

Case Study

Contracting Management – IM&S Categories



Context and objectives

Urgent need of increasing the bottom-line result through cost-saving activities

Lack of expertise and know-how in high-value categories

Un-addressed spend needed to be efficient processed and managed

Result in methods and tools to be implemented to meet sustainable results

Conducted for the CPO of an international oil company

Well structured and proven processes and tools tailored to reflect the actual situation will set the foundation for a successful procurement.

1 Procurement Preparation	2 Invitation to Tender	3 Tender Evaluation	4 Contract Negotiation	5 Negotiation Evaluation	6 Contract Award	7 Contract Finalisation		
• Definition of the scope of the procurement • Preparation of the procurement documents • Identification of all requirements • Distribution of the procurement documents	• Preparation and delivery of the tender • Review of the tender • Preparation of the tender documents • Identification of all requirements	• Evaluation of the tender • Preparation of the tender documents • Identification of all requirements	• Preparation of the tender documents • Identification of all requirements	• Evaluation of the tender documents • Identification of all requirements	• Preparation of the tender documents • Identification of all requirements	• Evaluation of the tender documents • Identification of all requirements	T	Evaluation of all technical and functional parts
							P	Evaluation of all project related parts
							O	Evaluation of all operational parts
							C	Evaluation of all commercial and legal parts

PIR's Approach

The project was executed based on PIR's methodology for Contracting Management covering:

- Strategies to manage certain categories
- Drive the change in such categories
- Deliver hands-on results in terms of cost saving

Categories were analyzed and optimized by re-negotiation and termination of contracts. Strategies were set per category

Development of a methodology and process to be used in-house after closed assignment

Client benefits

- Realized net savings of 15 – 25% dependent of category