



# TAFE Gippsland achieves immediate cost avoidance benefits in local supplier sourcing

## Background

Managing multiple buyers was challenging for TAFE Gippsland when Wayne Crowley joined the Institute in a strategic procurement role in January 2019. The vocational education provider had hundreds of buyers located across its nine eastern Victoria campuses. There had been little procurement training in the past, and few tools to help buyers run compliant and competitive go-to-market processes.

***“The risk was significant, and the results we were getting were sub-optimal. There was frequently a lack of competitive bidding and supporting documentation.”***

*Wayne Crowley, Procurement Business Partner, TAFE Gippsland*

## Opportunity with GROW Gippsland

TAFE was introduced to VendorPanel by GROW Gippsland, a local economic development initiative that launched in April 2019. A component of this innovative program is to increase and improve local procurement practices across the region. GROW Gippsland have made VendorPanel Marketplace available as the ‘Regional Procurement Platform’ pilot to GROW Gippsland Compact Members - organisations who have committed to creating local opportunities through employment and sourcing.

## TAFE GIPPSLAND

TAFE Gippsland is a vocational education provider with 9 campuses across eastern Victoria. GROW (Growing Regional Opportunities for Work) Gippsland is a local economic development initiative that supports its members to drive social value through procurement and inclusive employment.

As a GROW Compact member, TAFE Gippsland had no-cost access to VendorPanel Marketplace, a tool that enables buyers to identify and engage with local suppliers across dozens of spend categories, and support fair and compliant local sourcing.

With the support of the CFO and COO, TAFE Gippsland launched VendorPanel Marketplace within two significant parts of the organisation - Facility Management and Program Managers. The Institute now has full visibility of every sourcing event, including the communication between the buyer and suppliers, along with all supporting documents.



## Local supplier discovery & cost savings

VendorPanel Marketplace makes it easy to identify suppliers and include them in an RFQ. As a consequence, more suppliers are being invited to respond, resulting in increased competition and substantial cost savings for TAFE Gippsland; an outcome that has pleased the organisation's Procurement Business Partner.

***“Last year, for a specialised job, only one supplier in the region was identified as being able to provide the service. They were engaged to quote and won the job. I recently got permission to go to market for the balance of work and found six suppliers on VendorPanel, of which three attended the briefing and submitted responses. We ended up achieving over 50% cost avoidance on the original quote through this process.”***

*Wayne Crowley, Procurement Business Partner, TAFE Gippsland*

The breadth and depth of the Gippsland supplier base has delighted the Institute, and they love the supplier search functionality in VendorPanel Marketplace. This includes the ability to search by address, the visualisation of supplier location on a map, and the ease of adjusting search parameters to include more suppliers if needed.

Changing long-standing buyer behaviour can take time, but positive early results are helping to drive use of the platform at the regional TAFE. One buyer recently engaged a supplier for \$12,000 when he expected to pay \$20,000. In total, TAFE Gippsland have cost avoided \$95,811 in less than four months and, for the first time, are able to track and report on results like these.

TAFE Gippsland is currently introducing VendorPanel Contracts Monitor to allow seamless transfer of sourcing data into contracts, and they plan to investigate further platform functionality in a next phase.

Gippsland buyer organisations wanting to take advantage of the offer to use VendorPanel Marketplace as part of the GROW Gippsland initiative are welcome to contact

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