JLL puts procurement at the heart of its digital transformation

JLL thrives on its ambitions. And the ambition to get maximum value for its clients is fundamental.

A global professional services and investment management firm specializing in real estate, JLL is a Fortune 500 company with annual revenue of $16.3 billion, operations in over 80 countries and a global workforce of over 90,000. JLL's significant global spend with third-party suppliers puts procurement and supply chain management at the very heart of JLL's successful business model. Every dollar saved is an additional dollar sent to the bottom line, so in terms of JLL's market differentiation, the profitability of its clients, and the financial success of JLL itself, procurement has obviously been a top priority for the company's leadership.

Procurement leads the way

In 2015 JLL embarked on an important journey: the company's digital transformation. Procurement was to take the lead.

"To maintain our leadership position, we have to be able to approach the market with a stand-out offer right across the property lifecycle, from acquisition to disposal," says David McBride, Transformation & Strategy Director for JLL's Supply Chain Management and Procurement Team across EMEA. "This goes far beyond price; our customers are looking for a clear value-add and technology plays a fundamental role, first in creating value

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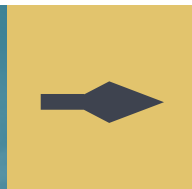
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The project had four workstreams: People, Technology, Category Management and Ethics & Sustainability. An objective of the Technology workstream was to replace the disparate platforms and disjointed systems that were being used in the three regions with one that would meet all of JLL's needs worldwide and deliver consistency of performance at lower cost.

The ability to manage complex sourcing scenarios across the business, working with a partner that could support a variety of global business needs, were clear reasons for selecting JAGGAER.

"It is really important that our technology partners have global reach so that we can fully leverage our scale, streamline processes and have full transparency and auditability," says

McBride. "It therefore made sense to opt for a one-stop-shop spend management and procurement solution that could be rolled out globally, allowing us to tap into consistent data about global supply markets, while at the same time taking account of regional variations. This is basically where we are now with JAGGAER," he adds. Having current and historical spend data accessible in a single corporate repository cuts out a lot of the administrative inefficiencies associated with manual storage of data, emails etc.

JLL's implementation of the JAGGAER suite is focused on the sourcing and contract lifecycle management modules, together with the savings tracker. "JAGGAER streamlines the entire process from the outset, enabling a seamless, transparent and auditable process from onboarding through to contracting," McBride says. This is vitally important for many clients, especially in sectors such as banking and insurance, who need to be able to demonstrate

compliance and security to regulators and auditors.

Hitting the ground running with JAGGAER

Getting the JAGGAER system up and running was a fast and truly collaborative process. Bringing all three regions together for several workshops provided an opportunity to review JLL's processes and gather expert insights from JAGGAER's consulting team. "From implementation to training through to change management, the quality of support and collaboration was exceptional," McBride says. The system has now been rolled out to all offices in the EMEA region, supported by a shared services centre in Warsaw.

JAGGAER configured the system, focusing on the Integrated Facilities Management part of the business, by October of the same year. "IFM

is one of the most complex and challenging of our operations but offered the critical mass needed in terms of headcount and maturity of processes to test the robustness of the system," says McBride.

EMEA was the first JLL region to get the system adopted, ran the first event and hosted the first reverse auction. This meant a lot of high-level visibility across the organization, so McBride's team was delighted when it passed off successfully, with support from JAGGAER.

It has been well received. "Younger procurement professionals entering large organizations now expect to use cutting edge technology, so the implementation of JAGGAER has been an investment into our people to upskill them in new technologies," say McBride.

JAGGAER has provided a technological infrastructure that has helped JLL to achieve some significant cost savings for its internal and

external clients, and quantify these by client account, by country, by spend category and other dimensions. JLL can see what savings are in the pipeline for the future – a great asset for the company's financial planners and budgeters.

 "One of the beauties of JAGGAER is that when we get to the evaluation stage of a major RFx we can easily invite multiple stakeholders – for example, facilities managers – to participate very seamlessly and securely via single sign on (SSO), and then present information back to them. As well as the efficiencies this brings, stakeholders very much appreciate being involved. It gives them a sense of shared ownership. You cannot put a price on that," McBride says.

JAGGAER gives JLL the ability to rate suppliers in terms of contract performance across a whole range of criteria such as quality and health and safety as well as costs.

Trend data built over time will enable JLL to build up a scorecard providing accurate insights into the supply network, enabling JLL to take fact-based decisions and advise clients more effectively.

"Demonstrating to clients that we are managing procurement and the supply chain with robust processes that are transparent and auditable, and which mitigate risk, gives JLL an additional edge in a competitive market.

"The technology, training and support provided by JAGGAER to our sourcing professionals worldwide is an important element in that," McBride concludes.

Bottom Line Results

- Streamlined the procurement process from sourcing through to onboarding and contract management

- Bringing together disparate platforms into a unified solution across the source-to-contract process

- Stantardized, global templates for greater consistency, transparency and auditability

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