



Careander makes annual savings of 70,000 Euros on the purchase of nutritional products - with significant decrease of administrative burden

Expense Reduction Analysts finds extra profit

RESULT

Careander is an organisation with 24 locations spread across the Veluwe, providing care for mentally disabled people. Approximately 350 clients are permanent residents, and 400 clients only visit during the day. Aside from this, Careander offers at-home support to a large group of adults and children with their parents. The organisation has 850 employees.

It is obvious that nutrition is an important organisational aspect for Careander. Since the organisation was established in the Sixties, the number of locations gradually increased. However, all of the locations really differ from each other. Some are inpatient locations, other locations are only used for daily activities. There



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Jan ter Steeg, Director Careander

are also support centres where outpatient clients can have dinner together. What it came down to, in practice, was that the chef of every location did his or her own shopping, each with their own preference for products and stores. They did not pay too much attention to how much money was spent, within reason of course. As a result, the organisation found that budgeting was virtually impossible, and keeping the financial records was a time-consuming and complex matter. Careander felt the need for an overview, but was not able to set up an integrated solution, because of the many variables and internal stakeholders. In short, a typical situation in which a fresh pair of eyes is

needed to put things into proper perspective.

Expense Reduction Analyst consultant Kees de Dreu, who had already completed a passenger transportation project at Careander, agreed that ERA would investigate the cost aspects of nutrition. De Dreu asked his colleagues Arjan Schoonderwoerd and Simon Postma to work with him on the project. Schoonderwoerd has a lot of experience in nutrition and catering, and Postma is a financial expert. Postma: “There proved to be many variables that need to be taken into account: dozens of locations, regional managers, team leaders, chefs, counsellors, permanent residents, outpatients, a clients’

When food is purchased separately for a large number of locations, it means that receipts are handed for each shopping round.

These receipts then burden the organisation with paperwork, though it is not always clear what these receipts are for. So grouping purchases not only saves money directly, it also saves administrative time.

council, a number of existing suppliers, menu cycles, diets, different ways to prepare meals, different kitchen supplies, new construction, renovation, expansion, and so on. In addition to that, there is a complicating factor in that shopping with small groups of clients in

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preparation for the meal is part of the daily activities." Schoonderwoerd and Postma therefore devoted a large amount of time to consulting many internal stakeholders, and made a thorough inventory of the possibilities and (sometimes very specific) needs.

After that, a proper market consultation was made of a 'basket' with approximately 350 regularly purchased items. Based on quoted prices, reliability, food safety, quality, continuity, flexibility, lead times, management information, account management and CSR, ultimately a - new - total supplier was selected. Given the fact that the quality of the bread was considered to be very important, a similar path was followed for hot bakery products, and a baker that covers the entire working area of Careander was selected to supply all those products.

Every three months, an update was presented to a delegation of Careander, and every time ERA checked if certain matters should be adjusted. "Given the complex organisation, there were some difficulties at the start. Sometimes we had to improvise", says Simon Postma. "For example, the new central supplier delivered products twice or three times a week, instead of every day, and not all pantries could handle that. And chefs had to get used to a slightly less flexible kitchen

and more planning. But after six months, there were barely any complaints." And now Careander works with a budget module per location. To further implement all new changes into the organisation, the board of Careander decided to make use of the services of Expense Reduction Analyst for another six months.

The changes did not only save Careander 70,000 Euros a year, on a total budget of 650,000, but they also offered more insight into what exactly is going on in the kitchens. This makes sound budgeting possible as well. Regional manager Gerrit Harmanny: "Besides the fact that it saves a lot of money, Expense Reduction Analyst brought calm to the situation. We have a clearer image of what we spend on what, and that was something the team leaders really wanted. We have more control and the administrative burden has decreased because there are fewer declarations and invoices."

Director Jan ter Steeg: "Promoting cost awareness is necessary, especially given the current political changes. It is important to us that the savings benefit the immediate care. Grocery shopping as part of the daily activities was a difficult issue, because we want to have the most ordinary daily pattern possible, and it also creates a bond between the clients and the grocer in the neighbourhood. But we decided

that the total savings in time and money were ultimately more important. Good thing about ERA is that they presents all of the possibilities, but will never urge the organisation to make a decision that suits Expense Reduction Analyst, which really is a big advantage. We lack the time and expertise to execute these kinds of complex processes, which is why we took advantage of the expertise of Expense Reduction Analyst. They did an amazing job, we are very happy with the results."

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