

Massive cost pressures require differentiated procurement processes

Benchmarking as the basis for reorientation of supply chain management



In order to further strengthen the group's leading position in the international elevator and escalator market, procurement is required to make a key contribution. Advanced supply chain management concepts are called for!

The Client

- Schindler Elevators & Escalators Ltd., Ebikon, Switzerland, subsidiary of the internationally active Schindler Group.
- Development, manufacture, marketing, maintenance and modernisation of elevators, escalators and moving walkways.
- Number of employees: approx. 2'800

The Objective

- Reduce total procurement costs by 3% while maintaining consistent quality.
- Ensure optimal supplies along the entire logistics chain.

The Solution

- Benchmark all procurement activities in the strategic and operational sectors.
- Achieve cost transparency of purchase volumes, process costs and inventory.
- Conduct a strategic materials analysis for all product groups. From this, develop the purchasing, product group and supplier strategy.
- Introduce an institutionalised supply management concept with strong and early supplier involvement of strategic partners in the product development process.
- Implement proactive supply chain management, based on a balanced scorecard.
- Generate a lead contractor concept in the acquisition of module and system suppliers.
- Realise an e-procurement solution for MRO goods that allows integration into SAP R/3.

The Client Benefit

- Within two years, total procurement costs were reduced by some 9%.
- Process costs for procurement of MRO products were lowered by approx. 30%.
- The supplier base was cut back by around 25%.
- Strategic procurement is anchored at the first management level.
- Procurement controlling is applied as a strategic and operational management instrument.