

KEY PERFORMANCE MEASURES**Table 1A: Key Performance Measures**

OBJECTIVE	DELIVERABLES	KEY PERFORMANCE MEASURES	TARGET
1. Operational Efficiency Excellence	<ul style="list-style-type: none"> Review and Implement a standardised contracts management approach across all three spend categories i.e. ICT, Facilities & Professional Services (a standardised contracts management framework has been developed already); Develop and implement an effective demand planning capability to enable effective customer requirements anticipation through spend analyses; Co-develop and Standardise procurement related processes, process tools and templates across various spend categories (the emphasis in on the role out of such standardised interventions); and Process review in order to identify areas of time improvement such that overall procurement turnaround times are achieved in line with recognised benchmarks. 	<ul style="list-style-type: none"> Improved Tender Turnaround Times Improved SLA sign-off turnaround Times Consolidation and rationalisation strategic contracts 	<ul style="list-style-type: none"> 90 calendar days for projects below R100m 30 calendar days from date of adjudication approval 10% of identified contracts
2. Cost Optimisation	<ul style="list-style-type: none"> Implement a costs optimisation initiative by reviewing Top 200 current contracts e.g. contract price adjustment (CPA); ROE escalations verifications; volumes authentications i.e. licenses. Across the professional services, corporate real estate and ICT categories – with the ultimate goal being to renegotiate the contracts where feasible; Participate in shaping (incl. benchmarking) and influencing the total cost of ownership on contracts under negotiation during the period of engagement in line with the customer's published demand plan. The key outcome is to enable cost savings across such transactions; 	<ul style="list-style-type: none"> Cost savings opportunities on existing contracts Category strategies across functional areas within Procurement Percentage savings on acquisition of good and services of new spend against budget 	<ul style="list-style-type: none"> 10% Hard Rand benefits 20% Soft benefits Implementation 10% Hard savings against budget

	<ul style="list-style-type: none"> • Co-develop and apply a fact based negotiation approach on identified areas of opportunity and ensure skills transfer to identify members of staff; and • Co-develop a category sourcing strategy for ICT, Facilities and Professional Services which informs cost savings over the period under review. 		
3. Socio-Economic Imperatives Maximisation	<ul style="list-style-type: none"> • Assist in the development of the Procurement Transformation Policy and Plan that espouse to create shifts in expenditure to designated groups in a sustainable manner including supplier development incorporation; • Co-implement with the client the initial phases of the transformation plan as envisaged above; and • Co-develop and implement an approach to maximise the provisions of the preferential procurement regulations of 2017 in line with prequalification provisions of the regulation. 	<ul style="list-style-type: none"> - Approval of Procurement Transformation Policy - Improvement in overall SARS BBBEE scorecard (Preferential Procurement Spend) 	<ul style="list-style-type: none"> - Implementation
4. Risk Management	<ul style="list-style-type: none"> • Work with the head of Governance Risk and Compliance to identify procurement risks and develop a risk register to mitigate such risks through a benchmarked set of procurement risks against similar entities; • Recommend preventative and detective systems and methods that can be used to maximise risk management within the procurement landscape; and • Implement sound systems for managing incoming tenders as well as the declarations of interests across the process. Tender office 		

	optimisation through a benchmarked process flow. In consultation with the client's ICT department implement the optimisation as proposed.		
5. Enablers	<ul style="list-style-type: none">Assess and make recommendations on the deployed SAP ECC6 and SRM 7.0 systems in line the reviewed processes in order to ensure that such systems are geared to enable the optimised processes.	Alignment and Improvement in paperless processes	10% Improvement