Table Cenitex performance in 2020-21

Extract from Victorian Government Purchasing Board Annual Report 2020-21

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| --- | --- | --- | --- | --- | --- |
| Performance measure | | | 2018–19 | 2019–20 | 2020–21 |
| (%) | | |
| **Value created from department procurement activity** | | | **7.5** | **10.8** | **2.7** |
| Cenitex performed well by delivering $4.2 million in benefits. Last year, Cenitex introduced a 'benefits rationale' signoff between the business stakeholders and procurement. Every benefit has been independently verified by the business and finance stakeholders. Cenitex’s PowerBI dashboards have been expanded to include benefits management and is connected to its finance team and related organisations benefit reporting. The decrease in the year-on-year comparison relates to a change in the VGPB methodology for this performance measure as organisations now include SPC spend in their total annual spend. Savings excluding SPC spend were 15%. | | | | | |
| **Managed spend** | | | **n/a** | **100** | **100** |
| Procurement oversees all Cenitex spend, either via direct management or governance through system controls, with close alignment to finance processes and systems. The organisation’s 'no purchase order, no pay' policy ensures all goods and services spend receives procurement oversight. | | | | | |
| **Increase in procurement capability** | | | **2.7** | **8.6** | **0.8** |
| The increase in procurement capability is due to Cenitex maintaining all of its existing governance and processes that support procurement capability and adding a skills assessment database, which enables training needs analysis to be undertaken to identify key skills required per role. | | | | | |
| **Supplier satisfaction assessment** | **Successful satisfied** | **100** | | **67** | **100** |
| **Unsuccessful satisfied** | **50** | | **40** | **33** |
| The increase in satisfied suppliers is most likely due to the work started in 2019–20 to document more sourcing processes and update all templates, which has improved communication and timeliness for suppliers, as well as process improvements end-to-end. This was reflected in the survey results with improved scores in the timeliness of being notified of the outcome and being kept informed during the evaluation process. Satisfaction was related to effective communication, clear information/evaluation criteria and a simple/straightforward process.  Cenitex has developed a sourcing service catalogue focused on a ‘fit-for-purpose’ process, appropriate to the scope and complexity of the procurement need. This should contribute to maintaining timely and simple/straightforward processes. This should also contribute to improving some of the dissatisfaction measures, namely unclear information/evaluation criteria and the burden of submission requirements.  The results for dissatisfied suppliers decreased but were based on a low response rate. | | | | | |
| **Planned procurement activity as a % of actual procurement activity** | | | **22.2** | **35.7** | **57.7** |
| This measure has improved as a result of the effort put into dedicated stakeholder engagement and data quality review of the content in the forward activity plan. Some improvements have been made to integrate budget planning initiatives with procurement's sourcing pipeline. More work is planned for 2021–22 to structure regular reviews of forward plan activity against work priorities in progress and/or the pipeline, leveraging a stakeholder engagement plan framework. | | | | | |

Refer to *Table 11: Performance measure methodology* in the compliance section for a definition of performance measures.