



VALUE GAP REPORT

Diagnostic Analysis: Strategic Intent vs. Transactional Reality

PREPARED FOR: XYZ Infrastructure Group

INDUSTRY: Construction

ANALYSIS PERIOD: FY 2025 – Q1 2026

DIAGNOSTIC DATE: April 3, 2026

CONFIDENTIALITY NOTICE: This document contains proprietary financial diagnostics generated by the ShiftS2P System of Intelligence. Data is encrypted and anonymized.

TAGLINE: *Protecting Intent. Orchestrating Value.*

EXECUTIVE SUMMARY

The £3.57M Recovery Opportunity

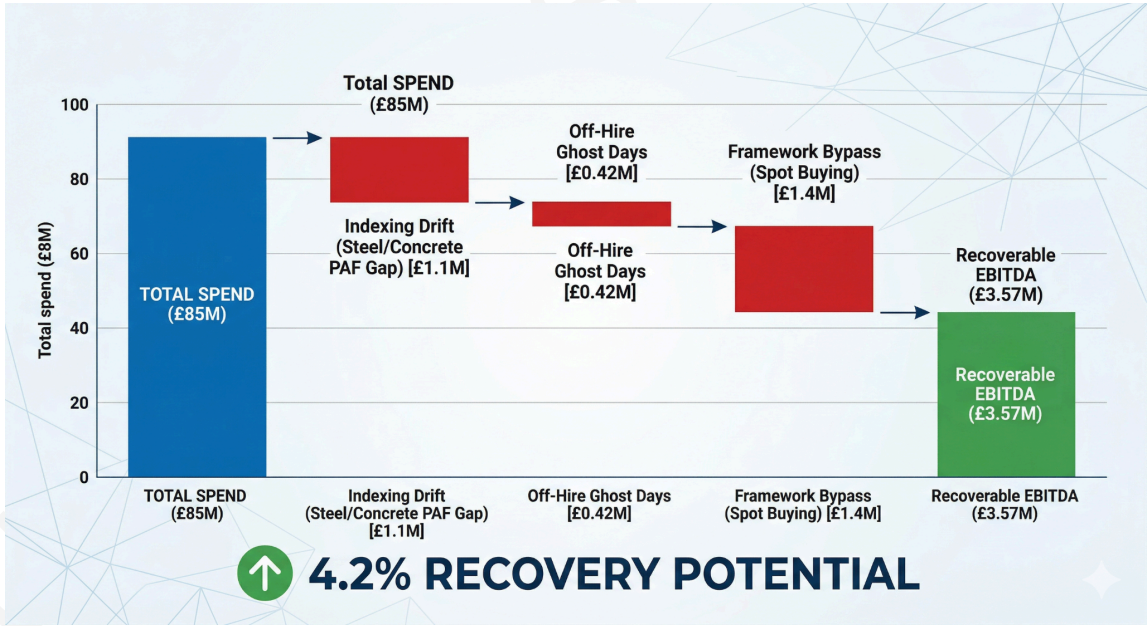
Following the **Zero-Bulk Handshake**, ShiftS2P ingested £85M of addressable spend from XYZ Infrastructure Group. Our diagnostic identified a **Value Gap of 4.2%**, representing **£3.57M** in recoverable EBITDA.

The Diagnostic Verdict

XYZ Infrastructure is currently suffering from a high-fidelity **Execution Gap**. While your procurement team negotiates world-class Master Service Agreements (MSAs), your "Systems of Record" (ERP) are incapable of enforcing the **Strategic Intent** of those deals at the point of transaction.

Key Metrics:

- **Addressable Spend Analyzed:** £85,000,000
- **Identified Value Gap:** £3,570,000 (4.2%)
- **Logic Maturity Score: 32/100**
 - *Score Definition: Your current systems track "Price and Quantity" but cannot "Reason" with contract constraints, leading to autonomous leakage.*
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**NOTE ON DATA LOGIC: All numerical data, percentage leakage figures, and calculated EBITDA recovery amounts (£3.57M) presented in this Value Gap Report are generated using ShiftS2P's proprietary construction industry logic templates and are for illustrative purposes only. They do not represent a real-time audit or a guaranteed outcome. The 'XYZ Infrastructure' data has been anonymized to protect intent*

CATEGORY DEEP DIVES

(The Leakage Heatmap)

01 | Plant & Equipment Hire: The "Ghost Day" Leak

- **Annual Spend:** £12.0M
- **Identified Leakage:** £420,000 (3.5%)
- **The Findings:** 12% of plant hire invoices contained charges for "Ghost Days"—billing periods occurring after an official off-hire notification was sent via site-email.
- **The Execution Gap:** Your MSA specifies a 4-hour off-hire window. However, because your transactional system lacks a **Decision Cortex**, it cannot reconcile site-level timestamps with supplier invoices. It sees a "valid" supplier and pays the bill.

02 | Bulk Materials: The Indexing Drift

- **Annual Spend:** £28.5M (Steel & Concrete)
- **Identified Leakage:** £1,100,000 (3.8%)
- **The Findings:** 85% of steel purchases over the last 6 months failed to reflect the 6% drop in the Monthly Price Adjustment Formula (PAF) negotiated in your framework.
- **The Execution Gap:** You negotiated dynamic, index-linked pricing to protect margins. But your ERP stores a **static price**. Without an intelligence layer to "reason" across the market index and the contract, you are overpaying by default.

03 | Subcontractor Labor: Framework Bypass

- **Annual Spend:** £22.0M
- **Identified Leakage:** £1,400,000 (6.3%)
- **The Findings:** 18% of labor spend was sourced via "Spot Rates" from non-preferred vendors, despite available capacity within existing Framework Agreements.
- **The Execution Gap:** Site Managers chose the "Path of Least Resistance." Your system allowed the purchase because it had no **Strategic Pathway** to guide the user to the optimal contracted source in real-time.

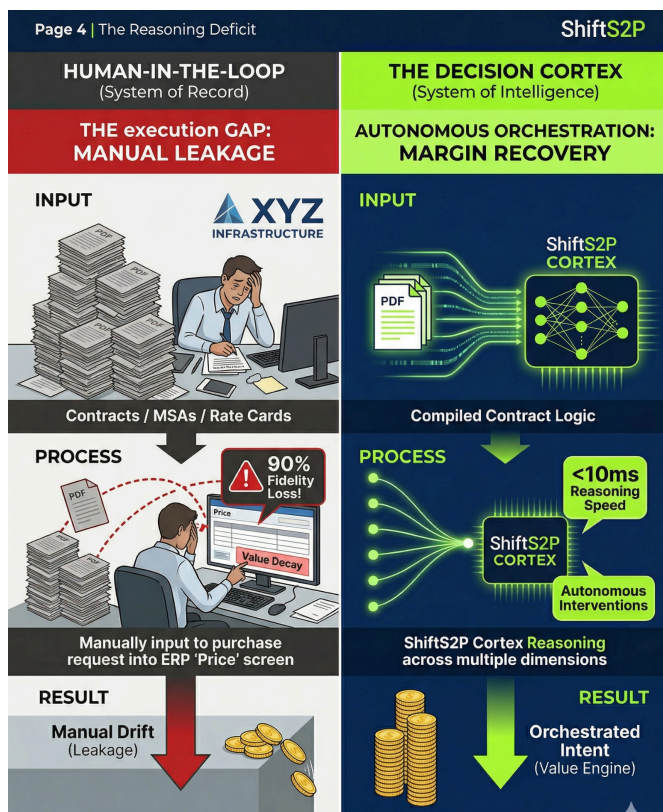
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THE "AHA!" MOMENT | THE REASONING DEFICIT

Why Your Current Systems are Failing You

The data reveals that XYZ Infrastructure does not have a "People Problem" or a "Negotiation Problem." You have a **Reasoning Deficit**.

Your current ERP is a **System of Record**. It is designed to look backward and record what happened. It is fundamentally incapable of looking forward and **reasoning** with the 500+ variables contained in your MSAs.



ERPs Record. ShiftS2P Reasons.

The Fidelity Loss

When a high-fidelity strategic intent (the Contract) is compressed into a low-fidelity transactional field (the ERP), **Value Decay** is inevitable. ShiftS2P doesn't just store the contract; we **compile** it into an agentic logic that protects your margin at the point of every purchase.

INTERVENTION ROADMAP

From Audit to Orchestration

Identifying the £3.57M Value Gap is the first step. The second step is **Autonomous Recovery**. ShiftS2P moves you from "finding money you lost" to "ensuring you never lose it again."

Phase 1: The Diagnostic (Complete)

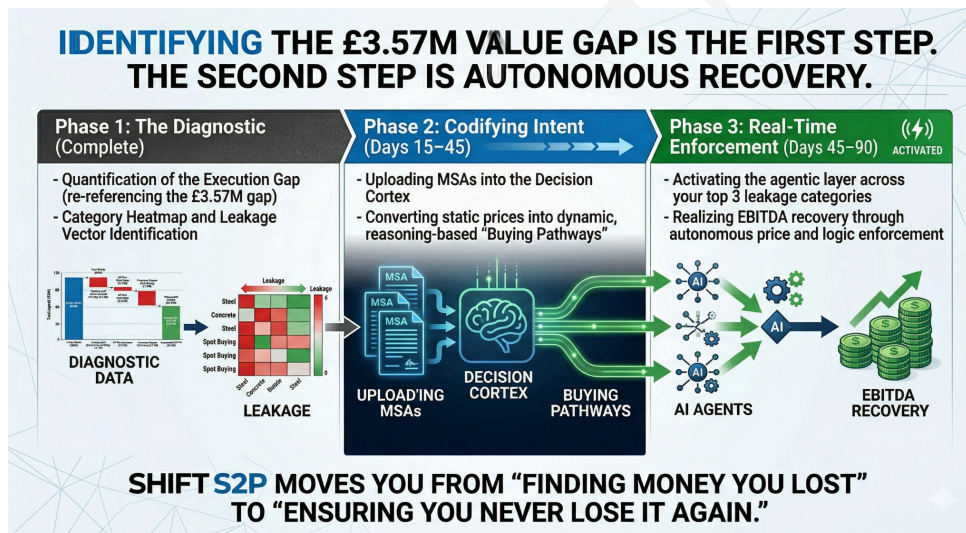
- Quantification of the Execution Gap.
- Category Heatmap and Leakage Vector Identification.

Phase 2: Codifying Intent (Days 15–45)

- Uploading MSAs into the **Decision Cortex**.
- Converting static prices into dynamic, reasoning-based "Buying Pathways."

Phase 3: Real-Time Enforcement (Days 45–90)

- Activating the agentic layer across your top 3 leakage categories.
- Realizing EBITDA recovery through autonomous price and logic enforcement.



Ready to close the Execution Gap?

Contact: hello@shifts2p.com

ShiftS2P: *Protecting Intent. Orchestrating Value.*