key systems really ought to reside in-house. This, though needs to be balanced against the resources, niche skills and innovation available from service providers.

More broadly changes in technology and importantly its' improved reliability can lead to a re-assessment of what can or should be done in-house. Then there is the question of what the internal team is doing. If an inordinate amount of time is going into manmarking or plugging gaps with your suppliers something is awry.

New solutions (particularly SaaS) simplify the technology roadmap and mean handing over responsibility for elements of architecture and design authority, but conversely the broadening of supplier base can create its own headaches with integration and end-to-end accountability.

#### **RECOMMENDED APPROACH**

In many organisations the balance of insourced and outsourced services will have evolved in a piecemeal fashion. Some areas like security may, by necessity, have been subject to close attention while others may not have been revisited in many years.

Where services are outsourced, there is often considerable opacity around the underlying resources that muddles the waters. To be most effective, sourcing strategies should be developed in the conjunction with a review of the broader operating model and how this is expected to evolve over time.

We recommend a structured and reasonably granular approach to examine all internal and external delivery. Working with IT leadership, we determine service maturity, criticality to the business, optimum sourcing model and priority for change.

The outputs highlight opportunities to eliminate waste and achieve the optimum insource/outsource balance. By-products of the approach are the identification of capability gaps, improved governance and closer integration with the business.

### YOUR SOURCING STRATEGY DOESN'T TAKE INTO ACCOUNT CUSTOMER OR USER EXPERIENCE

#### **KEY CAUSE**

Key causes include weakly defined contracts that enable misleading 'watermelon' reporting, performance measures not keeping pace with changes in tech and delivery. This is compounded by a tendency in outsourced services to report contractually accountable service compliance, rather than end to end performance before blame

attribution. The result is that user experience can be quietly falling short of reported performance. This mismatch can also see remediation not being triggered as early or as urgently as it should be and collective focus on continual service improvement being missed.

#### WHY IS IT HAPPENING?

There is an inevitable point of tension when one organisation entrusts another with delivering vital elements of what are ultimately business operations. From the client's perspective, the CIO knows it's their job on the line if there is a major service outage and no leverage to accelerate resolution. From the supplier viewpoint, they know there will be other actors on whom their services depend, not least the client's own team and investment decisions. The contract will have penalties in the event of failure and potentially onerous remediation obligations. These are essential protections for the client and unwanted, but unavoidable table stakes for the supplier. What

ensues is a meticulous contractual articulation of how to assign blame when things go wrong. This construct is entirely necessary for an appropriate balance of risk and cost liability to be achieved. The casualty in all this deep thought is the end user. They really couldn't care less who is at fault, but the way services get reported focuses on blame rather than outcome. A faultless supplier (or at least one with a get out of jail card in their contract) will report services as within SLA. The User Experience can be dramatically different and without a breach of contractual service level, remediation can be a long time coming.

#### **RECOMMENDED APPROACH**

Whilst the contractual arm wrestle may be part of the reason for under-reporting of service failure, having unequivocal service levels and remedies remains a necessity. It is surprising how often this first line of defence has been ill-defined drowning the users' issues in the reported sea of green. **Step One**, therefore, is to look beyond the headline metrics to understand how they are defined and what the exceptions are. Given the rapid change in technology and services, it is likely that the metrics and targets will need some revision. In some cases, it will be best to tear them up and start again.

The next challenge is how performance is being recorded. Lack of clarity about when and who can stop the clock can lead to a game of hot potatoes as not appearing to breach SLA becomes the primary goal. Even if the rules of the game are rigorous and fair, someone has to keep score. That can take us into a murky world where interpretation, guesswork and ignorance get presented as fact. You can see why there is such a surge in organisations wanting their own service management tool to trust and interrogate. So, **Step Two** is to check and ideally own the data on which reporting is based.

**Step Three** would appear obvious to users, but is the rarest of things in practice. Simply report service outcomes from the user's perspective. Accountability remains important, but doesn't have to blur the true performance outcome.

Surrogate measures such as Net Promoter Score are a move in this direction, though rely on perception more than performance.

Suppliers argue that reporting the end to end outcome will unfairly adversely impact the way they are perceived by the organisation. In truth those perceptions already exist in the sad emoji faces of users who could probably cope with a transparent and full picture of what went wrong.

## **10** YOUR SOURCING STRATEGY LACKS CREDIBILITY AND CURRENCY, ISN'T ALIGNED TO BUSINESS STRATEGY - OR DOESN'T EXIST

#### **KEY CAUSE**

Disruptive Sourcing in all its flavours is forcing sourcing strategy back onto the Boardroom Agenda but needs to be executed in a truly strategic and holistic fashion in order to achieve maximum value for the business. Motivations behind sourcing strategies are too often tactical in nature, and only in response to a narrower business event such as a major contract ending / failing, a cost-down challenge or need to update the sourcing strategy section of an IT Strategy. Funding / resource constraints or a disconnect between sourcing responsibility and business implications can also be limiting factors. In order to be aligned to Business Strategy, your Sourcing approach needs to be elevated to a strategic level too.

#### WHY IS IT HAPPENING?

Most sizable organisations will have a documented IT strategy. Some will even ensure it is updated on a regular basis with a nod to the business strategy it is framed within. Within the IT Strategy, you can typically expect to see a section on sourcing, but often it's more of a tick in the box than a strategy. The verbiage is often very broad-brush following industry trends such as best of breed, cloud first and so on...a fairly topdown helicopter view; though better than nothing.

For quite a while, this commoditised view of sourcing wasn't much of a problem. Service requirements and market offerings weren't dramatically different from one year to the next and costs were generally declining. But them Bam, the Digital Revolution took root and everyone wants Cloud First, Mobile First, Agile First, SaaS First, DevOps First and they want it now!

From this new perspective, the Sourcing Landscape can look like a tangled weave of past tactical necessities that lacks the transparency that was so important when this journey started.

The honest Sourcing Strategy would be saying, let's start again, work out what our destination needs to be and forge a plan to get there.

#### **RECOMMENDED APPROACH**

First generation outsourcing generated plenty of anguish in boardrooms as they took the brave step of entrusting often fragile IT services to 3rd party organisations. If anything, the stakes are higher today. The cost differential between legacy bespoke services and true shared service is startling. Being trapped by technology or contract in traditional hosting contracts is unsustainably expensive. From the value generation end of things, lacking the resources and flexibility to deliver a digitised future will frustrate your business and your increasingly fickle customers. It's time for a Sourcing Strategy that is truly strategic, but how to go about it?

The answer is reassuringly dull. It's time to go back to basics and look at your operating model...all of it...at the same time! In short, stop making tactical choices without looking at the bigger picture. We help clients achieve this by working through our domain model of all the activities you would expect to find in any IT supply chain

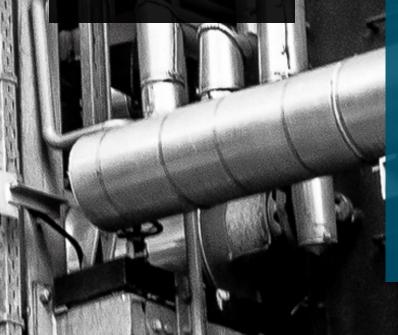
(circa 280 in total). This will tell you who's doing what (or not!) and who's just spectating. By questioning the criticality and performance of each element (which may have changed over time), past sourcing choices can seem less obvious in the current context. By asking the same questions that would have been posed in a 1st generation sourcing (Where do we draw the scope boundaries? How to we achieve accountability? Single source vs best of breed vs shared service? etc), a sourcing blueprint can be drawn up. This needs to be tested for its' fit with current business requirements plus a bit of future gazing to stay on the front foot with changing capability requirement, user needs and customer expectations.

The final step is implementation. It's a programme, not just a procurement! Ideally, it will be on the Board agenda to get the attention and investment it needs. Failing that, strong executive level sponsorship and transparency is essential.

## CASE STUDY



This project was the Finalist in the Management Consultancies Association (MCA) 'Commercial Excellence' Award in 2019.



## THE CLIENT CHALLENGE

One of the world's largest energy companies needed to embrace the disruption currently spreading throughout its industry – and offer customers new channels, smarter services and simpler experiences.

However, their traditional approach to digital skills procurement was holding it back. Isolated in nature, and limited to a single supplier, it was preventing the company from:

- Sourcing the right skills at the best price
- Identifying the most cutting-edge solutions
- Encouraging partners to invest in project outcomes.

## THE APPROACH

Coeus Consulting worked closely with the client to completely redesign its strategy for sourcing digital skills, applying Agile and Lean principles, driving lower costs, greater productivity and closer partnerships.

This meant capitalising on Coeus' status as independent consultants to liaise with multiple suppliers and run joint workshops, collaborating to create the RFI and RFP.

It also meant working with sensitive procurement information to build a reusable commercial model for scoring vendor proposals. This model is helping the client:

- Accurately assess the value offered by different suppliers
- Reach transparent, objective sourcing decisions
- Achieve stakeholder consensus at all levels.

Coeus also helped the client create a new, flexible, modular contract framework. This framework lets the company engage few suppliers, and provision new skills, with a minimum of renegotiation – boosting procurement productivity, and accelerating the development of new digital services.

## CASE STUDY

## **OUTCOMES**

The new framework is also designed to encourage the supplier collaboration that's so essential to the successful delivery of digital initiatives. To this end, it directly links supplier rewards to project outcomes, and mandates the sharing of information between project partners, as well as joint on-site working.

The client's new sourcing strategy draws on disruptive methodologies to help the company embrace disruptive technologies time and time again – and ultimately, stay one step ahead of the competition, even in this era of rapid change.

Even better, it's delivering huge commercial value for the company, through increased sourcing speed and flexibility, and significantly reduced costs:

- A 33% reduction in supplier rates
- €20m+ opportunity based on projected work
- 3x faster supplier response rates
- A rapid micro-tendering process reducing supplier response times for new work from one month to ten days.

Experienced and proven programme delivery capabilities saw the successful transition of services to new suppliers within the allotted timescale of 9 months and on-budget – all against the backdrop of zero unplanned downtime to the business.

### **HOW CAN COEUS HELP?**

Coeus delivers expert support at all stages in the sourcing lifecycle. At the sourcing strategy stage, we test the effectiveness of, and value derived from, the existing supply chain and contrast this with the likely benefits from alternative sources and create a roadmap for change including outline business cases. During implementation, we deploy skilled resources, tools and collateral to ensure selection of the optimal supplier landscape that underpins the realisation of business strategy and delivers added value to the enterprise including enhanced service levels.

Coeus help clients develop and implement best in class contracts focused on realising benefits and support our clients through negotiation and due diligence into live operation to secure the expected business case returns. Once the deal is done, we like to stay close so that the client and supplier are both set up to focus on and deliver benefits in a transparent and selfsustaining way, when things go wrong our approaches to mediation and remedial action avoid costly service failings, disputes or unnecessary re-tendering.

### **OUR AWARDS**



2022 MANAGEMENT CONSULTANCIES ASSOCIATION AWARDS

Highly Commended Technology

Transformation



2019 MANAGEMENT CONSULTANCIES ASSOCIATION AWARDS

#### Finalist Commercial Excellence



2019 STRATEGIC SOURCING AWARDS

#### Winner

Sourcing Works - Award for Value Creation

#### Finalist

2018

AWARDS

of the Year

Winner

Innovation in Strategic Sourcing

International Project

STRATEGIC SOURCING



Coeus Consulting, a Wavestone company, is an independent, award-winning IT advisory that empowers IT leaders to deliver more.

We do this by standing alongside our clients to create, execute or manage tailored and strategic change.

### **GETTING IN TOUCH**

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John Gorrell

John's recent work won the 'Sourcing Works - Award for Value Creation' at the Global Sourcing Association (2019), in recognition of the real business value that his strategic sourcing approach delivers. John is a chartered management accountant and brings strong commercial acumen to contract formulation, technology solutions, service models, business process understanding and effective governance.



Reka Pecsi

Reka supports clients with sourcing strategy formalisation and implementation, tender process coordination, vendor management and IT cost optimisation / commercial management initiatives. She has "hands on" experience of large-scale sourcing developments including sourcing strategy development for innovative technologies, sourcing programme plan and delivery and complex cost optimisation assessment.

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