

# ERA cleans up service for FTSE 250 company Ei Group plc

CLIENT:	Ei Group plc
SECTOR:	Commercial
COST CATEGORIES:	Office Stationery, Cleaning
ADDED VALUE:	Improved service and support from suppliers. Improved internal operating controls. Micro-managed difficult supplier transition. Strengthened position for future renewals. Independent and objective market reviews. Better-fit of suppliers to Ei Group's needs.

## THE CLIENT

Founded in 1991, FTSE250 Company, Ei Group plc, is the largest pub company in the UK. Its 4,500+ properties are chiefly run as leased and tenanted pubs. The Group's 1000-strong team are dedicated to supporting its publicans to run great businesses.

## THE CHALLENGE

At Ei Group plc, staff are encouraged to share ideas and suggestions for improvements, innovations and cost savings through their then named 'My Big Idea' programme. This refreshing initiative led one colleague to introduce Expense Reduction Analysts (ERA) into the mix. ERA Client Relationship Manager, Stuart Lanyon worked closely with Executive PA, Pam Watkins on several projects, securing both savings and service improvements. When complications arose, ERA worked round-the-clock to ensure the project brief was successfully achieved. Three years later, with an in-house Procurement Team in place, Ei Group now enjoys significantly improved service levels and a strong position for future renewals.

In 2015 Ei Group announced a new strategy which includes the development of managed pub companies. Over the five years to 2020 the estate will continue to evolve and increase the number of managed pubs and joint venture partnerships.

ERA Client Relationship Manager, Stuart Lanyon specialises in managing relationships to a client's best advantage and identifying projects for long-term benefits. In 2014, he met with Executive PA, Pam Watkins. Although she was initially sceptical about the value a third party could bring, Pam was impressed by the level of detail and analysis that ERA reviews entail.

## SUMMARY OF SAVINGS

Office Stationery **26%**

Cleaning **12%**



"From being someone who was initially quite resistant, I'm now a huge fan of Expense Reduction Analysts. They are professional, helpful, knowledgeable and provide a forensic level of detail on spend – you can't manage what you can't see. They have reduced our costs substantially and service levels haven't suffered; if anything, they've improved.

Expense Reduction Analysts were exceptional. They really put their money where their mouth was. By their diligence and working with my staff, we got there. And, because the agreements put in place were so belt and braces, we were unaffected when the supplier had to increase rates of pay to secure a new supervisor for the contract. We're delighted with the service now and the cleaning team is much more engaged."

**PAM WATKINS,**  
EXECUTIVE PA, EI GROUP PLC

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## THE SOLUTION

Stuart selected ERA specialist, Hartley Jenkinson to undertake the review. The project was built around maintaining service levels from the existing supplier, with whom Ei Group enjoyed a longterm relationship. Leveraging his market knowledge, Hartley secured a considerable saving with the incumbent provider. More significantly, he helped Ei Group to streamline their internal controls and ordering processes, enabling the company to realise a substantial saving on previous spend.

Pam Watkins comments, "Initially, one of the things that concerned me was that ERA would squeeze suppliers down to breaking point which would ultimately affect supply and service levels but that just wasn't the case. It was actually a win-win situation which I particularly appreciated. By introducing our local supplier to a superior supplier higher up the chain, they too could save costs which justified our savings."

Now confident in the benefits that ERA external knowledge and expertise could bring, Ei Group brought a more complex project to the table: cleaning. Clear that improving service levels was top priority, Stuart selected ERA cleaning specialist, Steve Clamp for the project. With over 30 years' experience in softservice facilities management, Steve is capable of talking to suppliers on an equal footing in their own language to challenge margins, negotiate deals and plan new solutions.

Steve conducted a detailed review of Ei Group's current spend and operational data in order to build a comprehensive profile of the company's needs. With a new, fit-for-purpose specification he approached several suppliers that he could personally recommend based on their expertise in the sector. Steve supervised site visits by the prospective suppliers who were then invited to prepare tenders which he reviewed

and presented in a like-for-like report. The driving force throughout being a tangible improvement in service levels. Following a series of bid presentation meetings, the company opted to change to a new, best-fit supplier.

Pam Watkins adds, "When it came to the cleaning project, we needed help with both operational and customer service levels. We had a disenchanted team who hadn't been managed well by the previous contractor. The beauty of ERA is that each specialist is an expert in their particular field so you get to tap into all of their refined knowledge and experience, and Steve was no exception."

## WHEN THE GOING GETS TOUGH, ERA STEP IT UP

As with all ERA projects, Stuart and Steve managed the transition to the new supplier to minimise impact on their client's daily operations. However, when initially service levels failed to meet the new contract requirements, Steve sprang into action and worked round-the-clock to implement solutions; from spontaneous audits on early morning/late evening shifts and weekly in-house reviews. With a tough, hands-on approach, Steve and Stuart navigated the contract back into smooth waters, much to the delight of Pam and the team at Ei Group.

Speaking of the challenge, Steve Clamp said, "I'm committed to delivering fit for purpose, innovative solutions that produce great results."

In this instance, when things started to go wrong for the new supplier, we had to roll our sleeves up and get stuck in. It's all about protecting the client's interests. By tackling issues head-on and micromanaging so Ei Group didn't have to, we ended up in a strong, comfortable position with a cleaning team that are now doing a great job." Pam Watkins concludes "ERA were exceptional. They really put their money where their mouth was. By their diligence and working with my staff, we got there. And, because the agreements put in place were so belt and braces, we were unaffected when the supplier had to increase rates of pay to secure a new supervisor for the contract. We're delighted with the service now and the cleaning team is much more engaged."

As part of Ei Group's ongoing operational model change, the company now has its own full Procurement department headed up by a Procurement Director. Thanks to the work by ERA, the team can now take both the cleaning and stationery contracts forward in a much stronger position.

