

Sainsburys Case Study

Sainsbury's employs over 153,000 people. Of these, 68% are part-time and 32% full-time. 60% of employees are women. A large Sainsbury's Supermarket offers around 30,000 products - 50% of these are Sainsbury's own brand including fresh produce. In addition to a wide range of quality food and grocery products, many stores offer delicatessen, meat and fish counters, pharmacies, coffee shops, restaurants and petrol stations

Sainsbury's serves over 14 million customers a week and at the end of March 2005 had 727 stores throughout the UK.

Training

- Sainsburys have a total of 29 commercial staff on their commercial and e-procurement teams, covering indirect spend (goods and services not for resale).
- Sainsburys train Procurement staff internally in technical areas with some external training in behavioural areas. They have their own in-house legal team who run workshops to disseminate information on changes in the law.
- They run a range of procurement courses, particularly to ensure procurement staff are aware of the impact of what they say and how they act
- Sainsburys also train people to negotiate effectively.
- John feels that in key areas their own internal courses are more effective than formal qualifications.
- John believes that investing in people is the most cost effective way to save money and improve performance.

Performance targets

- All buyers are set personal targets and each team gets bonuses based on these.
- Buyers must hit financial targets and are rated according to performance against these targets

Corporate

- All contracts are negotiated centrally. With their e-procurement system Sainsburys has eliminated any variance in their contract letting procedure.