

How ISS Ireland is saving £250k every year with ONE simple trick



SUMMARY

- ISS Ireland was purchasing thousands of pounds worth of consumables and materials every day without a streamlined purchasing process.
- By adding our cost-control platform to their purchasing workflow they have eliminated the use of spreadsheets and have real-time visibility over every purchase the company makes.
- ProcurementExpress.com has enabled them to make data-driven decisions that continuously saves them £250k every year.

How a leading facility management company is saving £250k every year with ONE simple trick

ISS Facility Services Ireland (ISS Ireland) offers an extensive range of facility management services including cleaning, building and catering management to blue chip companies.

THE CHALLENGE

Before introducing ProcurementExpress.com, ISS Ireland were struggling with a number of issues:

- The financial controller was overwhelmed and finding it increasingly difficult to control company spending.
- Even though there was a well documented purchasing process in place for essential items, it was slow and cumbersome. *(See their outdated process on the next page)*
- The finance team was losing hundreds of hours every month chasing paperwork and matching purchases to employees. The reality was that purchase orders and invoices kept getting lost in a web of emails and spreadsheets.

It was clear that ISS Ireland needed a leaner and more efficient purchasing process.

ISSUES IDENTIFIED IN AN AUDIT BY PROCUREMENT EXPRESS

- ✗ *Budgets were not being managed in a structured way*
- ✗ *POs were manually recorded using spreadsheets*
- ✗ *Employees were constantly forgetting to raise POs*
- ✗ *Approval for essential items sometimes took weeks*
- ✗ *Unapproved purchases were often overlooked*
- ✗ *Financial statements were not always adding up*
- ✗ *Invoices were not being paid in a timely fashion*
- ✗ *Relationships with certain suppliers were deteriorating*



The “out of control” purchasing process WITHOUT ProcurementExpress.com

Step 1: If essential supplies were running low, an employee would send a PO request to their manager.

Step 2: PO requests would accumulate and manager would routinely send a batch to head office for approval.

Step 3: Head office would process most of the POs in good time, perhaps sending a few back for clarification.

Step 4: As invoices for purchased items arrived, head office would manually verify each order was fulfilled.

Step 5: Head office would do some investigation & detective work to find out who submitted the original PO.

Step 6: Once the finance department verified the invoices, they would schedule the payment.



The “streamlined” purchasing process WITH ProcurementExpress.com

Step 1: If essential supplies are running low, an employee sends a paperless purchase order request directly to the finance manager from their phone or desktop app.

Step 2: The finance manager approves each purchase order request in real time from their phone or desktop app with a single click.

Step 3: As soon as a purchase order is approved by the finance team a series automations kick off that eliminate the need for spreadsheets or manual inputs.

THE SOLUTION

With all of their purchasing problems laid bare, ISS Ireland saw the need to change and started using ProcurementExpress.com. Within 24 hours of making this decision every employee involved in purchasing was assigned a user account with a spend approval limit.

With the help of ProcurementExpress.com, employees now raise purchase requests for essential items directly with the finance team. The finance team approves purchases in seconds with a tap of a button.

The platform’s real-time reporting allows the finance team to easily identify employees responsible for specific purchases. It’s now virtually impossible for purchase orders or invoices to be misplaced or forgotten about.

THE RESULT

For the first time in 15 years the company is in full control of their outgoings.

- **It’s easy for employees to order supplies:** Thanks to the simplified purchase approval process, essential supplies like consumables or building materials can be requested and approved without friction. Employees can now get their work done much more efficiently.
- **Fewer accounting mistakes:** Now that purchase orders are accounted for immediately and tracked in a consistent way, managers always have a clear idea of where the company stands financially. Eliminating spreadsheets has also made month-end reports and internal audits much easier.
- **Huge administration savings:** Because ProcurementExpress.com allows ISS Ireland to automate much of the purchasing process, the amount of time spent on manual tasks for staff ordering items and the finance team on approvals has been reduced by 90%. ProcurementExpress.com has helped ISS Ireland to eliminate five administrative jobs.

AND THE TRICK THAT SAVES ISS IRELAND £250K EVERY YEAR...

Over the course of six months the financial controller was able to use ProcurementExpress.com to build a true picture of exactly which vendors ISS Ireland employees were ordering items from.

Some of these vendors supplied essential consumables and supplies that were critical to their operations but sourced from low-risk markets with an abundant supply. The controller found for example that employees had bought paper towels from 20 different suppliers in these first six months.

The controller identified the suppliers that could be leveraged and decided to focus on building long-term partnerships with trusted suppliers that could offer their company the most value.

By consolidating their suppliers and offering reliable suppliers a greater share of work the controller successfully negotiated a 10% saving on all purchases across the board.

Using this simple yet effective data-driven trick they achieved a cost-saving of €250k on €2.5M worth of purchases in 2018.



"Procurementexpress.com allowed ISS Ireland to direct Users to a "Preferred Supplier Listing" by highlighting which Suppliers should be used.

This allowed us to lower our Supplier base and increase our volumes with core Suppliers. This in turn lead to increased volume related discounts with these Suppliers and helped ISS Ireland to achieve significant cost savings."

Kevin O'Neill

Country Finance Manager
ISS Facility Services