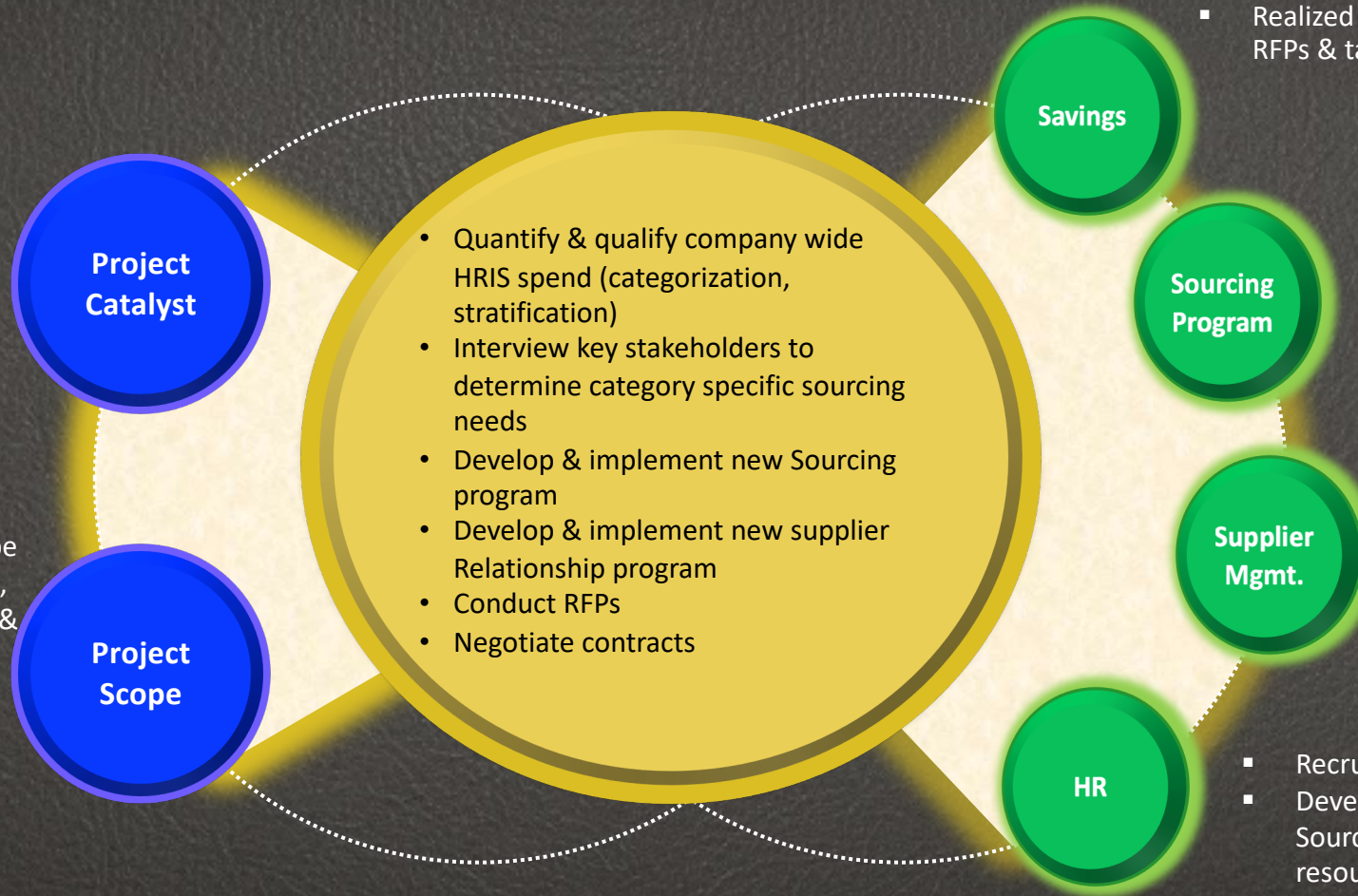


# Project Example 1: Assessment, Design, Implement, Bid

## SCOPE

- Decentralized, fragmented & rouge spend
- Goal –Identify & consolidate all HRIS spend
- Top-tier U.S. healthcare conglomerate
- \$360 Million HRIS annual spend; \$50 Million in scope
- Spend categories: Indirect, HRIS services (contingent & temp labor, professional services, training, SaaS)
- 3,500 Contractors
- 15,000 Employees
- Sourcing process, bids, supplier management, contract management
- Sourcing organizational structure
- Sourcing : Procurement interface



## OBJECTIVES

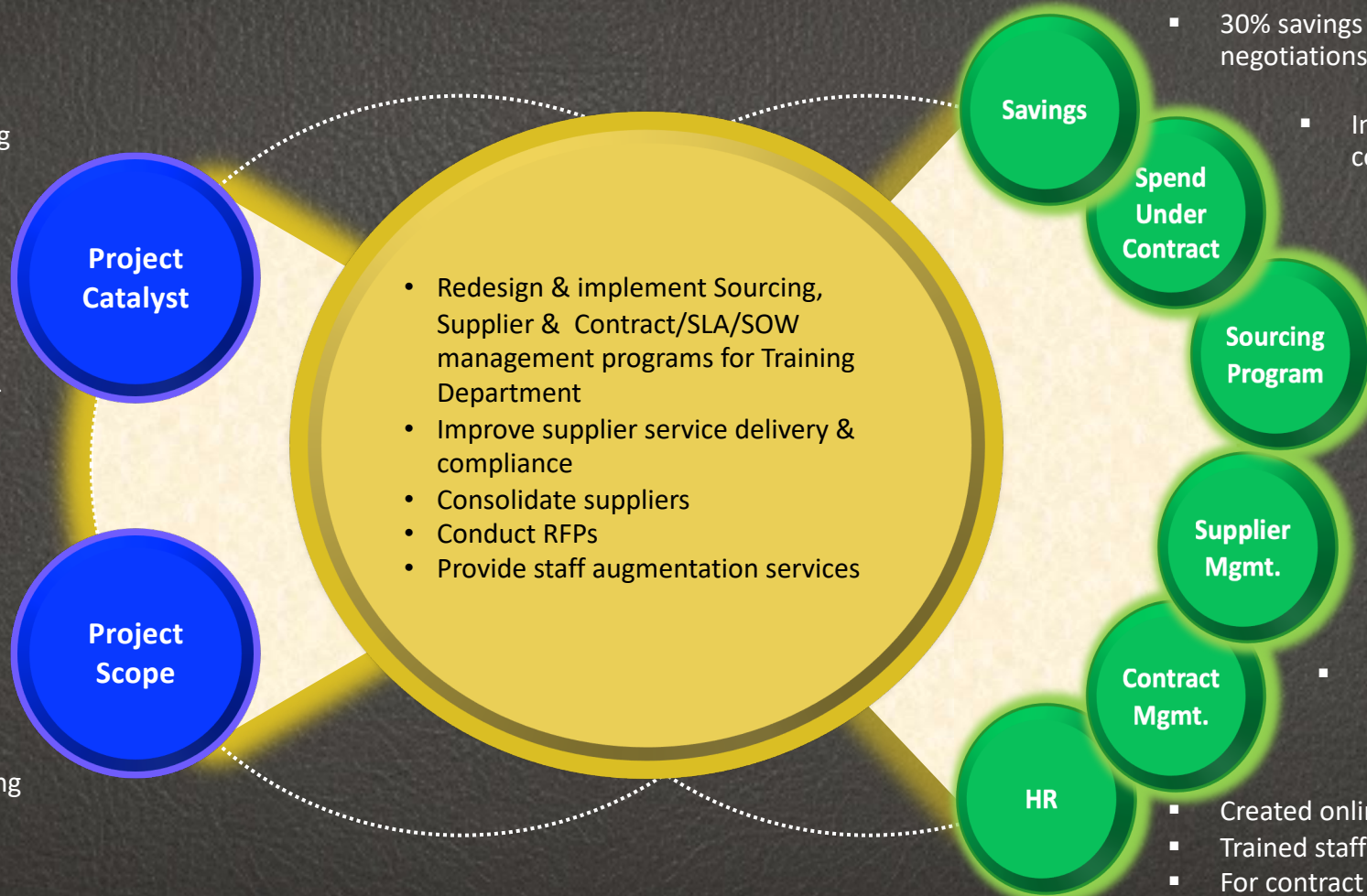
## RESULTS

- Realized 20% reduction in Phase I spend through RFPs & targeted negotiations
- Developed & implemented internal RFP process flow (Initial request/need –to - PO creation). Compressive spend profile used as basis for future state program. Transformed how HR sources services by designing & implementing new sourcing program. Created supporting policies, procedures & templates.
- Created Supplier Performance Management process & metrics
- In-depth recruiting analysis led to RPO RFP to reduce temp staffing spend, administrative costs & service issues
- Recruited & trained sourcing staff
- Developed SharePoint portal that automated Sourcing Request process, provided sourcing resources, training, contract database & supplier database

# Project Example 2: *Design, Implement, Bid*

## SCOPE

- Service issues with suppliers, internal sourcing support constraints
- Goal – Increase control over supplier spend & performance
- Global \$8 Billion consumer products manufacturer
- 24 divisions
- \$8 Million annual Indirect spend for Training & Development shared services
- 41 Spend categories: e.g. SaaS, contingent labor, professional services, relocation, cultural awareness, travel, & training
- 93 suppliers
- Sourcing process, bids, supplier management, contract management



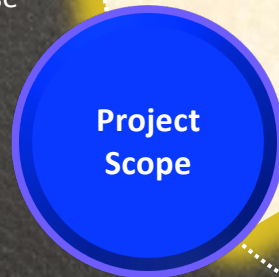
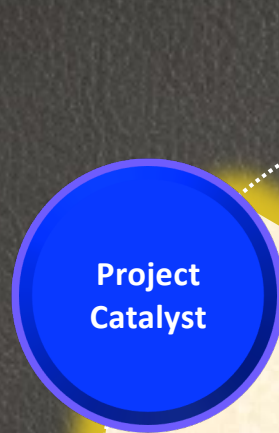
## RESULTS

- 30% savings through RFP, RFQ, targeted negotiations
- Increased spend under contract from 20% to 85%
- Centralized & standardized sourcing program (process, policies, procedures, tools). Created step-by-step playbook. Developed customized internal RFP process flow (Initial request/need –to - PO creation).
- Improved SOW & SLA compliance by implementing new contracts, performance metrics & supplier management program
- Created & implemented contract management program
- Created online training & resource library for staff.
- Trained staff on new process.
- For contract labor, created descriptions recruited & onboarded

# Project Example 3: *Assessment, Design, Implement, Bid*

## SCOPE

- Inefficient & redundant sourcing process; SKU & supplier proliferation; weak supplier performance, cost & risk management
- Goal – Consolidate & centralize spend, save \$50 Million 1<sup>st</sup> year
- Global restaurant franchise
- 11,000 locations
- \$1.2 Billion annual spend
- Spend categories: Direct
- 3,050 SKUs
- 445 Suppliers
- 300 Sourcing procedures
- Sourcing process, bids, supplier management, contract management
- Sourcing organizational structure
- Sourcing : Procurement interface



## OBJECTIVES

- Quantify & qualify company wide spend
- Determine TCO by SKU, department & division
- Determine future state org structure (CPO) & implement
- Benchmark pricing
- Identify & prioritize opportunities; define execution strategy
- Develop supplier performance improvement program
- Conduct RFPs
- Negotiate contracts

## RESULTS



- \$93 Million 1<sup>st</sup> yr. by implementing new RFX process; conducting multiple RFPs, targeted negotiations & reverse auction



- Increased by 30%



- Centralized & standardized sourcing program (process, policies, procedures, tools); created step-by-step playbook
- Sourcing SaaS RFP



- Developed performance metrics & performance monitoring program for internal sourcing department & suppliers



- Created & implemented contract management program



- Sourcing reorganization
- Recruited & trained staff

# Project Example 4: Assessment, Design

## SCOPE

- Redundant processes & excessive costs due to acquisitions
- Goal - GPO feasibility study
- Private equity firm; 7 food service franchises
- 5,000 locations
- \$440 Million annual spend
- Spend categories: Direct & Indirect
- 3,200 SKUs
- 22 Distributors
- 730 Suppliers
- Sourcing process, bids, supplier management, contract management
- Sourcing organizational structure
- Sourcing : Procurement interface

**Project Catalyst**

**Project Scope**

## OBJECTIVES

- Normalize, quantify & qualify spend across 7 different AP systems
- Data aggregation across all franchise organizations (e.g. spend, suppliers, SKUs, distributors, locations, staff, staff functions, overhead costs)
- Detailed analysis of distributor network & recommend consolidations and/or direct buys
- Interview key stakeholders to determine specific sourcing needs
- GPO feasibility study
- Determination of initial savings & efficiency gains

## RESULTS

**Savings**

- Identified 15% (\$66 Million) spend reduction opportunity for Phase 1 by employing supplier & distributor rationalization; demand aggregation; SKU rationalization; category management; freight management; robust contracts; uniform IT platform; procurement restructuring

**Sourcing Program**

- Developed GPO strategy, implementation plan, budget & ROI analysis

**HR**

- Developed GPO organizational structure & positions descriptions

# Project Example 5: *Assessment, Design*

## SCOPE

- Inefficient & redundant sourcing process
- Goal - Define future state road map for change
  
- Fortune 10 Telecommunications corporation
- \$100 Billion annual spend
- Spend categories: Direct and Indirect
- 40,000 Suppliers
- 1,000 Product classifications
- 450 Sourcing personnel
- 300 Procedures
- Sourcing process, bids, supplier management, contract management
- Sourcing : Procurement interface



## OBJECTIVES

- Assess current state Source-to-Pay process & systems
- Interview key stakeholders to determine category specific sourcing needs
- Identify cost drivers
- Develop future state Source-to-Pay strategy, including supporting processes
- Define supporting software functional requirements
- Identify viable Source-to-Pay software suppliers



## RESULTS

- SWOT Analysis
- Interviewed 60+ stakeholders & identified key cross functional service requirements & sourcing expectations
- Created future state Source-to-Pay strategy, process architecture & implementation plan
  
- Conducted legacy system gap analysis
- Identified & cataloged >270 Source-to-Pay, Supplier Management & Contract Management SaaS functional requirements
- Vetted Source-to-Pay SaaS RFP candidates

# Project Example 6: *Design*

## SCOPE

- Cost overruns, project delays, supplier performance issues
- Goal - standardized sourcing process for new store construction
- National gasoline station / convenience stores chain with 1,100 locations
- Spend categories: New store construction (e.g. construction material & services, furniture, fixtures, temp labor)
- Sourcing process, bids, supplier management, contract management



## OBJECTIVES

- Interview key stakeholders to determine category specific sourcing needs
- Determine category specific key performance metrics & incorporate into sourcing process
- Create New Store Construction Sourcing program, process & playbook

**Sourcing Program**

A green circular node with a white border, connected to the central yellow circle by a solid line.

## RESULTS

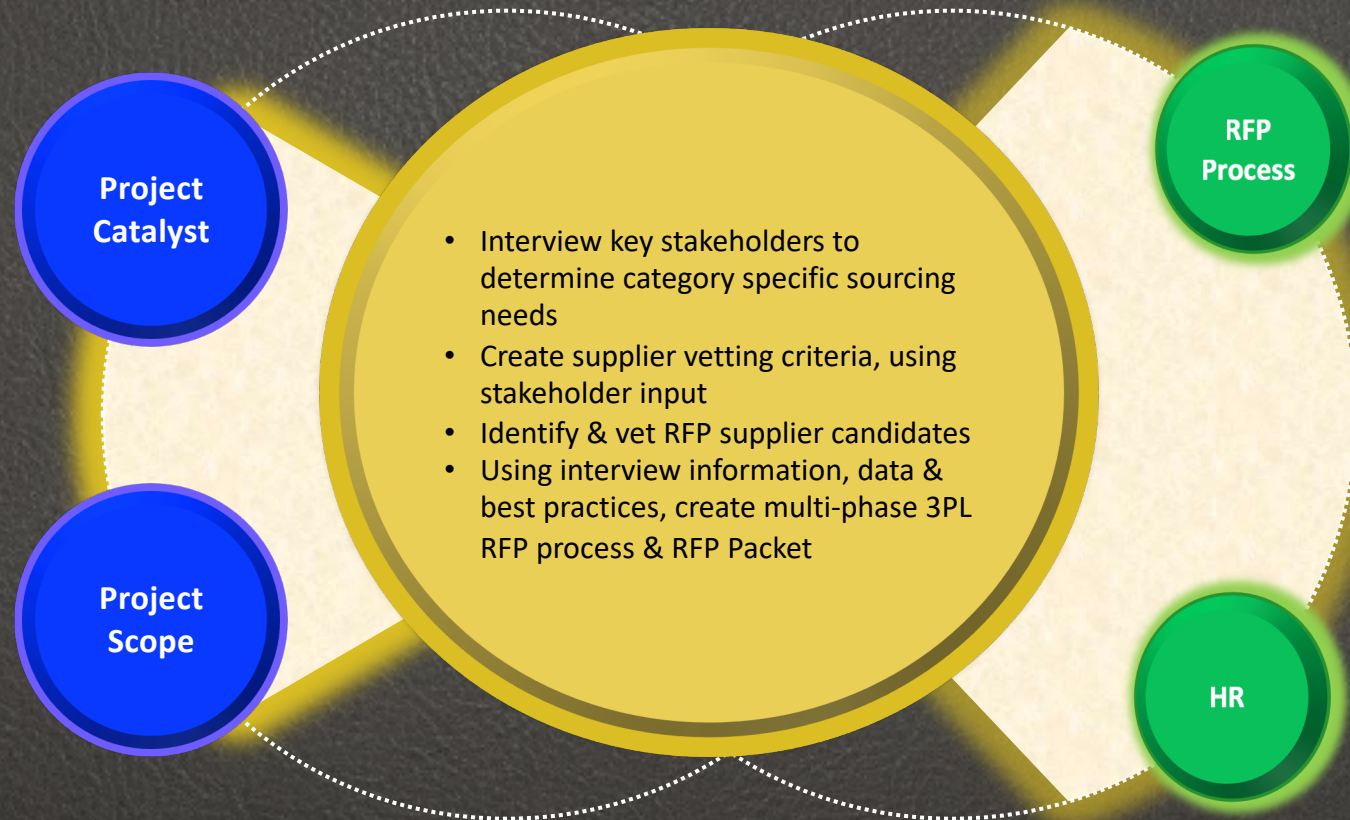
- Created customized step-by-step sourcing process, policies, procedures, templates & training material for use in sourcing all products & services necessary to construct new stores

# Project Example 7: *Design, Bid*

## SCOPE

- Departmental RFP staff limitations & tight timeline
- Goal – create RFP & RFP process to bid out North American volume
  
- \$34 Billion global consumer products manufacturer
- Spend category: 3<sup>rd</sup> party warehousing & distribution
- 3,600 SKUs
- Sourcing practices

## OBJECTIVES



## RESULTS

- Vetted 41 supplies using 36-point evaluation & qualification process, which ultimately led to 8 suppliers being invited to participate in RFP
- Developed RFP Packet (Invitation, RFP guidelines, proposal template, site visit process, RFP evaluation metrics, negotiation strategy) for North American 3PL distribution services
- Developed customized internal RFP process flow
  
- Trained staff on new RFP process

# Project Example 8: *Design, Implement*

## SCOPE

- Reduce system wide costs by consolidating & leveraging spend
- Goal - implement Purchasing Cooperative
  
- Global food service franchise
- 6,500 Locations
- \$1.2 Billion annual spend
- Spend category: Direct
- 3,050 SKUs
- 445 Suppliers
- Sourcing process, bids, supplier management, contract management
- Sourcing organizational structure
- Sourcing : Procurement interface



## OBJECTIVES

- Create system wide Purchasing Cooperative organization (membership requirements, membership drive, bylaws, procedures, organizational structure)
- Launch new Purchasing Cooperative
- Provide staff augmentation services
- Recruit Purchasing Cooperative staff

## RESULTS



- \$105 Million 1st year
  
- Implemented Purchasing Cooperative on time & within budget
- Designed & implemented Sourcing Program
- Provided staff augmentation services
- Created position descriptions, recruited & onboarded staff
  
- Organizational restructuring with position descriptions
- Recruited & onboarded staff
- Provided staff augmentation services during start-up phase