

BACKGROUND

Noonan Services Group Ltd is the market-leading supplier of facility solutions to companies operating in the Republic of Ireland, Northern Ireland and the UK. Noonan's reputation as a market leader is based on over three decades of consistent growth and a client base that now exceeds 1700 including many of the best-known names in the world of business. Noonan delivers a wide range of integrated facility service solutions that range from technical services to maintaining assets and facilities including building maintenance to security to contract cleaning to landscaping and pest control.

The Group has expanded its outsourced service offering in recent years to meet the market's growing demand for a wider range of outsourced facility services. A key component of its success is the ability to provide a cost effective service which means it keeps its operations very lean.

STREAMLINING COSTS

Noonan faced the challenge of trying to deliver additional savings from its existing supplier base. This was not an easy task when faced with the complexity of the situation as well as the sheer scale of the project. Declan Doyle, Finance Director at Noonan Group felt that external help was required in order to speed up the process. After researching the market, procurement specialist Neil Birkbeck was appointed to help Declan and his team put in place a process that would not only deliver savings but that could be undertaken quickly and with very little management distraction. Neil came on board and rapidly set about analysing the purchasing trends helping to simplify the process and also reduce the scale of the project from a management perspective. There was some initial apprehension as Noonan's was keen that it was getting a good price but that the quality wasn't being compromised. Neil looked at all aspects of procurement, reviewing current purchasing trends with the aim of identifying saving opportunities and advised on what course of action to take.

ONLINE TENDERING

Following conversations with Declan and his colleagues, Neil then set about defining an online tender process which would see Noonan put €3.5 million of spend out to tender and appoint a preferred supplier in a six week period.

Declan Doyle comments: "Noonan's relationship with its suppliers is key in ensuring we deliver a quality service to our clients. We wanted a process which was fair and transparent and would not damage our relationship with our suppliers. Neil's approach was always professional and the suppliers respected his role in the process. In fact I would go as far as saying that our relationship with our suppliers was enhanced as a result."

Neil was responsible for setting up and overseeing the tender process, from developing the online questionnaire to interacting with the suppliers. There were five suppliers in the process and Noonan wanted to move to a single supplier. The online tender created a very fair and competitive bid environment and saved



NOONAN SERVICES GROUP: HELPING TO DRIVE SAVINGS OUT OF THE COST BASE

NOONAN

a substantial amount of time on the traditional tender method both for Noonan and the suppliers. It was important that Noonan retained a positive relationship with all five suppliers as the tender would go out again in two years' time and the probability was that all five suppliers would be asked to retender again. When Neil got the first set of prices back from each of the suppliers, a site visit was organised so that Noonan could look at all the products and approve they were of the appropriate quality. At this stage Declan and Neil decided that as the prices was so close it would be beneficial to complete the process with an e-auction

DELIVERING ON TIME AND TO BUDGET

Neil provided very simple high level reports to the management team which helped them to make the final decision on which supplier to opt for. With years of cross industry experience, best practice processes and methodologies combined with strong project management skills, Neil was able to ensure that this project remained on track in very tight timescales.

Declan Doyle concludes: "The project was completed on time and delivered double digit savings which far exceeded our expectations. We have already started to look at further projects with Neil and I would have no hesitation in recommending Neil to anyone looking to drive savings out of their cost base."

