



HOW TSEBO SLASHED ENERGY COSTS BY \$1.27 M AND IMPROVED EFFICIENCIES FOR A GLOBAL BANK IN A PAN-AFRICAN MARKET



INTRODUCTION

Tsebo Solutions Group is a leading workplace management solutions provider operating in 27 countries across Africa Middle East. Our local expertise, global standards and innovative integrated solutions enable us to offer our clients improved workplace productivity that supports their success.

In 2016, Tsebo was tasked with integrating the Africa workplace management portfolio of a leading multinational banking and financial services company headquartered in London, England. The 160-year-old institution, which operates across more than 70 countries globally, wanted to consolidate its services across 488 workspaces in Africa to deploy a new model of partner-led integrated facilities management.

CHALLENGE

With digitisation and evolving trends in international banking, the client envisaged to improve efficiencies by moving from multiple service providers across 15 African countries to a partner-led model of integrated workplace management solutions.

The first-of-its-kind model in Africa called for world-class delivery of services with a single point of accountability across the continent's diverse cultural, economic and legal landscape – a task no other international facilities-management provider was willing to take on.

This was no small request. Asset data was incomplete at several branches. Most countries struggled with immature supply chains, as well as the ability to employ local suppliers who understood global standards of excellence, while still being reliable and easy to work with. The client publicly committed to **significantly reducing carbon emissions by 2035**, 15 years ahead of the World Economic Forum's target for net-zero carbon emissions, adding energy-saving and reducing carbon emissions to Tsebo's task list. Also, the remoteness of certain locations in which the bank operates came with added challenges.

Furthermore, the customer requested that the entire process of converting all African properties to a fully integrated workplace management contract be implemented within **six months**. This was expected from the time of contract award to activation across Kenya, South Africa, Ghana, Nigeria, Mauritius, Ivory Coast, Sierra Leone, Zambia, Uganda, Cameroon, Gambia, Botswana, Tanzania, Zimbabwe and Angola.

As a first-of-its-kind solutions risk transfer deal under a guaranteed maximum price (GMP) commercial model, the project spanned over facilities, space, capital projects, energy, and other integrated services.

Ground-breaking risk transfer deal under a guaranteed maximum price model and world-class integrated workplace management solutions, with a single point of accountability across 15 African countries.

CLIENT PORTFOLIO SCOPE



15 countries of operation in Africa



Over **288 000** square metres of property



Over **488** workplaces



Over **460** customer employees to transition to Tsebo



Over **700** unconsolidated suppliers and service providers



6-month mobilisation period, simultaneously going live across all 15 countries

SOLUTIONS

Tsebo entered an initial five-year commitment to an outcomes-focused partnership where key performance indicators (KPIs) were measured according to the client's workplace productivity, efficiency, safety, sustainability, and experiential outcomes.

Tsebo established a centre of excellence in South Africa with leading experts, while drawing on its footprint across the continent. From there Tsebo was able to set up a complex change management and integrated services mobilisation programme that saw all 488 client sites go live simultaneously across 15 countries, all within a short six-month period.



BENEFITS

In addition to dramatically improving efficiencies, managing assets and consolidating processes, Tsebo maintained a relentless focus on risk reduction and management.

To meet the client's expectations for the operation of world-class facilities and energy efficiency, and to comply with local legislation in each country, Tsebo assisted the client with several projects, including:

Change management

Tsebo managed the seamless transfer, training, and onboarding of the customer's local staff across various languages in 15 African countries. Bridge-crossing ceremonies were held to symbolically reference the employees' adoption of Tsebo's well-established values and high standards of quality and service.

Hundreds of suppliers were vetted, and new local supply chains were established. Local country contracts between these suppliers and the bank **were completed in four legal systems** – Roman-Dutch law in South Africa, Portuguese law in Mozambique, English law in East Africa and French law in West Africa.

SCOPE OF SERVICES



Helpdesk



Catering



Vending



Cleaning



Waste management



Floral services



Project and office logistics



Small Works projects



Fabric maintenance



Staff transport management



Critical data centre engineering



Electrical and mechanical engineering



Landscaping



Meeting room logistics



Central reservation



Switchboard



Reception



Security



Management and systems retail



Aquarium management



Mail room services



Pest control



Fleet management



Moves and churn



Design hub – fitouts and optimisation



Space management and workplace effectiveness



Project management office (PMO)



ATM builds and maintenance

Tsebo's GCC™ operating model

Tsebo's **GCC™** operating model was the first-of-its-kind workplace services risk-transfer deal spanning 15 countries in Africa.

Through this unique model, the client is guaranteed a maximum price for the delivery of all services in the agreed scope of services, while Tsebo accepts the risk if expenditure exceeds this amount.

Asset tracking and centralised reporting register

An innovative computer-aided facility management (CFM) system was implemented to allow the client for the first time to track data and centrally monitor the exact cost of items. This allowed Tsebo to become a key partner in helping the client to make informed decisions about the lifecycles and acquisitions of its assets and properties.

Centralised helpdesk

Tsebo created a 24/7 centralised helpdesk for staff to report maintenance and other issues. This resulted in further cost, time and productivity savings.

Local supply chain and community development

Tsebo consolidated the client's supply chain by vetting and, where necessary, training, and upskilling local contractors and suppliers. Staff are granted four days a year to take part in Tsebo-funded community development projects. They are encouraged to participate in events ranging from painting of schools, to tree planting, and First-Aid training.

Space and energy optimisation

Tsebo deployed advanced space management for workplace effectiveness, which helped to **reduce floor space by 5.1%** in the first two years of the contract. This not only resulted in significant energy saving, but reduced costs by allowing the client to rent or sell redundant floor space.

During the first two years of partnership, **Tsebo exceeded its energy saving target with 12%** by deploying energy-efficient systems, solar-powered ATMs, and a daily shutdown policy.

RESULTS

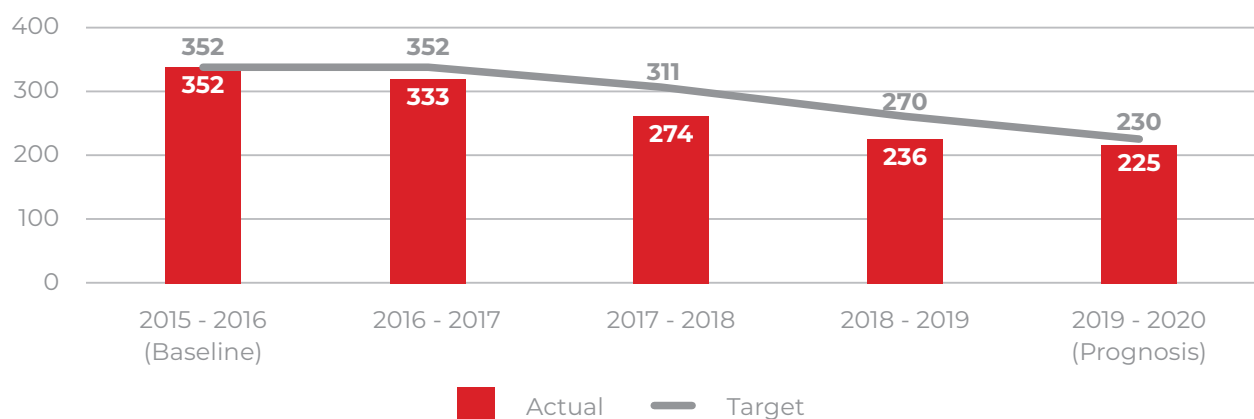
In the first 24 months, Tsebo delivered an **additional 5.6% saving** ahead of the 6.4% it had guaranteed in the request for proposal (RFP) business plan.

- Over the five-year contract period, Tsebo **maintained a flat contract billing value** (excluding inflation), thus successfully balancing the demand for service offered and the availability of client funding.

ENVIRONMENTAL SUSTAINABILITY

- With a changing metric from Kwh/m² to **carbon reporting (CO₂e)** for year end 9/2020, the forecast performance is a carbon reduction of **11%** against the 2019-2020 target.
- Importantly, Tsebo assisted the client to reduce its energy use intensity by 116 EUI units (**33%**) resulting in a total estimate cost saving of **\$1.27 million**.
- Tsebo is well on its way to achieving its target of **eliminating single-use plastics** from the client's African sites by the end of 2020.

ENERGY USE INTENSITY (kWh/m²)



- Tsebo enabled the client to **consolidate its portfolio and reduce the number of sites required**. This allowed the client to save extensively on operational costs, simultaneously becoming more efficient and productive. The client's total Africa portfolio listing was optimised from 488 workplaces at the start of the contract to the current total of 156 buildings and branches. Tsebo managed the project's entire process, from evacuation of properties to relocation, installment of equipment, and staff placements in the new optimised workspaces.

Tsebo managed to reduce and consolidate the client's Africa property portfolio by **68%**

- Tsebo maintains and services **160 off-site ATMs for the client, of which over 30 are solar-powered**.
- Since the inception of the contract, Tsebo's advanced Fit-outs and Optimisation Design Hub delivered a number of successful office refurbishments. **This included space optimisation projects and three head offices completed timeously in the first two years.**



“

Well done to the Tsebo team who managed to complete and hand over the first of its kind next generation branch in West Africa.

- Client comment

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PANDEMIC RISK-REDUCTION PARTNER

Drawing from local and government legislation in each country, as well as its experience in crisis and risk management, Tsebo conducted a business risk assessment and offered the client unsolicited guidance to implement and adhere to best practice hygiene, cleaning and social distancing during the global **COVID-19** pandemic (2020). All sites that have been audited by authorities have been cleared for work and **the client experienced no interruption of services.**

Tsebo previously rolled out its risk mitigation plans and rigorous operational standards to assist the client during the **West Africa Ebola epidemic (2013 – 2016)**, again, no interruption of services occurred.

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