

heijmans

heijmans

Heijmans: Constructing Procurement

PROJECT PARTNERS

tws partners



Imans:

6

Constructing Procurement

heijmans

heijmans

ĥeijmans

Job Verkerke, Chief Procurement Officer at Heijmans, discusses talent, sustainability objectives and digitalisation in procurement today

> WRITTEN BY SEAN GALEA-PACE PRODUCED BY HEYKEL OUNI

ABOUT US

Heijmans is a listed company that combines activities related to property development, construction and technical services and infrastructure in the fields of living, working and connecting. Its constant focus on quality improvements, innovation, sustainability and integrated solutions enables the firm to generate added value for its clients.

utch construction firm Heijmans places great emphasis on its position as a creator to all of its projects. It imagines, advises, develops and designs with the aim of creating something special. Heijmans is centred around four key business areas; property development, residential building, non-residential and infrastructure.

But the company's story actually begins with a road builder. In 1923, at the age of 20, Jan Heijmans started a company which has continued to evolve over the years into something extraordinary. The Brabant-based company has developed from a family firm paving and building roads, to constructing homes, shops and company premises and to developing residential areas, shopping centres and business parks. Throughout its history, creating and building has continued to be part of its DNA.

Fast forward to today and Job Verkerke sits as the Chief Procurement Officer with the organisation. Having joined Heijmans in July 2021, Verkerke is a globally experienced





procurement professional with a proven track record of delivering bottom-line results, managing procurement teams across multiple geographies in EMEA, APAC and the Americas. In his role, he leads complex negotiations and contracted large complex outsourcing deals as well as building up and transforming procurement processes resulting in increased business value; quality, time to market, supplier innovations and cost efficiencies.

Armed with over 20 years of international experience in indirect materials and services and third-party commercial procurement in the healthcare and automotive industry, Verkerke is well aware of how the procurement landscape has shifted over the years particularly in recent times due to global disruptions such as COVID-19. "There's no getting away from the fact that the global supply chain has been significantly disrupted," he discusses. "If you look at the logistics around the raw materials you need in your production process, it came to a complete stop in all segments. Whether you talk about a microchip for a computer, or a part for a car, Covid's impact was considerable and from a cost level, it had major implications for many businesses, including Heijmans. But it also changed how we thought about the supply chain so now you have to ask yourself questions about how you de-risk your supply chain because it just can't go back to what it was like before."

"You have to ask yourself questions about how you de-risk your supply chain because it can't go back to what it was like before" BRIT

Job Verkerke Chief Procurement Officer, Heijmans



The journey to best-inclass procurement

Upon his arrival at the organisation almost two years ago, Verkerke created a roadmap for his vision for the future of procurement within Heijmans. He established four key pillars which he bases his procurement strategy around – quality, time to market, driving innovation and cost efficiencies. "Within Heijmans we now live by those four pillars and that's what we sell to the organisation," he explains. "We also ask our suppliers to think around those four pillars because we expect them to deliver the right quality and to deliver it quickly. We want their innovation power and they also need to be competitive. That's vital to me."

Although he entered the room with an idea of how he wanted to work, Verkerke explains that his plan is structured around the skillset of his organisation. He says that in every pillar, there are initiatives where change is underway to further improve how procurement operates but also how processes are better embedded into operations. "That is required because as in many organisations, the procurement footprint and adherence to policies is always a thing to consider," he explains. "From a strategic procurement perspective, we're on our way to conducting procurement from a horizontal way in combination with forward bundling demands which means overarching the business, initiating, forecasting and funnel management. "We are transitioning our yearlong contract renegotiation cycle into longer term engagements."





BUSINESS BUS

We believe successful companies don't play by other companies' rules. They blaze a new trail. They redefine the rules. They change the game. They define the game and its outcome.

The construction industry is notorious for being a low margin business, with many companies struggling to turn a healthy profit. Heijmans, one of the leading construction companies in the Netherlands, is no exception.

With the challenges of a low margin business, Job Verkerke and his team have a shared view that you need to play differently to outperform the competition and become more successful.

Changing the game in Procurement requires focus on the early stages of the sourcing process.

In the early stages of a tender process, we can shape the game before you play it, and then play it in the best possible way. This is exactly what we set out to do in Heijmans' lease car fleet tender, which was recently tendered for a 5-year period. TWS Partners reshaped the game using a ground-breaking price model, solely based on the catalogue price of a car. This ensured that the tender was fair, transparent and competitive, while making sure that the generated result would be sustainable over the full contract period.

The results are astounding. Heijmans is able to execute on its ambition to fully electrify its car fleet, while also achieving considerably lower Total Cost of Ownership.

They were playing a different game, by their rules.

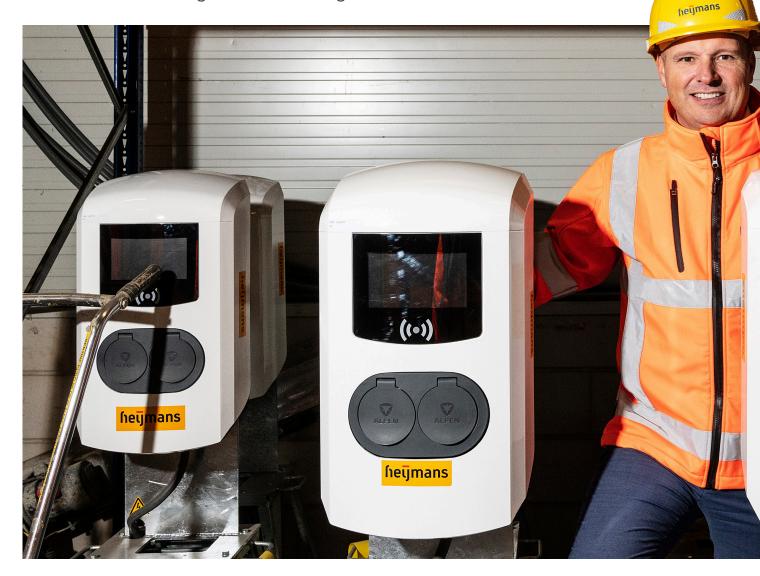
TWS Partners provide the certainty of having thought of every relevant aspect and design competitions that bring you as close as possible to the optimal outcome that is achievable at a given point in time.

BUSINESS IS A GAME. MAKE IT YOUR GAME.

WWW.TWS-PARTNERS.COM



Today, many organisations are far more conscious about their carbon footprints than ever before. For Heijmans, sustainability is one of the most important pillars, designing and building in a greener way. The firm prioritises alternative energy sourcing, efficient use of energy, space and material, while providing optimal comfort and experience. Heijmans' challenge is to focus on the wishes of today, without losing sight of the long-term effects of those solutions. Verkerke affirms being sustainable is a key priority to his firm and mulls over the significant challenge facing the Netherlands. "If you look at Dutch society, what are the needs at this moment? We have a shortage of homes, we need 100,000 more a year but we're just not producing them," he discusses. "There is a significant shortage which is proving to be a major issue for all younger generations but also for the elderly because there's not a proper solution. Our challenge within the country is to help with the energy transition and stop using gas to transition to electricity consumption. At Heijmans, our core strategy is around leaving the world better than when we arrived."



WHAT ARE YOU FOCUSING ON AT THE MOMENT?

Job Verkerke: "I have an internal goal within my procurement department. I'm working, as I think many procurement departments are, in a matrix organisation where I have all my projects on the vertical axis and on the horizontal axis I have my categories. It's extremely important that I optimise that model and that we further enhance our collaboration between those two axes. This means I need to become better in the collaboration within my department. That's just one area where a lot of my focus will be going into moving forward."

1

0





heijmans

leymans

Talent shortages

One of the most pressing concerns the construction industry faces is a lack of talent joining the space. Shifting demographics, including shrinking birth rates and a rise in early retirees means good people are even harder to come by than before. Heijmans

recognises talent as a real cause for concern but believes there is untapped potential in technology that can be leveraged to bridge the gap. "We know there is a shortage of skilled hands in the building area, so we need to increasingly focus on what we can

"Trust is key but it is obviously about what results they bring too"

Job Verkerke Chief Procurement Officer, Heijmans

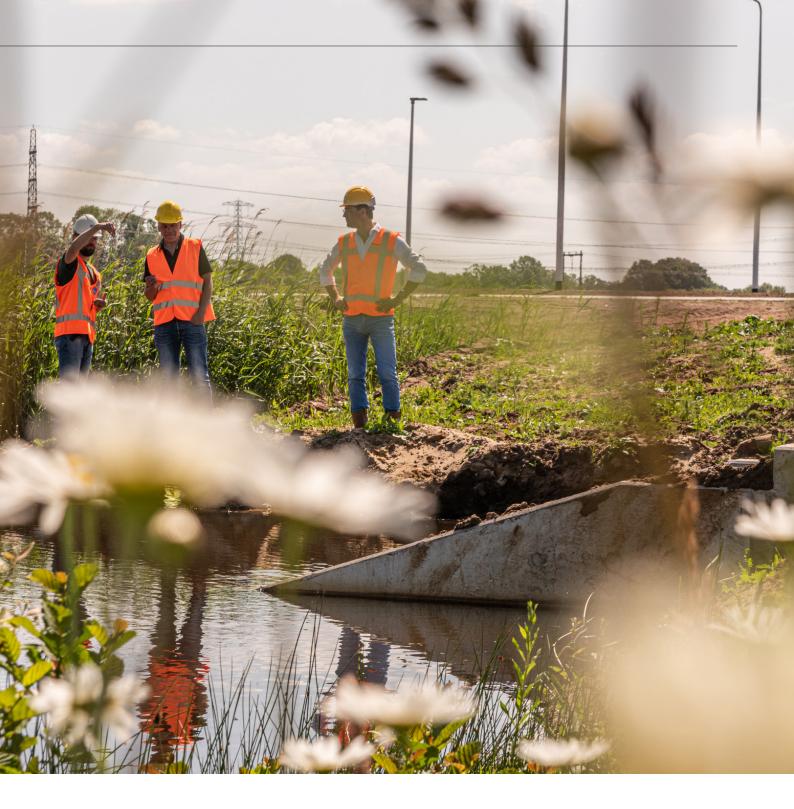
do to solve this," he discusses. "In an industrialised environment we need to digitalise our solutioning and we need to make our offerings easier to build which means more concepts.

"We do have active recruitment programmes running but that is not matching current scarcity. We need to be cleverer on how we build and develop ourselves from that perspective into a more effective and efficient organisation because we have fewer hands available. The focus is on better leveraging technology and digitisation to industrialise our production methods."

With new technology such as AI and machine learning continuing to have a



seismic impact on industries the world over, Verkerke recognises the value in embracing new processes but admits Heijmans' digital transformation journey still has some way to go. "We're not there yet," he says. "This is an extremely important element, Heijmans procurement will emphasise its focus on this particular target on the procurement



agenda for the next two to three years. When I look at my procurement department at the moment, they are all geared up around projects and our categories on the way we did our business in the past with hands. If you are going to transform the business and we are putting that into more concepts, modular building and industrialised production procedures, then we also need to have a different skillset within the procurement department who are more thinking about a supply chain which is different to a projectbased procurement department. We need to make that transition from a project to an industrialised environment, but that's a very nice challenge to have."

JOB VERKERKE Chief Procurement Officer

Sometimes special connections built while in post with a company don't just stop when you leave the role. Job Verkerke knows that all too well.

It was as a result of a relationship with Heijmans CEO Ton Hillen that Verkerke established while in post as Chief Procurement Officer at the Royal Schiphol Group that he found his next position. With over 20 years of international experience in indirect materials and services and thirdparty commercial procurement in the healthcare and automotive industry, Verkerke began his career as a project manager in the traffic research environment working for engineering agencies and public ministries. His subsequent career has taken him to the likes of Dobotex,

NAVTEQ, Philips and Royal Schipol Group before joining Heijmans in July 2021. Today, he leads

complex negotiations and contracted large complex outsourcing deals as well as building up and transforming procurement processes resulting in increased business value; quality, time to market, supplier innovations and cost efficiencies.



Also got too many suppliers...?

Q-Card brings tail spend under management!

As many companies encounter the burden of dealing with a multitude of suppliers, time-consuming management of data for low-value or one-time vendors in their back-end systems leads to unnecessarily high costs. Also, managing maverick spend drains valuable resources and prevents your procurement team from focusing on their core value-added activities.

Q-Card allows you to minimize risks by providing a secure tail spend automation and management solution that gives a consumer-like experience in a B2B procurement context. A lean and agile business process to integrate and monitor any targeted tail spend expense category in compliance with your own company policy. Through optional and flexible preapproval rules companies can increase spend under management and empower budget holders. Additionally, companies can reduce or eliminate after the fact recording and processing of expense without the heavy artillery of ERP vendor creation, formal purchase requisitions and PO's while obtaining the same level of effective control through a global compliant payment platform. Further efficiency is achieved through widely adopted virtual payment card schemes such as Mastercard® and Visa® or wire transfers through Banking-as-a-Service.

Simplify your procurement landscape today and experience the benefits of a leaner, more efficient solution for tail spend management. Contact us now to learn how Q-Card can transform your day-to-day operations.

E 100,00

Sign up for a trial now!



www.qcardapp.com

Embracing partnerships

Establishing key, strategic relationships is an essential component of long-term success. For Verkerke. Heijmans' alliance with TWS, who are experts in structured tendering procedures, is particularly important. "When I came onboard, we had a fairly traditional way of doing procurement, which involved bilateral negotiations and many long-lasting relationships with suppliers," he recalls.

"At Heijmans, our core strategy is around leaving the world better than when we arrived"

Job Verkerke

Chief Procurement Officer, Heijmans

"In the newly established roadmap we decided that we needed to change a couple of things, such as moving away from sole supplier positioning in business because it's far too risky. It means being too dependent on one party and particularly in uncertain time zones, such as Covid when you had no flexibility in your supply chain. So, in close collaboration with the business we changed our procurement strategy because we felt we needed to go to dual sourcing or multisourcing strategies within our primary business procedures."

This relationship with TWS sees the firm run several programmes for Heijmans

including fleet management, IT hardware and services, which is bringing significant results. For Verkerke, he maintains he is "pleased" with their support and affirms that having such a strong personal relationship with partners is vital. "Trust is key, but it is obviously about what results they bring too," he explains. "It's also about being able to understand the company dynamics we have within Heijmans. It is their skillset and how they position the challenge at hand within the cultural and political dynamics of Heijmans. They are also driving innovation in the industry and pushing suppliers to think differently, to come up with different business models and to really take the next step in how to collaborate with us. They're important to us."

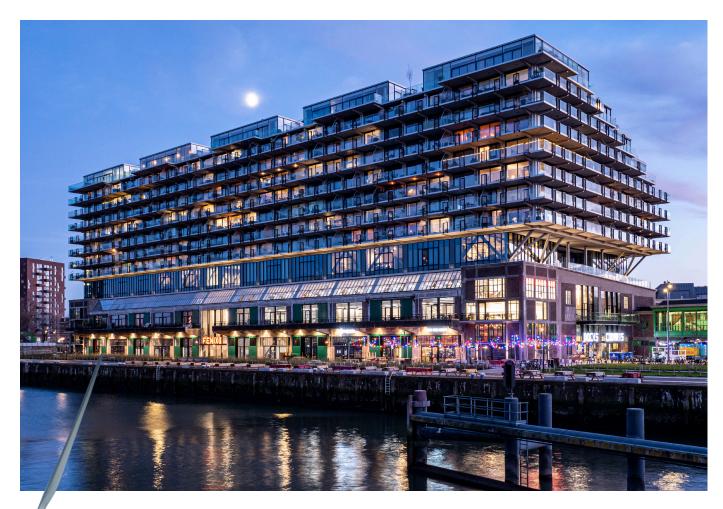
Heijmans has also developed an influential relationship with the Q-Card App at the beginning of 2023. The firm opted for Q-Card's virtual cards to bring their spend under management. By adding Q-Card to their 2023 digital agenda, Heijmans is extending its P2P-process, improving upfront visibility and cost control for a wide range of indirect spend categories throughout multiple departments. Another key goal is to leverage efficiency gains by reducing the current ERP vendor base consisting of a too large variety of C-suppliers for small or infrequent purchases. Heijmans aims to release the solution to thousands of their staff, both in direct roles and indirect roles and drive

adoption with a consumer grade payment experience, such as the mobile app, smartphone wallet integration and userfriendly photos of receipt and guided selfservice pre-coding of the transactions.

"As with many corporates, we see a large variety of small indirect and direct purchases in different parts of the organisation, leading to inefficient processes and various payment methods. Many of those are privately funded by employees that require frequent reimbursements. "We are happy to kick-off this project together with Q-Card and modernise our tail procurement with such an intuitive and flexible solution, that will be fully integrated with our finance system."

Looking ahead, Verkerke is clear about the items sitting at the top of his agenda with the next few years in mind. Heijmans is seeking to establish a proper contract management procedure, creating a purchasing alliance and accelerating the roadmap while focusing on forecasting and funnel management. "We are one of the larger building and construction firms







in the Netherlands, still we are looking for solutions to enlarge our buying power. "We will continue to have the structured tendering procedures on the roadmap with the game theory as a basis where we are fully focusing on forecasting and funnel management."

It is clear both Verkerke and Heijmans have no intention of slowing down any time soon. Amidst considerable change and transformation, the organisation is gearing up to modernise its procurement strategy and face the next challenge head-on. While Heijmans' heritage has always been yellow, the future is certainly green.



WWW.CPOSTRATEGY.COM