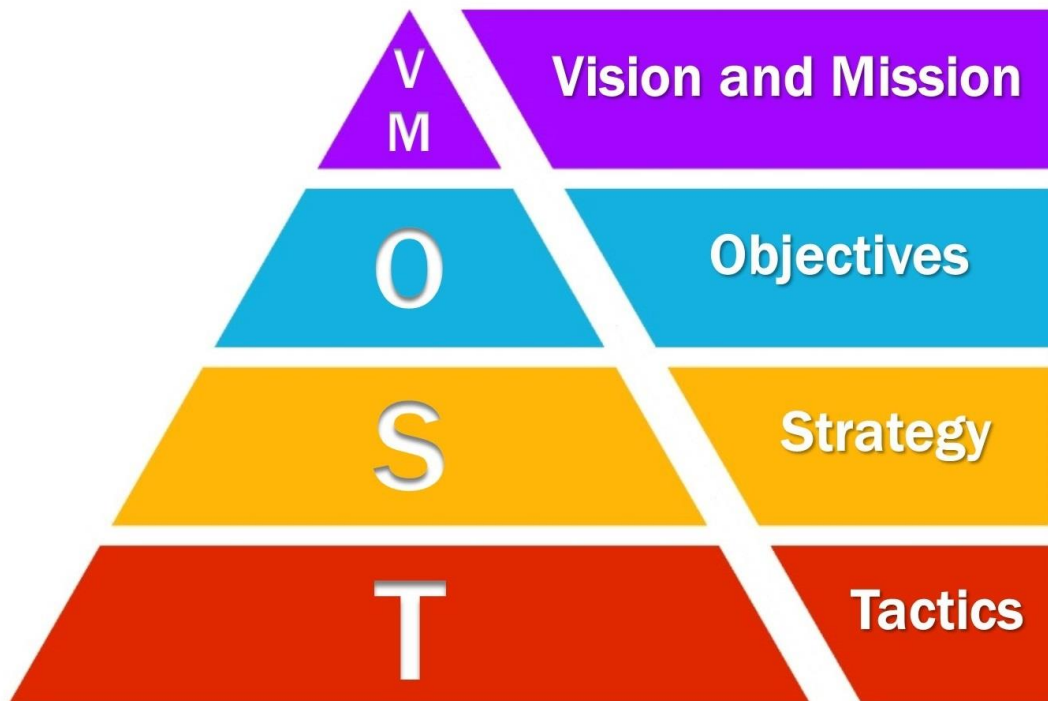


Importance of strategy in communications with suppliers

Agnieszka Kutek

What is procurement strategy?



Organisation's
vision goals
and objectives

Procurement
strategy

Procurement
activities

Why is strategy important

A strategy **raises the profile** of procurement practice within the organisation and with its stakeholders **and explains the organisation's approach** to the purchase of goods and services to suppliers and other stakeholders

Supports transformation & improvement agendas

Provides long term framework for achieving value for money

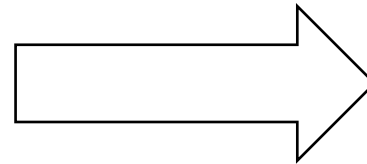
Is a channel for clear communication & information sharing

Documents procurement objectives and intend of how to achieve them

Strategy in the context of communication with suppliers

EXTERNAL

CORPORATE
PROCUREMENT STRATEGY /
RESPONSIBLE
PROCUREMENT STRATEGY

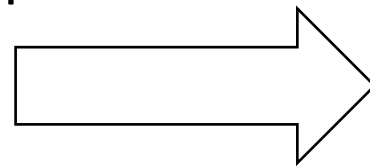


COMMUNICATED TO
SUPPLIERS

- SETS CONTEXT
- INTRODUCES ORGANISATION'S OBJECTIVES

INFORMED BY
COMMUNICATION WITH
SUPPLIERS

- PRE-PROCUREMENT ENGAGEMENT



PROGRAMME / PROJECT
SPECIFIC PROCUREMENT
STRATEGY REPORT

INTERNAL

Croydon's approach

In 2012 creation of integrated commissioning, procurement and contract management strategy

Fundamental building block in its ambition to become an expert commissioner by:

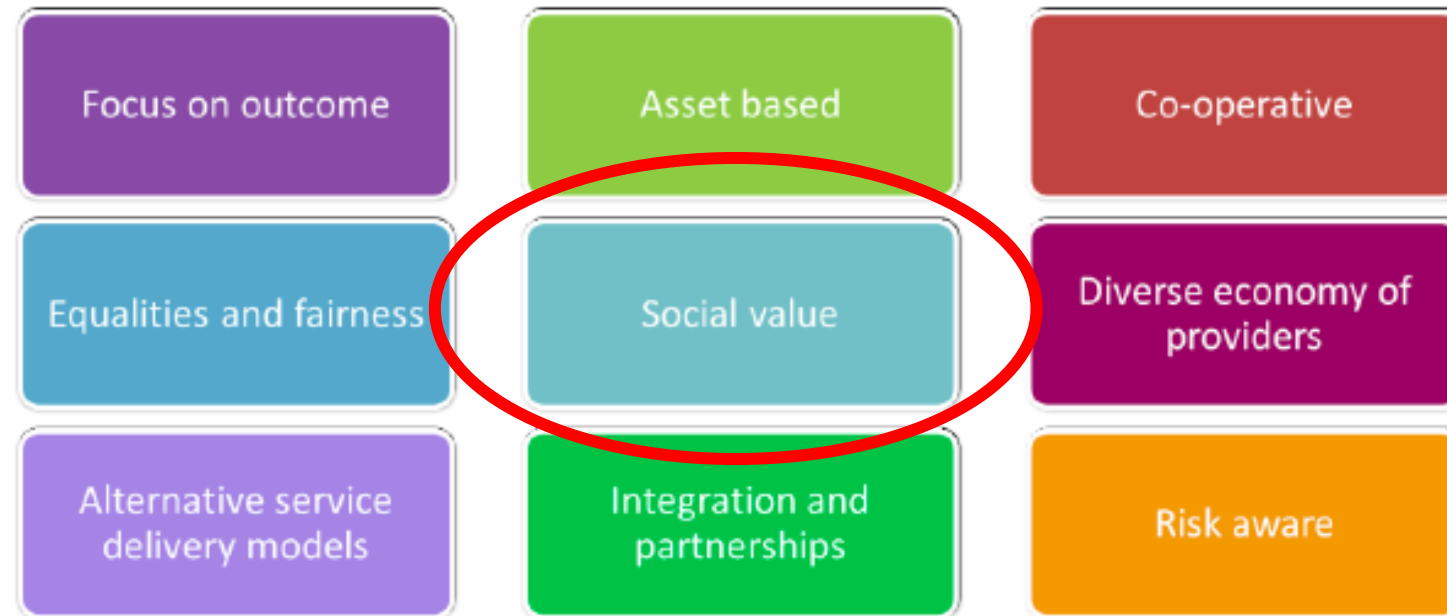
- adopting a **consistent approach**, encouraging **long term strategic planning**
- driving the **transformation of council services**
- delivering **efficiency and quality improvement**
- setting out how we will **work with partners**
- **promoting responsible procurement**
- **providing transparency** around the Council's commissioning

With Social Value Toolkit forming part of the strategy



Communicating social value

In 2016 Commissioning framework refreshed those original objectives introducing **Commissioning Principles** and the **Social Value performance framework**



Using Croydon's strategy to communicate social value (responsible procurement objectives) with suppliers

- Reference point for procurement professionals when communicating with suppliers
- Embedded and clearly set out at each stage of procurement (including strategy report) and within contract management

Growth			Independence		Liveability
SV1 SUPPORTING LOCAL EMPLOYMENT	SV2 CREATING ACCESSIBLE ROUTES EMPLOYMENT	SV3 SUPPORTING LOCAL BUSINESS GROWTH	SV4 SUPPORTING LOCAL COMMUNITIES	SV5 SUPPORTING LOCAL HEALTHY LIFESTYLES	SV6 SUPPORTING A CLEANER AND SAFER BOROUGH

Summary points

- Strategy is a useful tool that sets context to your communications with suppliers
- Having one can help to encourage procurement professionals to communicate – and becomes the first step to utilising the practical tools and mechanisms in the procurement process to engage suppliers more effectively – by setting out the ‘why’ and ‘how’

Having a strategy adds no value if it is not executed, so it needs to be underpinned by aligned policies and procedures and embedded through training and guidance