

CLIENT BACKGROUND

Balfour Beatty is a leading international infrastructure group. They have over 100 years' experience of delivering large and highly complex critical infrastructure schemes through to projects at the heart of local communities, and operate with the highest levels of quality, safety and technical expertise.

Advantage xPO has held the MSP since 2013 and deals with both blue collar and white collar roles. The average spend is approximately £55 million pa on white collar and £35 million pa on blue collar, with the number of temporary workers at any one time ranging from 600-800 for white collar and 650-1200 for blue collar.

Challenge	Advantage xPO Solution	Result
<ul style="list-style-type: none"> Complex corporate structure Inconsistent hiring process 	<ul style="list-style-type: none"> We introduced a mandatory, company-wide VMS We also standardised the engagement and authorisation process whilst providing comprehensive MI 	<ul style="list-style-type: none"> More efficient recruiting behaviours and the virtual eradication of rogue hiring
<ul style="list-style-type: none"> Strong legacy relationships hindering supplier development Large list of suppliers with variable fees, terms and service quality 	<ul style="list-style-type: none"> We rationalised the PSL creating a structured tier system We also re-negotiated fees and implemented new SLAs, reducing margins and rebates 	<ul style="list-style-type: none"> Number of suppliers reduced by 40% Estimated savings of £2.5 million in one year
<ul style="list-style-type: none"> High administrative burden with multiple supplier invoices and limited reporting capability 	<ul style="list-style-type: none"> Purchase order system introduced to ensure all payments are allocated to the correct department and budget Pre-invoice reports provided to reduce the volume of invoice queries/errors and the amount of time taken to resolve them 	<ul style="list-style-type: none"> Regained control of spend Greater transparency of costs and improved cost recovery
<ul style="list-style-type: none"> Lack of visibility with the incumbent supply chain No real-time compliance processes 	<ul style="list-style-type: none"> We introduced PSL best practice standards and supplier audits 	<ul style="list-style-type: none"> A 92% fully compliant supplier base with documented remedial actions and re-audits for points of failure

Due to the new MSP solution, our expertise in the sector and our dedicated resource, we saved Balfour Beatty £7.3 million in just two years

Advantage xPO worked with us to mirror as many of our existing processes as possible, whilst still introducing us to modern recruitment practices and systems.

We have been able to evolve the service they provide to deliver greater cost savings and even tighter compliance processes.

Advantage xPO are a committed group of experts who have always worked with our best interests at heart. They have always been prepared to flex their service to meet our ever-changing demands and we have been able to confidently share our business strategy with them, knowing they will do all they can to support our initiatives.

As a business, we have saved a significant amount of money by working with Advantage xPO, which was a major part of our overall corporate strategy.

Head of Procurement

Balfour Beatty

