

Outsourcing Procurement

28th July 2010

The Dockside Rooms, Cockle Bay Wharf
Darling Harbour SYDNEY

CIPS Australia



SPECIAL
INTEREST
FORUM

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Outsourcing Procurement

We frequently hear that procurement departments and the procurement professionals that inhabit them are struggling to find the capacity to fulfil the demands increasingly placed on them. So how do you build procurement capacity and capability quickly?

One solution is to outsource non-strategic supply lines or even to outsource parts of the procurement function.

As "The Buyer", the sometimes controversial blogger at PPOne.com.au, wrote in a recent entry entitled "When, why and how to outsource procurement"

"As a profession, we would be shocking hypocrites not to consider outsourcing ourselves; outsourcing our own efforts – in the right circumstances, of course."

The Buyer went on to make the Business Case for outsourcing:

1. Freeing up a stretched in-house procurement team to work more on strategic supply lines
2. Aggregation and better deals on low-volume needs – including one-time step changes in the cost base of targeted categories
3. Improved P2P processes and sharing other's investment in technology

But outsourcing procurement doesn't always have to be the big-bang approach: There are many forms of

outsourcing to consider, each with pros and cons of their own.

Outsourcing Procurement, a CIPSA Conferences Special Interest Forum on 28th July in Sydney, will examine the business case for outsourcing, explore the different outsourcing models available, consider suitable categories to outsource, and provide practical advice on how to manage and maximise the return on outsourcing projects.

Featuring presentations from an exceptional line-up of leading consultants, suppliers and most importantly procurement practitioners, Outsourcing Procurement will provide delegates with a unique opportunity to address the question posed by The Buyer of "When, why and how to outsource procurement", and how outsourcing can provide the opportunity to build capability and capacity quickly.

About the CIPSA Special Interest Forums

As most procurement professionals in the region will be aware, CIPSA Conferences have been producing a highly successful series of Strategic Procurement Forums for the last five years, including the CIPSA Annual Conference, The Category Management Forum, The Public Sector Procurement Forum and various regional Strategic Procurement Forums. These conferences have largely focussed on a broad range of key issues for the profession, as identified by the CIPSA Executive and the Steering Group.



However, given the broad nature of these programmes, there has not, until now, been the opportunity to examine specific issues in any great detail. This is where the Special Interest Forums come in. By concentrating the programme on a specific issue, the Special Interest Forums will provide a depth of content previously unavailable, allowing procurement professionals to get a much more complete understanding of what are often quite complex subjects.

I trust you find the programme of interest and look forward to seeing you at a CIPSA Special Interest Forum or Strategic Procurement Forum in the near future,

Jonathan Dutton FCIPS
Managing Director
CIPS Australia & New Zealand

Programme

Outsourcing Procurement 28th July 2010

Time	Session	Speaker
7.45-9.00am	Registration & coffee	
9.00-9.05am	Official welcome & Introduction	Jonathan Dutton FCIPS, <i>Managing Director, CIPS Australia</i>
9.05-9.40am	Why outsource at all? <ul style="list-style-type: none">> what are the benefits> Making the business case internally for outsourcing> Is it a staff/skills issue? If you haven't got it, farm it out rather than develop your own skills	Ginny Tucker, <i>Vice-President Xerox Procurement Solutions (International Speaker)</i>
9.40-10.10am	Understanding different outsourcing models Different remuneration models – risk/reward	Ben Shute, <i>Head of Procurement Practice, CIPS Australia & New Zealand</i>
10.10-10.40am	What should I outsource to create the best return on my investment? What categories of spend are best delivered by a procurement services firm and why? <ul style="list-style-type: none">> How should I categorise my spend to identify opportunities to outsource?> What categories are typically outsourced (global and local trends) and why?> How do I measure the value from outsourcing areas of spend?	Sue Woodall, <i>Managing Director Procurement Services, Portland Group</i>
10.40-11.10am	Refreshment break	
11.10-11.45am	Sourcing suitable outsourcing partners	Tony White, <i>Strategic Procurement Manager, Leighton Contractors</i>
11.45-12.20pm	Why do some outsourcing projects work well, while others fail to deliver? Using case study examples this session will address those key issues that mean the difference between a successful and failed outsourcing project <ul style="list-style-type: none">> The tender as seen by the "other side"> Operational sabotage!> cherry picking the services post tender> Using the "carrot" and the "stick"	Nigel Malcolm, <i>Managing Director, Fleetcare</i>
12.20-1.20pm	Lunch	
1.20-1.55pm	Managing the outsourced supplier/Contract management <ul style="list-style-type: none">> How does the CoM come to the conclusion to outsource a service?> Types of outsourced arrangements at the CoM> The steps taken to put a contract in place> What does the CoM look for in evaluating tender responses?> Management of a case study service contract - KPIs, progress, quality, risk (including OH&S), dispute resolution	Bela Bard-Brucker, <i>Senior Procurement Specialist, Procurement & Contracts, City of Melbourne</i>

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1.55-2.30pm	Performance measurement of outsourced suppliers – what KPI's should you use	Debra Fillingham, <i>Head of Procurement – Corporate, BAE Systems Australia</i>
2.30-3.00pm	Understanding Total Cost of Ownership (TCO) for outsourcing projects, not just price – what else might it cost you? The decision to outsource for an organisation is important but there are many factors that should be considered before taking this step. <ul style="list-style-type: none">> Is it right for your? The [Public Sector] Comparator (PSC)> Build costs vs ownership costs> Internalities (internal costs to you) including hidden internalities (corporate knowledge, IP, internal skills etc)> Externalities – the cost to all of us> Commercial / Project and Procurement Risk	Scott Alden, <i>Partner, DLA Phillips Fox</i>
3.00-3.30pm	Refreshment Break	
3.30-4.00pm	How to measure benefits of Outsourcing Procurement <ul style="list-style-type: none">> Defining your Business Objectives> Building Dynamic & Phased benefits> Benefits realisation & Ongoing management review	Tom Pearson MCIPS, <i>Partner, Supply Transformation</i>
4.00-4.40pm	Interactive Q & A Session <p>Opportunity for delegates to question our expert panel on a variety of subjects, either building on issues raised earlier in the day, or exploring new issues not addressed in the main programme.</p>	
4.40-4.45pm	Closing Remarks	Jonathan Dutton FCIPS
4.45-5.45pm	Drinks & networking reception	

Forum Sponsor

Over the last 20 years Fleetcare has grown to become Australia's largest independent fleet management provider. Not just a fleet funding service, Fleetcare offer fully and partially outsourced fleet solutions, streamlining not only fleet costs but also day to day fleet operations.

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Registration Form

Outsourcing Procurement

Name (Mr/Mrs/Ms/Miss)	
Job Title	Organisation
Address	
Suburb/town	P/code
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E-mail	

Options and Fees

One day conference

CIPSA Member rate \$895 + GST = \$984.50
Non- member rate \$995 + GST = \$1,094.50

Group Bookings and Discounts

If you are registering more than two delegates from your organisation the following discounts will apply:

3-4 delegates = 10% discount
5 + delegates = 20% discount

If you are booking a number of delegates, please call CIPSA Conferences on Tel. 07 5519 3103 or email: cipsaregos@bttbonline.com Rather than filling in multiple forms, we will send you a simple spreadsheet to complete.

Other Discount categories

Unemployed CIPSA Members, Retired Senior CIPSA Members and Full-time Students may claim a 50% discount.

Payment Details

Enclosed is my cheque for \$ _____ (please make cheque payable to BTTB Marketing Pty Ltd)

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Registration forms will only be processed on receipt of payment. Tax receipts will be issued with confirmation. If you have any queries about your registration please call BTTB on 07 5519 3103 or email: cipsa@bttbonline.com

How to Register

There are 5 ways you may register
1) Complete form & fax to: 07 5573 5352
2) Online: www.cipsaconferences.com.au
3) By email to cipsa@bttbonline.com
4) By telephone on 07 5519 3103
5) Complete this form and mail to:
BTTB Marketing Pty Ltd
PO Box 825
Paradise Point
Qld 4216

About the Conference Organisers

CIPSA have appointed BTTB Marketing Pty Ltd as their official conference organisers. BTTB can be contacted at the address above.

Cancellations Policy, Substitutions and Shared Tickets

Cancellations must be notified in writing before 15th July 2010 and will incur an administration charge of \$150 + GST. No refunds will be given to delegates who fail to attend or cancel after this date. Delegates who have registered but not yet paid after the cancellation cut-off date will still be liable for the full conference fee. Substitutions will be permitted at any time without penalty.

Privacy Policy

The information received on this form may be shared with external companies (sponsors and exhibitors) for their ongoing marketing purposes.

Conference Notes

Immediately after the event, delegates will be sent a hyperlink to a website where they will be able to download the presentation slides as PDF documents.

Conference Agenda

The organisers reserve the right to alter or amend the conference programme without notice to delegates.

Sponsorship Opportunities

If you are interested in profiling your company with Australia's largest audience of key procurement professionals, there are a number of sponsorship options available. For further details please contact Andrew Wynn at CIPSA Conferences on Tel. 07 5502 7326 or E: andrew@bttbonline.com

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