



HOW TSEBO SAVED A MAJOR FINANCIAL INSTITUTION OVER R100 MILLION WITH INTEGRATED WORKPLACE MANAGEMENT SOLUTIONS

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 2012, Tsebo was tasked with integrating the workplace management portfolio of one of South Africa's Big Five financial institutes. At the time the banking house was the new African subsidiary to a major global player with operations across Europe, Asia, the Middle East and America.

The institution wanted to consolidate its services across all international branches and to create a single, holistic point of access for the facilities management and affiliated services of its global businesses and property portfolio. From over 200 key suppliers globally, the financial institute cut the number to two.

Of these, Tsebo was awarded a five-year contract to manage over 900 sites in South Africa, 28 in Mozambique and Mauritius, as well as additional data centres across the rest of Africa.

During this period Tsebo saved the client R100 million and was given an additional two-year contract. To this day, it remains one of the largest integrated workplace management solution contracts Tsebo has ever rolled out.

THE CHALLENGE

The client required a single point of contact for all workplace management solutions across its African sites and identified four strategic priorities:

EXCELLENCE IN PROPERTY PORTFOLIO MANAGEMENT

Tsebo would need to be responsible for managing all property in Africa as a single common portfolio that could be viewed holistically. This included developing a holistic decision-making framework for real estate with a common set of operating processes, systems and data.



TSEBO-CLIENT PARTNERSHIP

To establish a best practices partnership between the service provider and the client, Tsebo was required to develop highly-skilled client relationship teams with a thorough knowledge of the client’s business.

BRANCH AND WORKPLACE OF THE FUTURE

The client’s adopted approach to a modular global branch design, required that Tsebo needed to leverage capital expenditure, while simultaneously creating an innovative workplace strategy that facilitated productivity and collaboration.

FIRST-CLASS OPERATIONAL EXCELLENCE

To drive competitive advantage, Tsebo was required to contribute towards a best practice corporate real estate services platform, operating to transform facilities management with a relentless focus on risk management and life safety. To achieve these strategic priorities, Tsebo had to drive a culture that embraced transformation, innovation and creativity. Tsebo also had to create an environment where people were empowered to find simple solutions to overcome challenges. Enabling a culture of this nature required Tsebo to introduce leading technology and business management, to appoint competent people with expert skills, and to develop process excellence.

Once Tsebo began working with the client a number of challenges presented themselves, including:

Black Economic Empowerment

To comply with South Africa’s Black Economic Empowerment (BEE) requirements, the client needed a B-BBEE-accredited service provider. They also needed a partner who could assist with small, medium and micro enterprises (SMME) development to fulfil the requirement to source and buy locally. As a Level 2 certification holder (now Level 1) Tsebo had the necessary experience to source, develop and manage reliable small businesses and local subcontractors across the client’s urban, peri-urban and rural sites.

Assets

Of the client’s multiple buildings across Africa, only two had asset registers. It became imperative to create and maintain an effective and accurate record of all assets in the client’s portfolio.

Guaranteed maximum pricing model

By far the greatest challenge for Tsebo was that the client’s prerequisite that the service provider come up with a guaranteed maximum pricing model. To meet this requirement took months of negotiation and planning to ensure Tsebo could stay within budget across multiple projects in highly variable environments.

CLIENT PORTFOLIO SCOPE



Over **1 million** square metres of property



Over **3 200** ATMs



Over **900** buildings



20 catering and vending buildings



15 employee restaurants



4 data centres



Over **600** tier-2 suppliers and **60** contracted suppliers to report to Tsebo



Over **2000** Planned Preventative Maintenance (PPM) schedules to manage



Over **20 000** monthly customer transactions processed through Tsebo managed data centres



Over **7 500** monthly service request calls logged



Over **2000** Tsebo employees deployed on site

*The above portfolio relates to South Africa only. An additional **28 buildings, 6500 workspaces, and 74,000 square metres** of corporate property together with **24 data centres**, were serviced and managed by Tsebo, outside of South African borders.*



SOLUTIONS

To overcome challenges and achieve the strategic objectives, Tsebo rolled out an unprecedented three-phase programme aimed at creating a global consumer-friendly facilities management model, operating to deliver appropriate services priced to the client's satisfaction.

By creating a scalable, adaptable framework for the facilities management portfolio, Tsebo was able to drive efficiency and effectiveness and meet the needs of our client. A culture shift within both Tsebo and the client's business, allowed us to increase our focus on strategic development and customer relationship management, allowing the client to focus on operational excellence.

SCOPE OF SERVICES



Helpdesk



Catering



Vending



Cleaning



Waste management



Floral services



Project and office logistics



Small works / Projects



Fabric maintenance



Staff transport management



Critical and data centre engineering



Electrical and mechanical engineering



Landscaping



Meeting room logistics



Central reservation



Switchboard



Reception



Security



Management and systems (Retail)



Moves and churn

Tsebo was able to rapidly mobilise these solutions as a result of meticulous planning. After initial negotiations, Tsebo mobilised, and had all aspects of the first phase fully operational within four months of the starting date.

BENEFITS

The benefits to the client were many. In addition to vast and rapid cost savings, Tsebo dramatically improved efficiencies by managing and maintaining assets, and by consolidating processes with a relentless focus on risk management and safety of lives.

To meet the client's expectations for the operation of world-class facilities, and to comply with their multinational investment partner's standards, Tsebo assisted the client with several projects, including:

CHANGE MANAGEMENT PROCESS

Tsebo helped to facilitate an intricate change management process during the mobilisation phase of the contract. This saw the implementation of a new value system across 450 workplace management employees (from multiple organisations), who had to start working together towards the same goals and under the same value system. Tsebo assisted to nurture and develop this team and grew it to over 2000 employees in South Africa alone.

BRANDING

Tsebo helped the client to rebrand and standardise all uniforms across branches. Tsebo also branded all staff restaurant's according to the multinational investment partner's catering brand.

TRAINING

Tsebo conducted training where and whenever it was needed. For example, 30 front of house employees attended Tsebo's Hotel Experience course training to improve their skills levels in customer service delivery.



SYSTEMS MIGRATION AND RISK MANAGEMENT

The Africa portfolio was migrated to the client's global investor's Riskonomics platform to ensure compliance and higher levels of process standardisation, as well as to address the strategic priority of mitigating safety and lifecycle risks. Another example was the establishment of a world-class cashless system, which was introduced in all staff restaurants to align with the global investor's requirements.

INNOVATIONS AND CUTTING-EDGE TECHNOLOGIES

Tsebo introduced a number of innovations and cutting-edge technologies to support operational excellence, including the following:

An asset management App

Tsebo conducted a 'condition and remaining life assesment' of each asset and created an application to ease the implementation and management of a comprehensive asset register across all sites. Every site's progress was reported on live, using the App. The deliverables were handed over to the client as a living document, which included photos of all assets.

To help the client plan for the future in terms of its asset management strategy, Tsebo created a five-year future-oriented capital investment plan that incorporated allocated values. This allowed Tsebo to become a key partner in assisting the client to make informed decisions about the lifecycles and accusations of their assets and properties. Not only did Tsebo allow the client to take control of its assets, but by doing this we helped the client to raise the current value of its properties.

Self-service request logging platform

Tsebo created an online self-service request logging platform for the client's customers to log queries online. This allowed the client to consolidate the number of call centres and to create a central portal for staff to report maintenance and other issues – resulting in considerable cost, time and productivity savings.

In-house technologies

A number of in-house technologies were adopted to help the client improve productivity. For example, a sub-contractor portal was implemented to automate job cards.

Client-focused management model

Although Tsebo centralised numerous systems to save on efficiencies and cost, it decentralised the management of sites to ensure there was no compromise on client service. Tsebo followed an innovate client-focused model, allowing the end user to have grassroots-level relationships with Tsebo operators, resulting in faster, efficient turn-around times.

RESULTS

Tsebo **saved the client over R100 million** in the first five years by facilitating a fully integrated workplace management solutions model that ensured lower cost, less complexity, and improved efficiency.

Tsebo saved the client over R100 million in the first five years

Apart from the significant cost savings that resulted from the partnership, Tsebo maintained **a flat contract billing value for more than five years** (excluding inflation) – successfully balancing the demand for services offered and the availability of client funding.

Tsebo also achieved the following goals:

- Consistently met **all key performance indicators (KPIs)** as stipulated by the client.
- Introduced a holistic and accurate **asset and warranties register** in the first three years. We re-classified the register to align with the client's multinational investor's nomenclature, allowing Tsebo to oversee between **R250-R550 million in asset management projects per year**.
- Reduced the average project management lifecycle from **36 to 19 days** for retail banking and **47 to 29 days** for corporate banking.

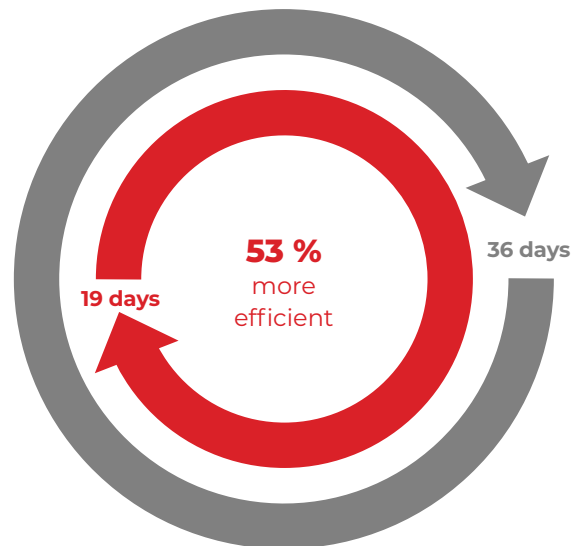
Maintained an **over 80 % client satisfaction score**



- Maintained a **client satisfaction score of over 80 %** for service delivery, which included feedback from key stakeholders within the organisation.
- Grew and developed an engineering team of about **20 people to more than 110 employees**. This team provides **24/7 support to all data centres**.
- Implemented roving maintenance teams located in **28 data centres across nine countries**.

PROJECT MANAGEMENT LIFECYCLE EFFICIENCIES

RETAIL



CORPORATE



■ Tsebo Solutions Group ■ Previous service provider



Engineering expertise grew from 20 people to **more than 110 employees**

- Participated in numerous client environmental, sustainability and corporate social investment initiatives, assisting the client to develop and nurture strong SMME partnerships. To accurately measure the monthly contract-specific socioeconomic development (SED) value invested for both the client and Tsebo, **a systemised tracking system was implemented**, which reported the **SED monthly spend, as well as the year-to-date numbers**.
- Reduced the reactive security callouts (cameras and alarms) by 65 %**, while introducing new security technology that resulted in significant security contract savings.
- Executed approximately **20 000 office moves** annually during the fixed contract period.
- Project managed **205 site delapses/reinstatements**.
- Project managed the refreshment of **88 branches**.
- Tsebo managed to become a world-class corporate and environmental risk management partner for the client.


Over **15%** of total supplier spend was directed at SMME development, with a total annual value of just under **R200 million** in 2019.







An example of a Tsebo client SMME initiative: Tsebo employees were encouraged to enter a competition, where the best coffee bean roaster was awarded a substantial cash amount to start their own roasting business on the client's premises.

TSEBO – A WORLD-CLASS CORPORATE AND ENVIRONMENTAL RISK MANAGEMENT PARTNER

MITIGATED THE FOLLOWING FIRE & LIFE SAFETY RISKS

- | | |
|---|---|
|  <p>Fire extinguishers
240 installed
120 serviced</p> |  <p>Break glass units
50 installed
120 serviced</p> |
|  <p>2 hr rated fire doors
30 replaced</p> |  <p>Emergency lights
460 installed
50 serviced</p> |
|  <p>Fire alarms
4 installed
13 serviced</p> |  <p>OHS
91 risks mitigated
92 H&S signs installed</p> |
|  <p>Smoke detectors
370 installed
565 serviced</p> |  <p>Lightning protection
4 installed
6 serviced</p> |

MITIGATED THE FOLLOWING CRITICAL ENVIRONMENT RISKS

- | |
|---|
|  <p>Air-conditioning units
5 installed
40 serviced</p> |
|  <p>Generators
4 installed
15 serviced</p> |
|  <p>Uninterrupted power supply (UPS)
8 installed
28 serviced</p> |
|  <p>Fire suppression (HFC & FM200)
25 installed
20 serviced</p> |

To successfully implement a project of this magnitude on time and within budget, required a strategic shift in the manner in which Tsebo had previously done business. By rethinking and simplifying the way in which Tsebo designed, managed and implemented technology and solutions, Tsebo fundamentally streamlined how the company mobilises client projects in future.

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