

# PROCUREMENT MANAGEMENT



## Challenge/Situation

Procurement is often viewed as a necessary but non-strategic part of running a business – you need to purchase goods and services, you try to find them as cheaply as possible, you make your purchase, and then pay your vendors. Pretty straightforward.

### Yearly Savings

By understanding what you're spending and where, and then managing your purchasing accordingly, companies can realize an average yearly savings of 18% or more.

This includes savings of as much as:

- 6% from better management of risk in your supplier base and reducing supplier management costs.
- 4% by identifying common products and services to leverage volume buys.
- 8% by implementing enterprise governance for everything you buy.

But for companies that spend hundreds of thousands and millions of dollars per year purchasing the business essentials, procurement can be both a huge expense and a key area in which to identify savings.

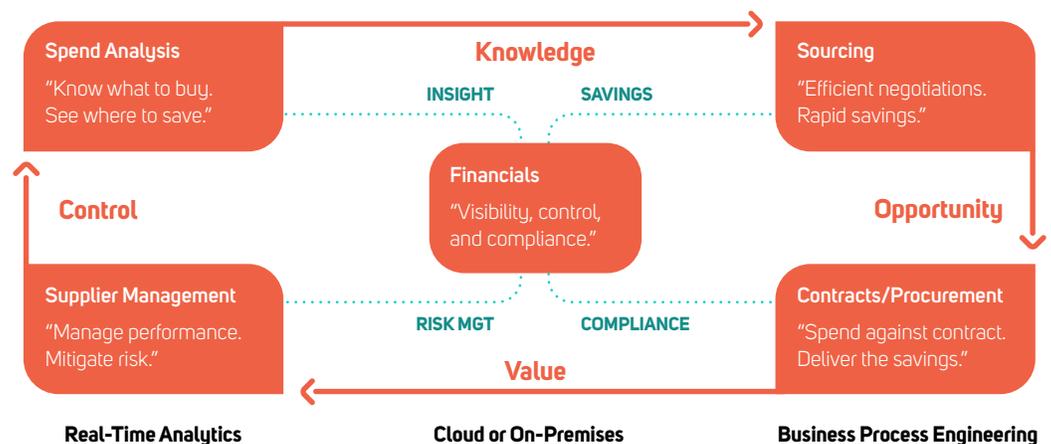
There are several issues preventing companies from capitalizing on potential savings, including:

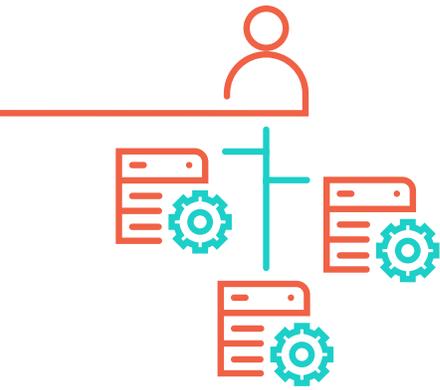
- Components of procurement process aren't integrated or automated.
- No visibility into procurement across departments.
- Don't know how much they're spending and with whom.
- Expensive rogue purchasing outside of contract.
- Haven't negotiated the best prices and terms possible with current vendors; suppliers don't know there's competition.
- Aren't batching purchases for volume discounts.

## Data Intensity Solution Overview

The Data Intensity approach to delivering this ROI for our customers is based upon decades of practical experience in architecting procurement and supplier management solutions that tie directly into the supporting business systems and processes in a life-cycle "Analyze to Settle" methodology.

## Analyze to Settle – Value-Driven Solutions





# The Data Intensity Difference

Our comprehensive services portfolio spans the procurement ecosystem from spend analytics to supplier management. Our focus is driving measurable impacts to your business.

Spend Analysis	Sourcing	Contracts	Requisition to Pay	Supplier Management
<p><b>"Know what to buy. See where to save."</b></p> <ul style="list-style-type: none"> <li>• Custom Category Trees</li> <li>• Classified Spend</li> <li>• Tail Spend Analysis</li> <li>• Opportunity Assessment</li> <li>• Savings Roadmap Creation</li> </ul>	<p><b>"Efficient negotiations. Rapid savings."</b></p> <ul style="list-style-type: none"> <li>• 5–20% Savings</li> <li>• Requires That You Have a Firm Grasp on Your Spend</li> <li>• Increase Spend Under Management</li> </ul>	<p><b>"Spend against contract. Deliver the savings."</b></p> <ul style="list-style-type: none"> <li>• Standardize Contract Creation</li> <li>• Improve Visibility by up to 100%</li> <li>• Improved Contract Management With Reporting and Search</li> <li>• Contracts Linked to Procurement Transactions – Drives Compliance and Simplifies Tracking</li> <li>• Contract Expiration Visibility</li> </ul>	<p><b>P2P</b></p> <ul style="list-style-type: none"> <li>• Good Catalog Content – Requires That You Analyze What You Are Buying First!</li> <li>• Eliminate User Frustrations and Inefficiencies:               <ul style="list-style-type: none"> <li>• Search – No Results Found</li> <li>• 100% Free-Form Requisitions</li> <li>• Invoice Automation</li> </ul> </li> <li>• Deliver 50–80% Complete Automation Once Req is Submitted/ Approved</li> </ul>	<p><b>"Manage performance. Mitigate risk."</b></p> <ul style="list-style-type: none"> <li>• Simplify Compliance Tracking and Improve Accuracy of Information</li> <li>• Reduce Effort Required to Onboard Suppliers</li> <li>• Improve Collaboration and Communication</li> </ul>

## Customer Success Leading Vitamin and Health Provider

Challenges	Cost Containment and Savings	Procurement Authority	Resource Constrained	Lack of Spend Visibility	Revenue and Profits Sliding
	<p>Customer tried to put the tools and processes in place to allow them to contain costs and achieve the savings of a mature procurement group.</p>	<p>Procurement function is decentralized and does not have the authority to enforce compliance.</p>	<p>Category managers are managing multiple categories/ commodities, and for indirect, there are no category managers.</p>	<p>Customer had little or no visibility into their spend.</p>	<p>Customer was not doing well financially, and a PE firm was brought in to turn things around.</p>
	<p>✓</p>	<p>✓</p>	<p>✓</p>	<p>✓</p>	<p>✓</p>
	<p>Data Intensity provided toolset and process to drive savings and results.</p>	<p>Procurement function is centralized and has the authority to enforce compliance.</p>	<p>Data Intensity resources on-, off- shore to deliver procurement services for customer.</p>	<p>Data Intensity provided holistic visibility of all spend and opportunities.</p>	<p>Data Intensity delivered over \$100M in realized profits in 4 years.</p>
	<p><b>Success</b></p>				



Data Intensity is the largest independent multi-cloud services provider focused on managing mission-critical applications and services in a hybrid cloud world. Our purpose-built solutions and services focus on the life-cycle design, implementation, support, and operation of technologies and platforms that power our customers' business processes. Customers choose Data Intensity because we allow them to focus on their critical business needs while we focus on their applications and multi-cloud investments.