

# Case Study: DP World



DP World has a portfolio of more than 65 marine terminals across six continents<sup>1</sup>, including new developments underway in India, Africa, Europe, South America and the Middle East.

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Container handling is the company's core business and generates more than three quarters of its revenue. In 2013, DP World handled 55 million TEU (twenty-foot equivalent container units). With its committed pipeline of developments and expansions, capacity is expected to rise to more than 100 million TEU by 2020, in line with market demand.

DP World has a dedicated, experience and professional team of 30,000 people serving its customers around the world, and the company constantly invests in terminal infrastructure, facilities and people to provide quality services today and tomorrow, when and where customers need them.

In taking this customer-centric approach, DP World is building on the established relationships and superior level of service demonstrated at its flagship Jebel Ali facility in Dubai, which has been voted "Best Seaport in the Middle East" for 19 consecutive years.

<sup>1</sup>As of February 2014

## The Challenge

For DP World, geography, cultural and language differences, were a significant barrier for terminals to connect globally. They were looking for a solution to remove these obstacles, save time with supplier on-boarding and pre-qualification processes and dramatically reduce procurement cycle times and costs for their buying team.

With a diverse group of several hundred procurement professionals, and an even larger group of internal stakeholders spanning over 31 countries worldwide this was an ambitious agenda. In their aspiration to achieve world class capabilities and meet strategic objectives, they had identified the need to:

**Transform manual tendering processes** to a seamless, integrated online approach. DP World wanted to achieve this both locally and globally through a single solution provider on one platform.

**Leverage a global supplier base** across the organisation where better visibility is given to DP World buyers for their ongoing procurement activities.

**Standardise their procurement approach and empower buyers** to make intelligent and informed procurement decisions, as well as increasing global spend under management.

**Achieve better Governance, Cycle Time and Control** of procurement processes

## The Solution & Benefits:

### The Launch of BUY World

DP World's Head Office Procurement instituted a 'BUY World' programme which consists of corporate approved 'centre-led'

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procurement strategies and standards that aim to continuously improve procurement policies, processes, technology, capability and competencies to achieve a high-performance procurement culture amongst DP World's 5,000 buyers globally.

## **Transforming manual tendering processes:**

BravoSolution assisted DP World to automate the creation of tender documents through the use of category specific tender templates, automating the process between terminals and vendors through structured online questionnaires and reducing the cycle time from evaluation to award of tenders by utilising auto scoring of supplier responses and advanced price scenario analysis.

## **Leveraging a global supplier base:**

DP World has been able to use the platform to establish a global supplier base that is pre-qualified and classified centrally which allows its global terminal network to leverage suppliers with full confidence that they have been assessed and verified against common DP World global evaluation criteria.

## **Standardising the procurement approach and empowering buyers:**

DP World has been able to engage in a cost reduction programme through the use of online reverse auctions. They were able to use these negotiations tools and apply them to both major strategic projects and routine purchasing requirements.

## **Achieving better Governance, Cycle Time and Control:**

All communications between buyer and supplier are conducted via a secure web-based interface, providing a full audit trail of all interactions. The eTendering service is hosted by BravoSolution, with both the application software and data being held on the secure servers.

DP World is now managing supplier risk better than ever while improving the bottom line through innovative negotiation tactics that deliver considerable savings in a transparent, fair and equitable approach for our suppliers.

Iqbal Khoory Senior Vice President of Global Procurement stated:

“Our ‘BUY World’ programme initiatives will now be delivered more quickly and more efficiently through the global deployment of the BravoSolution eSourcing platform, helping us to deliver greater benefit within the Purchasing and Supply Management functions at our 49 terminals around the world.” He added, “BUY World’s technology allows us to network every ‘buyer’, across functions, generating savings based on the philosophy of ‘Thinking globally; Performing locally.’”

BravoSolution’s platform has enabled DP World to roll out the BUY World programme smoothly, standardising internal procurement, increasing transparency on spending globally and improving efficiency and supply management processes.

## **The future**

DP World is a market leader in Port Operations and has identified that world class procurement practices through eSourcing will help to keep it at the forefront of the industry. DP World will continue to modernise its procurement processes with the support of BravoSolution in the future adding online tools with Contract Management and Spend Analysis capabilities.