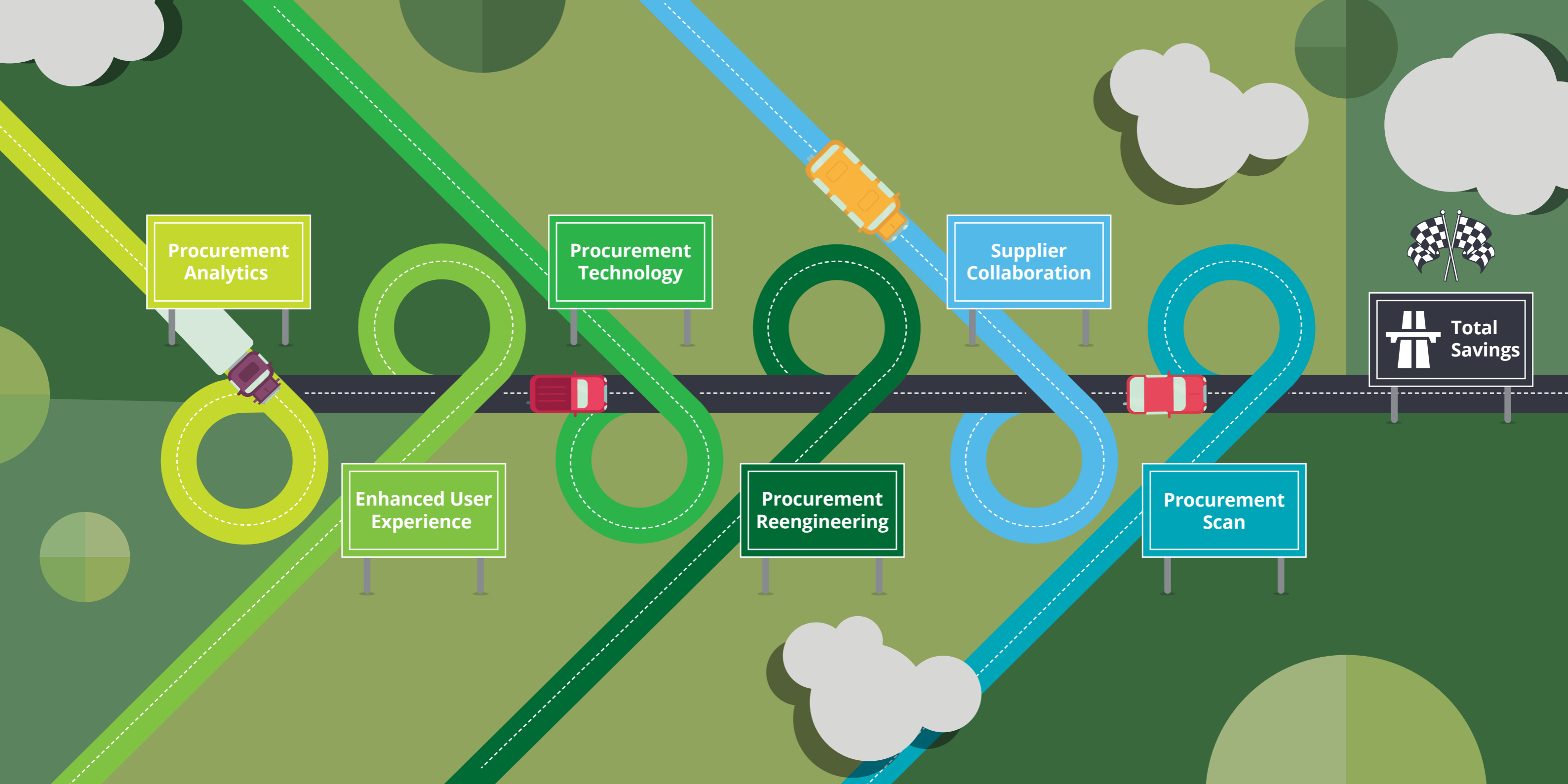




**It's time to join  
The Digital (R)Evolution!**  
Procurement Service Offering



Procurement Analytics

Procurement Technology

Supplier Collaboration

Total Savings

Enhanced User Experience

Procurement Reengineering

Procurement Scan

# Procurement Scan

Cut through the endless meetings, inquiries and opinions. Go straight to where everything happens, with no filters. Accessing your running platforms is the best way to identify where the real issues lay. Deloitte can help you get to the bottom of things with own proprietary tools, developed and tested in some of the biggest and most complex organisations in the world.

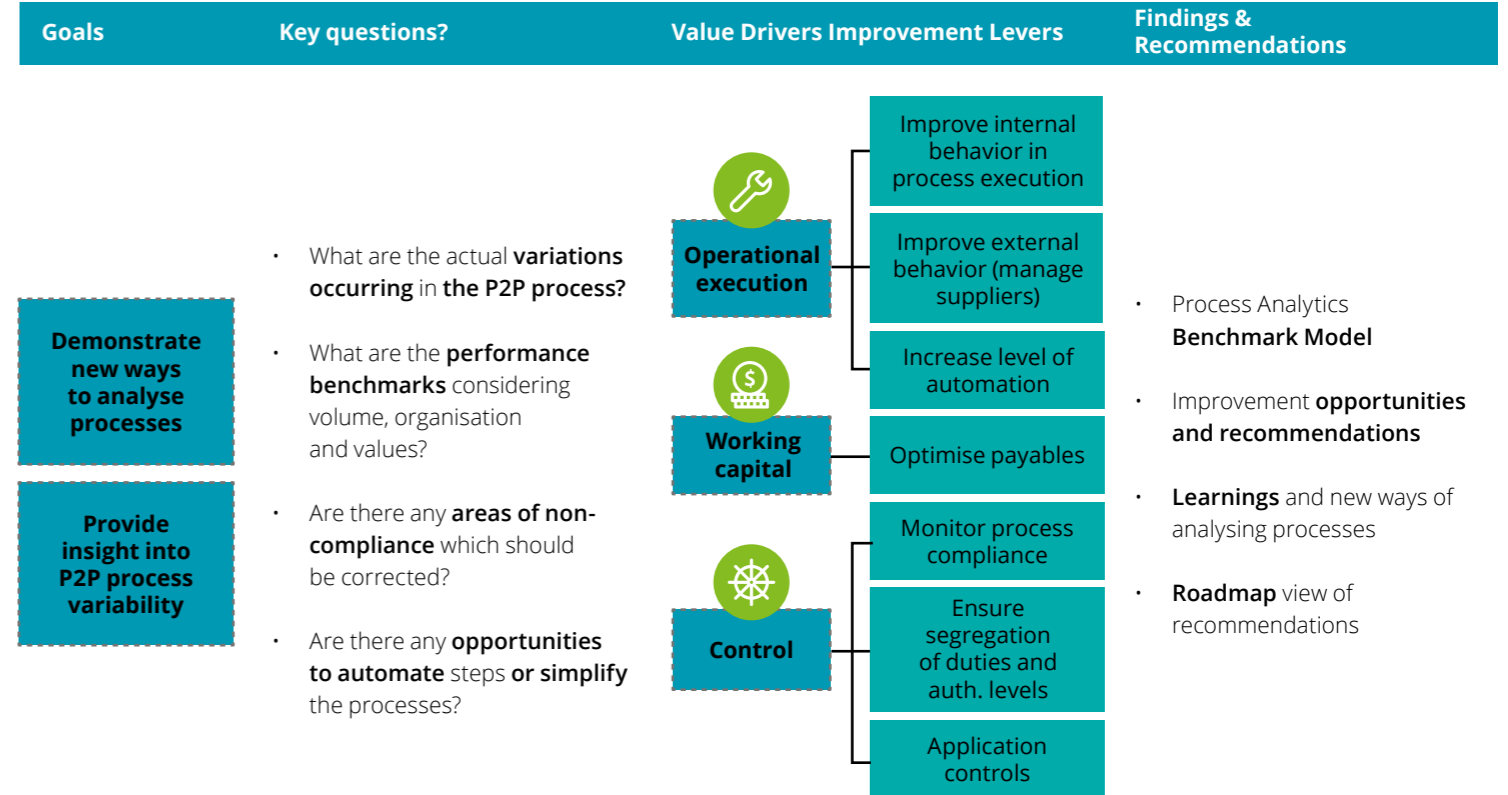
Deloitte provides you with key-insights into your organisation which enable you to maximise the impact of your operations and increase the success rate of your projects.



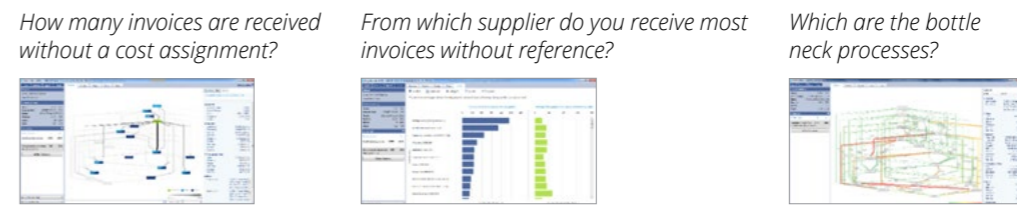
Operating Margin + 15 to 25%

Working Capital - 10 to 15%

“Process X-Ray is used at some of the largest companies in the world to address business issues, such as finance transformation, working capital reductions, process harmonisation initiatives, compliance questions and tax issues.”  
Gartner, May 2013



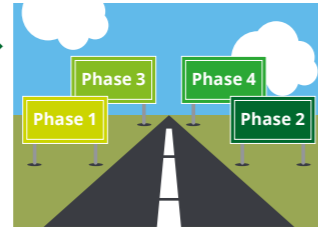
Deloitte’s analytical tools can pinpoint process variability and rework activities in the S2P processes:



# Procurement Reengineering

Deloitte is a recognised leader in evaluating, designing, and implementing technologies to enable best-in-class sourcing and procurement, and has delivered sustainable results for 300+ clients globally. Deloitte has nearly 200 000 individuals worldwide, with over 500 focused on Sourcing & Procurement business, advisory, technology implementation, and change management.

## Key Alliances



### Roadmap & Implementation Plan

The Deloitte Implementation & Roadmap provides a framework for organisations to develop their way forward.

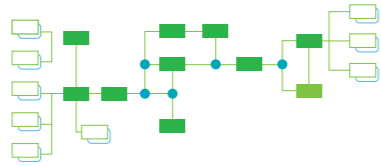
### P2P business case tool:



### Full suites of demo systems

Deloitte possesses its own demo solutions for SAP, Coupa and Ariba. As part of proof of concept, demo systems are created to tailor client requirements.

### Industry Print and Enterprise Value Delivery:



### IndustryPrint™

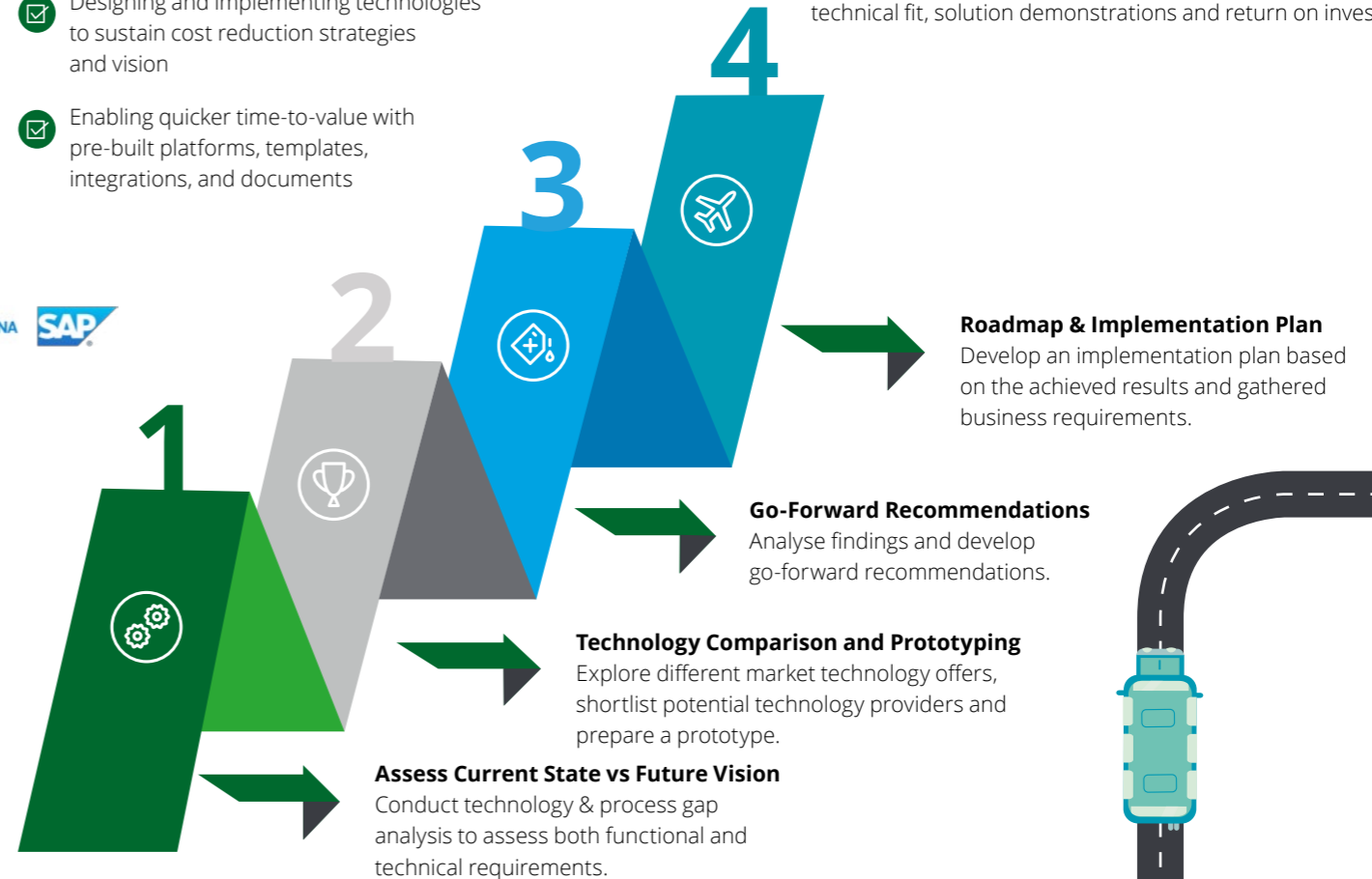
An industry-specific, enterprise-wide business process model that captures industry leading practices and Deloitte's cumulative industry knowledge and experience.

### Deloitte delivers value by

- ✓ Making the right technology selections
- ✓ Designing and implementing technologies to sustain cost reduction strategies and vision
- ✓ Enabling quicker time-to-value with pre-built platforms, templates, integrations, and documents

### Tool selection and proof of concept

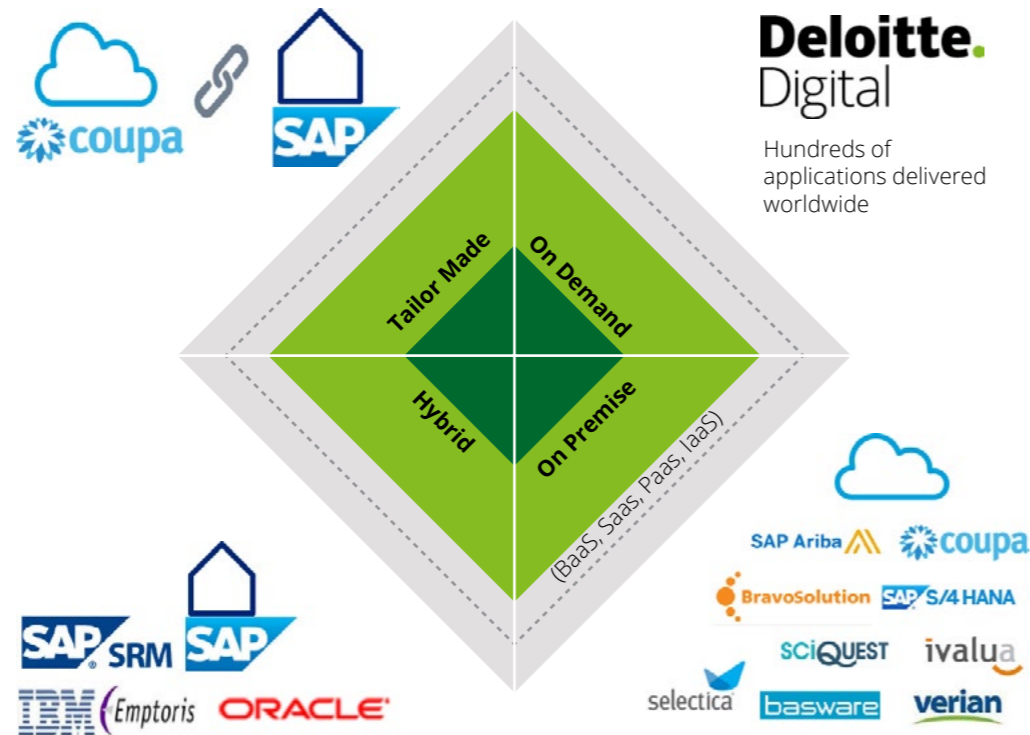
The evaluation approach is a sequential process that compares vendors by company information, functional capabilities, technical fit, solution demonstrations and return on investment.



# Procurement Technology

In a marketplace of constantly changing technology, you may find yourself with a complex digital environment that is difficult to manage, costly and where choices are hard to make. Deloitte will deliver your advice through implementation, from both a business and technology perspective, helping you address disruptive forces with greater insight and confidence.

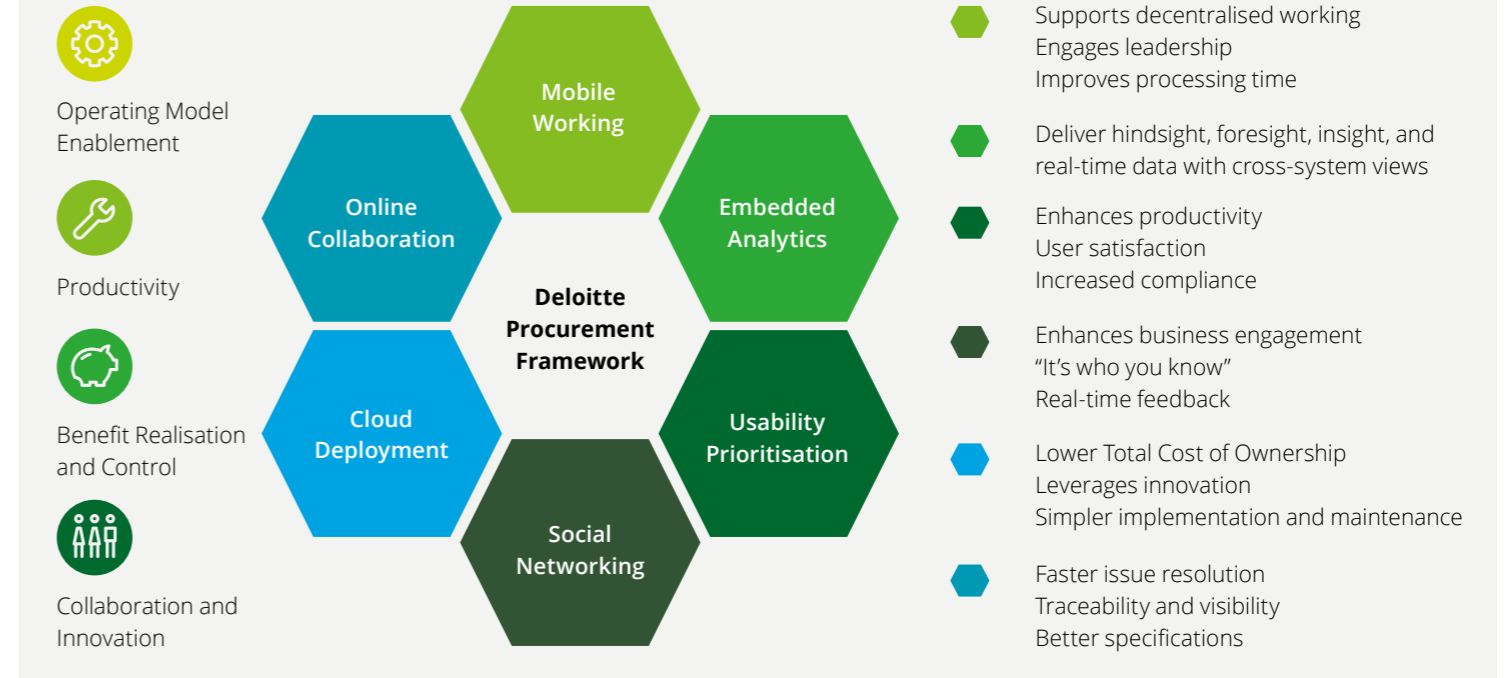
**We are confident that we can make your business succeed. Here are some examples of our experience:**



**Partnership and Certification**  
Deloitte is a preferred partner for SAP, Ariba and Coupa, among others



**Our Procurement Framework is about establishing fair value, rather than slashing costs by leveraging on-and off-premise technology. As a result Deloitte can drive your business outcomes:**



# Supplier Collaboration

Supplier Relationship Management (SRM) is widely accepted as a key answer to some of the priority challenges of procurement departments. The implementation and ongoing execution of an SRM initiative can be greatly supported by many of the latest procurement solutions. Quick deployment, real-time reporting and intuitive dashboards help to refocus the workforce on the most value added tasks.

## Benefits enabled by technological functionality

### Procurement tools



#### Simplify day-to-day work

- Direct access for users to catalogues of preferred suppliers

#### Decrease hurdles in finding the suitable suppliers

- Ready available global searchable supplier databases
- Tender and bid management tools

### Visibility and integration



#### Improve efficiency of logistics and decrease risks

- Internal integration to ERP systems
- External connectivity to supplier networks

### Real-time reporting



#### Improve efficiency of logistics

- Order execution tracking

#### Get the full overview

- Spend analysis

#### Improve continuously and propagate best-practices

- Supplier performance

### Supplier Management



#### Get the full overview

- Single Source of Truth for supplier Master Data

#### Ensure up-to-date data

- Self service interfaces for suppliers

#### Improve governance

- Embedded workflows

### Contract management



#### Simplify ongoing relationships

- Frame contract management

#### Decrease routine back-office workload

- Standardised and automated contract lifecycle management

### Automation



#### Improve efficiency of logistics

- Electronic transmission of invoices, shipment notices and relevant documentation

#### Decrease routine back-office workload

- Workflows and predefined custom business rules accelerating processes

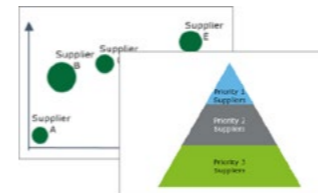
## Supplier collaboration and its benefits

### Components of collaboration ...

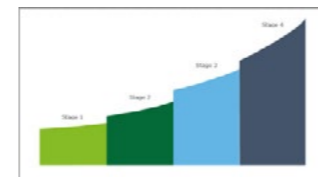
- Mutually beneficial agreements
- Logistical coordination
- Aligned policies and processes
- Common metrics and tools
- Continuous improvement
- Vision and goals sharing

### Supplier collaboration and its benefits

Identification of strategic suppliers and evaluation of collaboration potential



Improvement of logistical execution, sharing of goals and joint ventures



### ... benefits of collaboration



Efficiency



Costs



Compliance



Supply risks



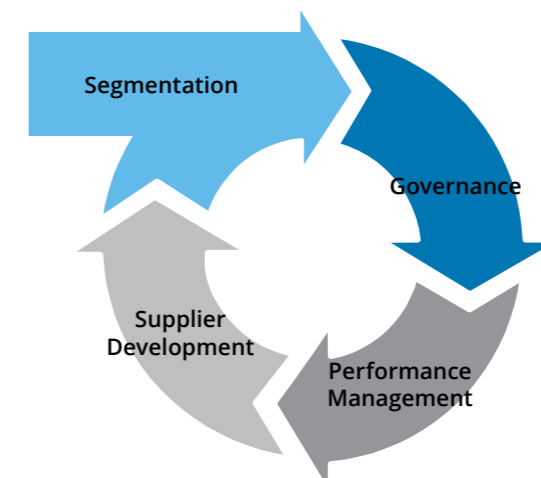
Supplier performance



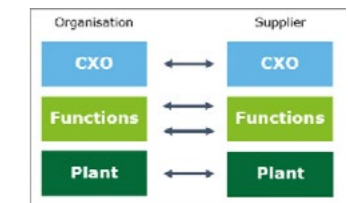
Competitive advantage



Joint innovation



Definition of ownership, roles, key processes and communication routes



Performance monitoring of established KPIs, targets and SLAs





# Procurement Analytics

Procurement professionals have today at their disposal, more information than ever before. The question that needs to be answered is if they are using it to out smart their competition. While organisations tend to know how much they spend, most of them hesitate when asked where money is being spent.

What does a successful analytics system look like?



Delivers **Accurate** spend data and insights

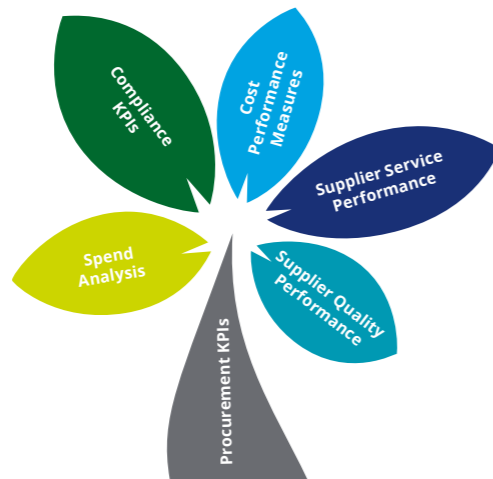


**Actionable** insights and visibility into where the money is spent



**Accessible** to everyone, everywhere

Detailed, industry-specific sourcing and procurement benchmarks to compare KPIs:



- Supplier Service Performance**
  - On-time deliveries percentage
  - Accurate delivery rate
  - Percentage of overdue supplier shipments
  - Percentage of supplier over shipments
- Supplier Quality Performance**
  - Warranty utilisation
  - Rejection rate
- Cost Performance Measures**
  - PO volume
  - Price of materials to sales ratio
  - Purchase price variance
  - Discounts taken and missed
  - Days payable outstanding
- Spend Analysis**
  - Strategic spend percentage
  - Direct and indirect spend percentage
  - Spend variance percentage
  - Diversity spend percentage
  - Discretionary versus non-discretionary spends
  - Top N suppliers
- Compliance KPIs**
  - Contract compliance

### Does your organisation know where money is being spent?

Advances in analytical technologies have made it possible to develop refined and detailed views of organisational reporting. By providing insight on how that money is being spent, organisations can have an even bigger impact on decision-making.

### Self Service Reporting/Confident Decisions

- Are we compliant with our policies and contracts?
- What Products/Components can be rationalised?

### Data Reliability

- How can changes to those cost drivers impact my current purchase price?
- What are my biggest drivers of cost?



### Supplier Performance

- How do my costs compare to other market-based costs?
- How does my suppliers' performance compare across purchases?

### Spend Analysis: Clear Visibility

- Which categories represent the greatest take-out/value-engineering opportunities?
- What categories present the biggest cost-saving opportunities?

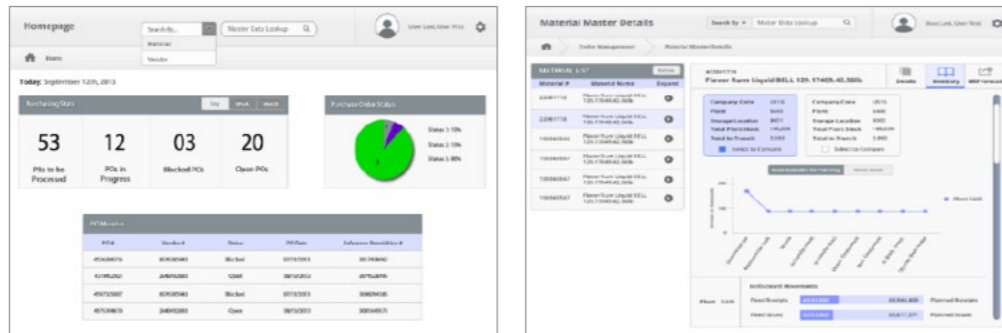
You would be able to build a procurement dashboard that is accurate, user friendly, that includes relevant metrics for spending processes and sub-processes, and leverages native capabilities of your Procurement platform



# Enhanced User Experience

You need to achieve innovation not just once, but consistently over time. Deloitte will work with you to challenge assumptions, taking end-to-end innovation from vision to reality. We'll help you develop your own signature capabilities, systems, and structures specific to your enterprise through ideation, creative strategy, innovation process, and design development that you need to be effective.

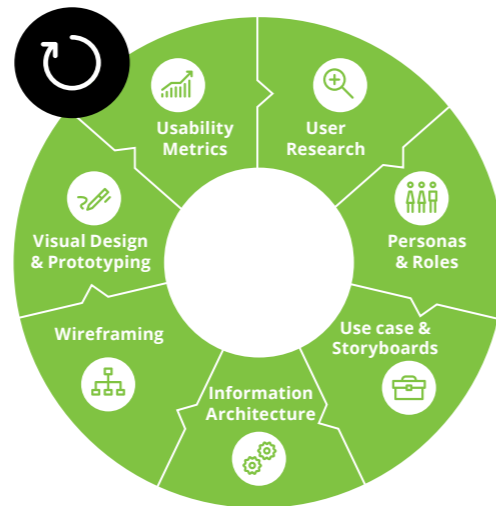
From **8 steps & 24 clicks** To... **3 steps & 4 clicks:**



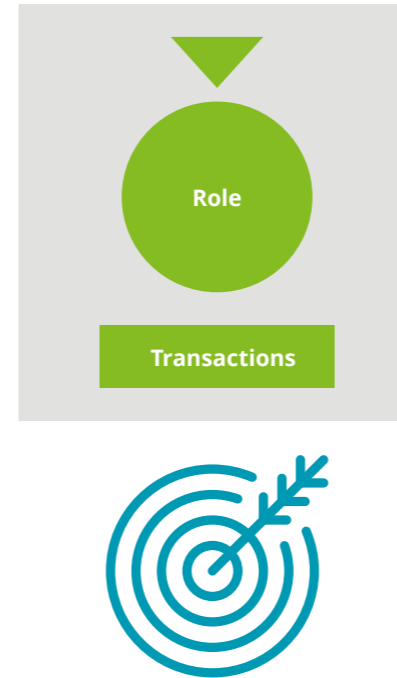
Example: Purchasing solution for the Operational and Strategic Buyers

- Easy to Use
- Easy to Remember
- More Productive
- More Accurate
- More Engaging

## Our Methodology at a Glance:



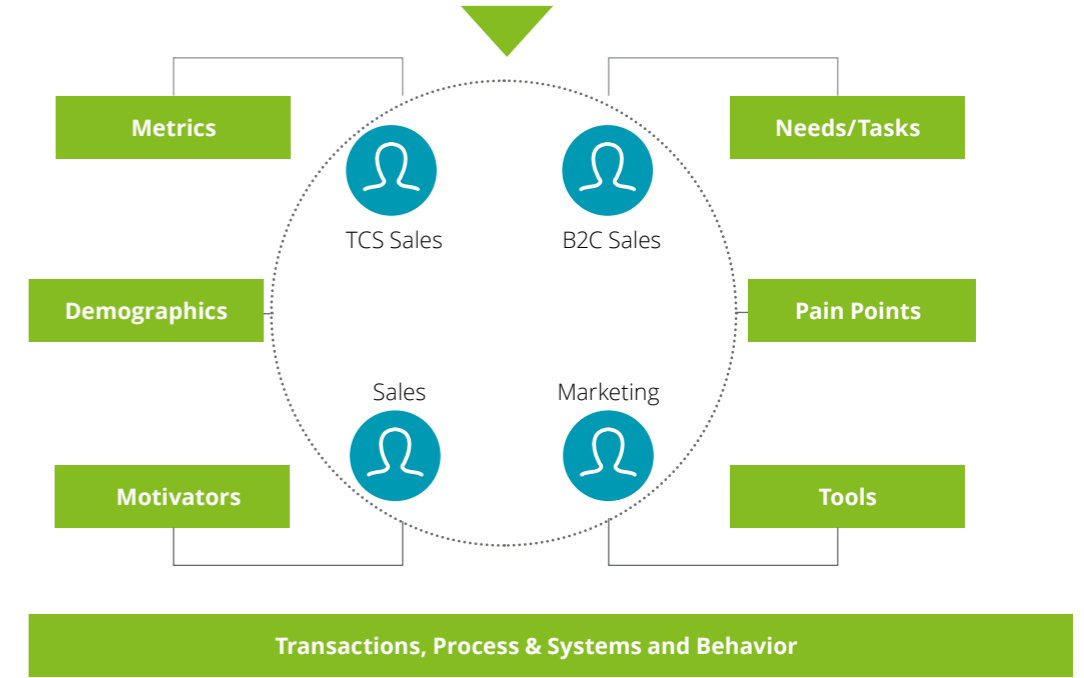
## Traditional Approach



Our understanding is that most of our clients need to achieve the following business objectives:

- Transition to a more Supplier-Facing Supply Chain
- Lean Thinking Principles to Eliminate Process Waste
- Follow a "One Number Principle", (everyone looking at the same data, in the same place)
- "Make it where you sell it"

## Personal Approach



However, they face "make or break" challenges that need to be addressed:

- Speed to Market
- Sustainability of Training
- Disparate Processes
- High Learning Curve
- Adoption Issues
- Shadow Systems/Tools
- Lack of Mobile
- Not User Friendly
- Time Consuming
- Inconsistent Usage

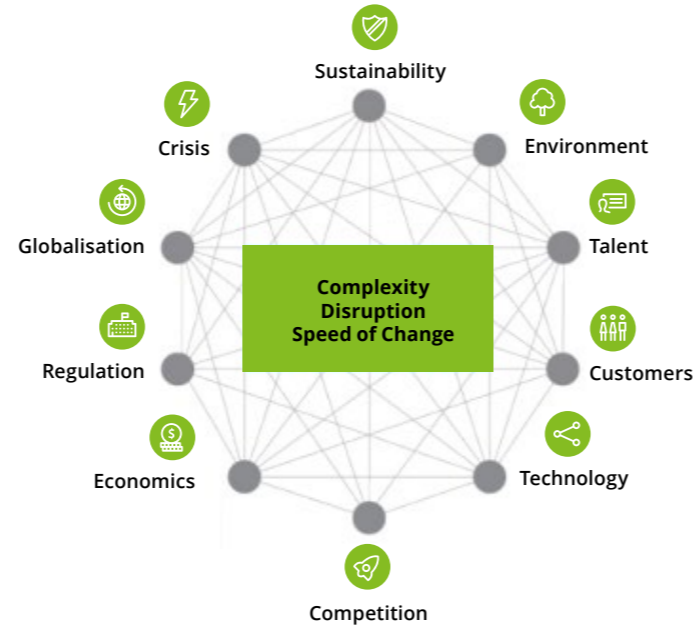


# What our clients get

Deloitte is translating these disruptive forces into business solutions, by working alongside clients to understand the implications. Deloitte can define, refine and implement those solutions for long-lasting results.

We see certain macro trends defining a new reality; changing the world in which clients and Deloitte must compete.

- We see an ecosystem of forces at play from technology to regulatory to environment
- By their very nature, eco-systems are highly complex, highly interdependent, and highly fluid
- Each force is complex and requires an in-depth, nuanced understanding
- Each of these forces have the opportunity to disrupt - it is the relative speed and convergence of these forces that causes the greatest disruption and complexity for our clients
- There's an element of balance at play here as well - reflecting tension that clients face between realities of operating a business and responding to disruptive forces
- What are we doing that's different from others?



# Let's talk



**Alexei Koifman**

- ✓ 16 years in Supply Chain on both internal and consulting roles
- ✓ Heading Deloitte's Supply Chain Applications practice
- ✓ Started his career as a buyer
- ✓ Senior Architect of the SAP based Procurement Business processes
- ✓ Experience in Supply Chain Integration and Program management

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Email: akoifman@deloitte.ch



**Nuno Freitas**

- ✓ 12 years of cross industry experience
- ✓ Source-to-Pay (S2P) trusted advisor
- ✓ Experience with e-Procurement solutions: SAP/SRM/Ariba/Coupa
- ✓ Large transformation programs
- ✓ Key Industries: Automotive, Manufacturing, Retail, Consumer Goods, Assembly, Metal Construction, Sports Organizations, Life Sciences, Oil & Gas

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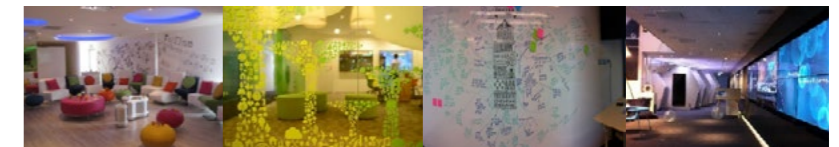


**Juan Carlos Lamata**

- ✓ 11 years of consulting experience
- ✓ Computer Science Master Degree
- ✓ Procurement Project Manager
- ✓ SAP, SAP SRM, Ariba & Coupa (SAP & Coupa Professional Certified)
- ✓ Strategic and Operational Procurement
- ✓ Key Industries: Pharmaceutical, Chemical, Automotive, Manufacturing, Aero Space, Insurance and Oil & Gas

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Email: jlamata@deloitte.ch

Deloitte's culture of innovation is perhaps best illustrated by Deloitte Greenhouse's cutting-edge physical spaces located around the world designed to help clients tackle their complex problems. They apply a tested set of principles that combine behavioural science, analytics, technology, and facilitation to break through traditional methods of problem-solving.



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