

Next Generation Vendor Management

Situation

Clients are increasingly using outsourcing to provide innovation into their businesses, leading to the next generation of integrated Vendor Management Organizations.

Key Outsourcing Trends

- Integrated multi-vendor relationships
- Sourcing Partner as Innovation Catalyst
- Supplier ecosystems
- Commoditized task automation
- Cloud-based services

How do Vendor Management Organisations enable businesses to realise the potential outsourcing benefits and overcome the challenges?

Solution

Deloitte's Vendor Management Suite (VMS) as a managed service

The ecosystem around vendor management evolves from a siloed to an integrated, collaborative approach

Outsourcing is evolving and expanding through innovation

35% ...of clients already focused on measuring the value of innovation in outsourcing relationships ¹

28% ...less clients with poor outsourcing service quality ¹

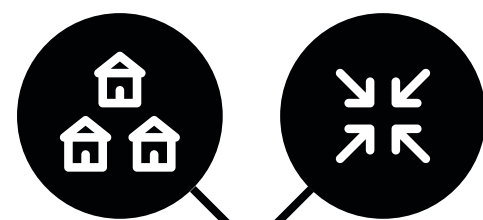
30% ...planned increase in the use of outsourcing across business functions²

50% ...of organisations have used only 40% of their potential for outsourcing ²

¹ Deloitte Outsourcing Survey 2016
² IDC Deloitte Sourcing Study 2016

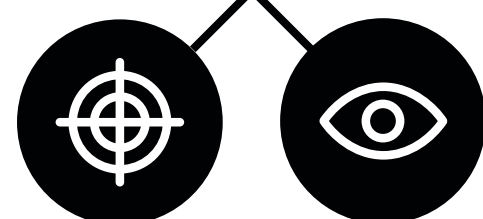
Challenge

Complexity and cost of managing multiple service providers

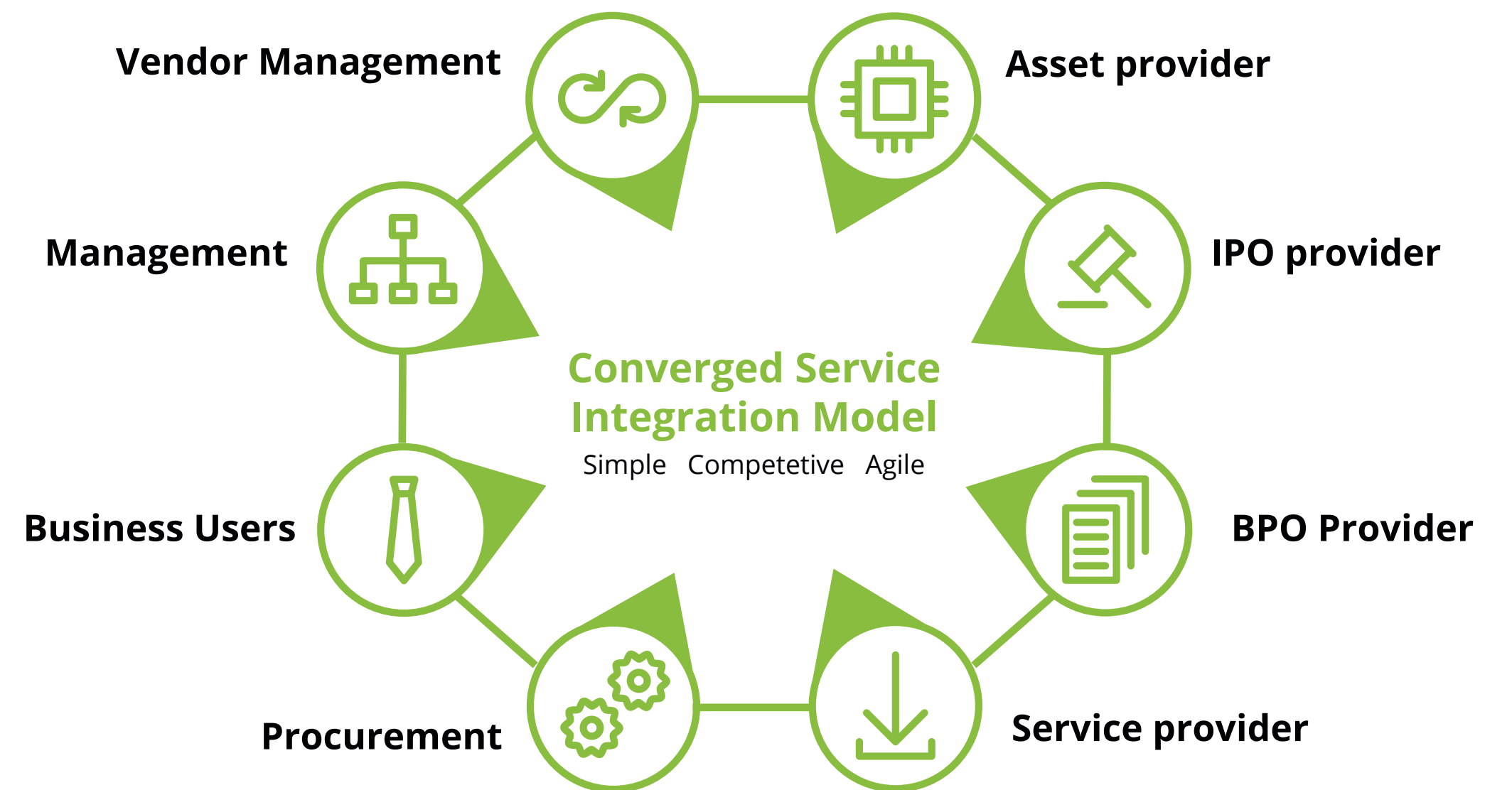


Bringing together the diverse vendors in a fragmented environment

Alignment of client and vendor objectives to ensure sustainable relationships



Limited view of vendor performance due to the lack of monitoring mechanisms



Key benefits

- Reduced overhead and unexpected costs through automation
- Single source of truth with managed service model
- Elevated business satisfaction of outsourced services
- Unparalleled transparency and governance of outsourced services