

Make or Buy: how to make critical decisions in complex markets

A two-workshop programme for chief officers and elected Members in challenging financial times.



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What's it for?

- To help chief officers, Elected Members, staff involved in the Make or Buy processes and other strategic decision makers in local authorities understand the decisions that need to be taken in any 'Make or Buy' (insource or outsource) scenario.
- To equip them with a framework and approach to analyse their situations and to make timely, informed, defensible critical decisions.

Who should attend?

The two half day workshops are designed for chief officers, staff involved in the Make of Buy processes and other local authority strategic decision makers, but will also be valuable for experienced senior managers wishing to develop their knowledge and skills, and service teams with specific sourcing and commissioning challenges.

“Excellent - most informative and interactive with lots of participation”

*Head of Planning,
Regulation and Waste*

How does it work?

This is not a lecture or a tick-box presentation, but an interactive programme packed with useful practical learning. Using the same case-study approach as Harvard Business School, participants meet the key themes and concepts while discussing a keystone case study (session 1, half a day). Participants then apply these concepts to the real business challenges their departments face in order to present to their authority's leadership team (session 2, half a day).

Participants are expected to read the case study and prepare for some questions related to it before the first session. There is a maximum gap of 1-2 weeks between workshops to allow participants to analyse their own business challenge for discussion in the second session.

To ensure the best discussion, and to keep the issues relevant to all attendees, the maximum recommended group size per workshop is twelve. It is highly recommended that participants in the same group are all from the same category or sector as the second workshop is departmental specific. It is however possible to run the first half day as an overview session which caters for all Make or Buy scenarios

How much does it cost?

The whole programme costs up to £2800 depending on location. With the maximum 12 participants, the cost works out at less than £250 per head.



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Detailed structure of the programme

1. Distributed two weeks in advance of the first workshop:

12 page case study about North Borechester upon Dee, a single tier unitary authority which has just experienced a change of political control. Having promised local tax payers better value for money, the new leader has asked you to urgently draw up a plan to deliver savings on corporate services. Preliminary exploration of the options has led to three providers expressing interest in bidding for a potential outsourcing contract, whose profiles are all included in the case study. These are:

Public Synergy Inc – a global multinational outsourcing service company

CWP – a large accountancy firm keen to diversify into outsourcing

Borechester Operational Group (BOG) – a local social enterprise consortium

Before attending the first workshop, participants are expected to read the case study and **answer three questions** as if they were the decision maker in the case: What is the real requirement? What other information would be helpful/questions would you ask? What would you do? They should also identify a real strategic sourcing issue current facing their own council which they would like to address in the second half of the workshop.

2. First half day workshop

The workshop commences with a brief discussion of the objectives and issues the programme seeks to address.

The first half day moves onto a **case study discussion** in which participants are invited to explain what they would do if they were the North Borechester decision maker and why. The workshop leaders encourage participants to challenge each other and themselves to identify common themes and critical questions in the process, around the six steps in the Make or Buy process. The leaders also introduce some **simple and powerful frameworks** during the case discussion and ask the group to apply these to the case problem. The end of the first day consists of a summary, partly facilitator-led, part-generated by the class itself, which will generate a **set of check lists and principles** distributed after the workshop. The class is also given copies of all frameworks referenced during the day.

Between the first and second half day workshops

In the 1-2 week gap between the first and second half day workshop, each participant attempts to apply their newly acquired tools and frameworks to analyse the real business challenge faced by their own authority.

They are expected to bring to the second workshop a **list of the key points** they would be making if they had to present their strategy to the council's executive leadership.

“ [The programme] has had an enormous positive impact on the council's care team ”

*Procurement manager,
Social Care*

“ Extremely useful ”

*Senior procurement
policy manager*

How do I find out more or book a programme?

It's simple: please contact
Alison McCreath on
01784 895040
or e-mail us at
info@sps-consultancy.co.uk



3. Second half day workshop

The second half day workshop can be customised to suit the needs of a specific team to focus on a particular phase or part of the Make or Buy process. The group discusses the actual real life scenarios being faced by participants, and the approaches and solutions being recommended. In the discussion the facilitators will draw out **common overarching themes, issues and strategies** shared among the different teams and projects to cement learning for the future.

Participants have the opportunity to draft (or develop an existing draft of) an **outline slide presentation** to Council's executive leadership on their strategic recommendations. The programme leaders are happy to give individual feedback and work with the participants on their presentation outside the workshop if required.

All learning points are summarised into **easy check lists / notes for retention** by those attending.

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About the leaders/facilitators

Ken Cole

Ken has had a highly successful career spanning both the public and private sectors. He is a founder director of SPS Consultancy Services formed in 2001 to provide commercial advice and expertise on the management and control of third party expenditure. He was seconded to become the Director of the London Centre of Excellence (LCE) from 2005 to 2008 having been the founding Director of the Procurement Agency for Essex (PAE) in 2004. Until recently he was the Commercial and Procurement Advisor to Capital Ambition where he is currently working with London local authorities on the establishment of sub-regional category teams.

He worked in central government until 1995, serving in various senior project management and procurement roles at the MOD, Home Office, Cabinet Office and H M Treasury, before moving into the private sector in 1995 where he managed the public sector division for a major ICT provider.

He is a Fellow of the Chartered Institute of Purchasing and Supply (CIPS), Fellow of the Royal Society of Arts and is a Liveryman in the Worshipful Company of Information Technologists having received the Freedom of the City of London in 1994.



Alexandra Ranson

Alex is an award-winning business case study writer who holds an MBA from the University of Virginia and an MA from the University of Cambridge. She founded her own business, Beagle Thinking, in 2009. She specialises in strategic supplier intelligence and analysis and advises both public and private sector organisations on using digital tools and techniques to work more productively.

Alex has spent much of the last five years helping to design and support Capital Ambition's ground breaking Supplier Relationship Development project to secure significant and lasting efficiency gains from London authorities collectively improving relationships with their major suppliers in-common. Alex has worked for HM Treasury's Office of Government Commerce and for many years in the private sector, first as a financial analyst in a City investment bank, and later on the supplier-side as a business lead at a major international media agency.





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About Stirling Council and SPS Consultancy

The Make or Buy programme has been developed by SPS in partnership with Stirling Council. It has three purposes:

- To provide a systematic and balanced assessment framework to help elected Members, chief officers and staff involved in the Make of Buy processes to decide whether a service is best delivered by the Council (make) or bought in via a third party (Buy) be it in the third sector, private sector or even via the creation of a social enterprise
- To provide rapid skills and knowledge transfer so that information can be collected and analysed and decisions taken without the need to employ expensive consultants
- To provide the tools and techniques to help councils / departments identify and reduce the occurrence of risks including understanding how best to understand and engage with markets and providers to get the right outcomes

Stirling Council is currently putting selected services through the Make or Buy test and commissioned this ground breaking programme to ensure that they were equipped to make well informed and balanced decisions.

SPS Consultancy Services Ltd is a well recognised and lead edge consultancy company that specialises in helping its customers find innovative ways to remove direct cost from their commissioning and procurement activities.

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