

BPR Case Study – M & G Group

Client Case Study- M & G Pensions

Client Overview

Since M&G was established in 1931 they have provided investment products for clients in the Bonds and Equities markets. Always at the forefront of investment thinking they strive to provide the best investment opportunities for their clients.

Requirement: Business process reengineering for the production of product fact sheets

Client Issue

M & G utilised both in house and outsourced reprographic collateral production facilities. However, the outsource supplier had steadily been increasing prices at the same time as having product quality issues and delivery problems. Due to the supplier exceeding agreed SLAs such as delays on deliveries and a number of quality issues M & G staff were spending a large proportion of their time dealing with customer complaints.

Analysis

To implement the strategic sourcing required a restructure of roles and the development of a strategic sourcing process.

Our approach was as follows:

Investigate and shortlist suppliers who could guarantee adherence to agreed SLAs and confirm production costs for an agreed period to meet M & G budget restrictions. In addition, they needed to be utilising the latest technology to ensure the production of high quality results helping to reduce lead times and, in turn, reduce the volume of customer complaints.

Deliverables

As an outcome the team identified and subsequently outsourced the reproduction of collateral to a single factory in London who could produce client case studies where they were producing similar products. They operated 24/7 so could handle any emergencies should they arise even if this was outside the agreed SLAs. The equipment they utilised was state of the art and therefore they could guarantee the highest quality product which met with M & G requirements.

Improvements included:

- Cost reduction
- Lead time of 2 days compared to previous time of 2 weeks
- Interaction and account management from the new supplier
- Greater flexibility of service
- Full track and trace on every order or item
- Reduction in customer complaints with subsequent improvement in customer satisfaction

Processes Used

- Implementation of their strategic outsourcing process and organisational design
- Procurement in line with required service level agreements
- Fully detailed project implementation plan

Business Scope:

To source an alternative supplier for M & G's existing requirements who could guarantee:

- Reduced turnaround times and maintain high quality products
- Reduced costs for emergency one-off print runs
- Account management to listen and understand M & G requirements

Timeframe and resource required:

- Project duration: 3 weeks
- Resources used: 2 consultants