

Deloitte Procurement Central

Uncover new sources of value

Deloitte's digital procurement managed services, Procurement Central, can drive significant value for your business by reducing costs, increasing efficiency, and delivering leading-class experience and innovation.

Organizations with less mature procurement solutions can advance their capabilities without the traditional required investments, while those with a more robust portfolio can extend their value through point solutions.

Imagine a world where sourcing goods and services becomes predictive, so you can reach transparent agreements. A world where transactions are automated... where managing suppliers and related risks becomes a proactive versus reactive initiative.

It takes experienced talent, optimized technology platforms, and cutting-edge digital technologies to uncover new sources of value. However, most organizations are struggling to find these sources. A lack of experienced resources can hinder efforts to optimize existing cloud-based platforms. Budgets limit how many projects can be completed in a year. Negotiation strategies are limited without market intelligence, and sourcing strategies are ineffective without deep category expertise.

And all of this is happening amid a shifting landscape where supply markets are in constant motion, stakeholders' expectations are on the rise, and the disruptor risks becoming the disrupted at every decision point.

Organizations are left wondering: How do we get from now to next? And what will help future-proof our business?

***Moving from good to great:
The power of managed services, digital tools,
and market insights—combined***

Leading procurement organizations are looking to a new breed of digital procurement services to get over these hurdles—an approach characterized by lower investment costs, higher returns, and improved quality of service that can be scaled based on needs.

With managed services, organizations can go from good decision making to great decision making—driving category innovation, enhancing supplier performance, and generating cost savings. Moving from good to great takes the right combination of digital toolsets, category specialists, and real-time market insights to achieve the desired results:

- Source to Contract (S2C) becomes more predictive, empowering transparent agreements and realizing faster savings
- Supplier management gets proactive, resulting in better compliance and reduced risk
- Greater collaboration within the organization occurs as Procure to Pay (P2P) becomes more automated, increasing stakeholder adoption and experience

Deloitte Procurement Central marries cutting-edge digital tools with market-leading business and category experience to drive insight around spend management and deliver increased cost savings at a faster pace:

MAKE A STRATEGIC IMPACT

Because our centers of excellence have only state-of-the-art, optimized digital procurement technologies, our managed services can have a significant strategic impact on an organization's operations.

Insights

- Providing leading-class category experience and market intelligence
- Supporting growth, strategic initiatives, and innovation efforts
- Mitigating supply disruptions
- Delivering visibility into nearly 100 percent of organizational spend

Efficiency

- Improving predictability and service stability
- Enhancing supplier service levels and stakeholder satisfaction
- Implementing proactive contract and third-party risk management
- Contract, catalog, and supplier enablement
- Managing procurement technology
- Using innovative, flexible technologies

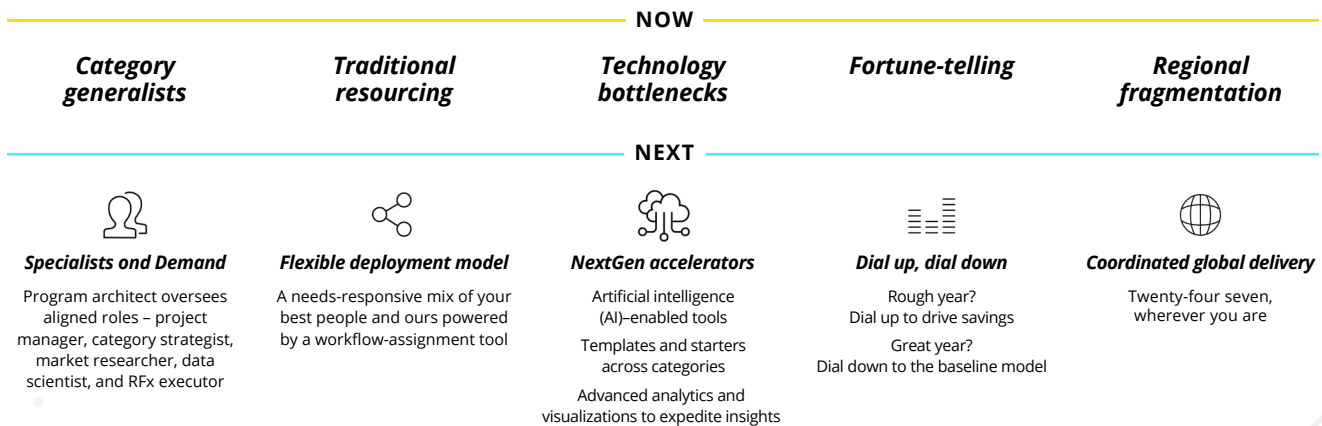
Savings

- Achieving year-over-year savings
- Driving compliance to preferred vendors
- Reducing operational costs
- Providing significant return on investment

Greatness: Going from now to next

We help business leaders steer their organizations, embolden teams, and create modern category strategies that move them from focusing on the now to proactively addressing the future (figure 1). From implementing sourcing- and procurement-related technologies like Ariba and Coupa to leveraging eSourcing tools, we can help your business move forward because we know what forward looks like.

Figure 1: Deloitte Procurement Central



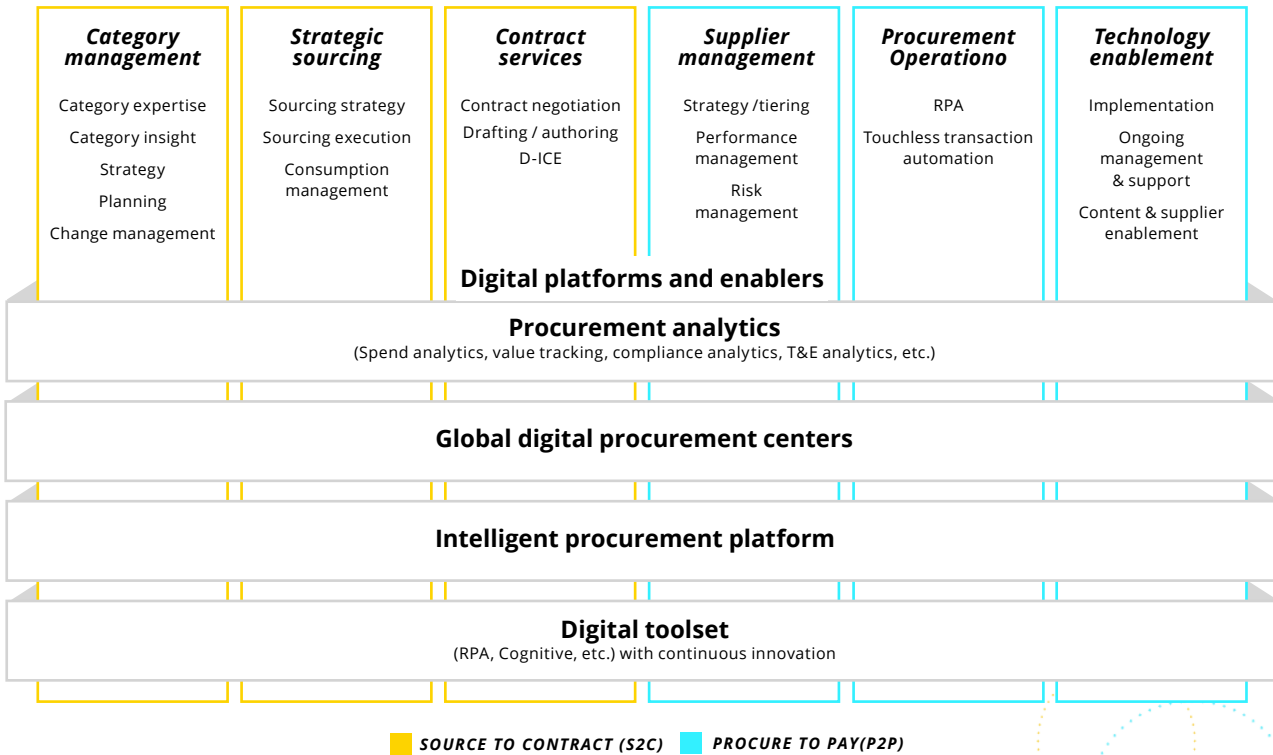
How digital procurement-managed services works

Deloitte's targeted investments in digital procurement are designed to make more efficient use of companies' resources and enable development and execution of sourcing and supplier strategies that deliver to the bottom line. Critical capabilities support almost every aspect of source-to-contract (S2C) and procure-to-pay (P2P) from a digital perspective (figure 2). These include:

- A holistic analytics platform of integrated solutions designed to drive powerful visibility into digital supply networks with timely predictive and prescriptive insights.
- Trusted technology that has reviewed more than 100 million line items and \$50 billion in spend.
- A network of digital procurement centers managing ongoing services and augmenting internal procurement teams with collaborative expertise.

By automating manual tasks and providing the right technical support, procurement teams are freed up to think more strategically and lend more support across the organization. With the benefit of Deloitte's extensive industry experience, procurement professionals can create effective negotiation strategies that help move the business forward.

Figure 2: Deloitte Procurement Central services



Powerful next generation accelerators

Robotic process automation (RPA)

Provides a library of robotic process automation (RPA) tools that helps decrease processing time, costs, and errors—leaving more time for strategic activity.

Deloitte Digital Workflow Platform

Coordinates activities across our global delivery teams, driving consistency and quality. The platform leverages best-of-breed and proprietary technologies to enable our Procurement Central offerings.

Global Sourcing Insights (GSI)

Delivers insights on complex sourcing issues, like predicting supply market trends, addressing supply chain quality and resilience, and determining supplier and country viability. GSI can accelerate supplier identification faster and significantly amplify the alternative supplier pool.

Deloitte Intelligent Content Extraction (D-ICE™)

Employs advanced optical character recognition and natural language processing that turns unstructured documents like contracts, bills, spec sheets, and technical drawings into structured data. By automatically processing thousands of documents in an hour, D-ICE™ brings new information to light in critical business areas.

CognitiveSpend™

Uses big data and natural language processing, coupled with machine learning, to quickly classify complex spend transaction data. Classifying up to 40,000 transaction line items per minute, CognitiveSpend™ accelerates speed to insight from months to days. It analyzes data at the general ledger (GL) line item entry to classify data to a greater level of granularity, so the analysis is more accurate to start. It also leverages spend classification to identify potential indirect tax-recovery opportunities faster, maximizing cost savings that often go undetected.

Our experience amplifies your capabilities

In addition to Deloitte's sophisticated procurement tools, our Sourcing and Procurement practice provides an industry-recognized breadth of services and experience and a track record of delivering results. Your organization will benefit from our extensive sourcing and category experience across multiple industries in both direct and indirect spend. With knowledge in more than 300 spend categories, our 1,500+ sourcing

and procurement practitioners have orchestrated more than \$195 billion in managed spend, translating to significant savings.

In fact, we've helped individual companies save in excess of \$50 million each, and in more than 250 category-specific initiatives, we've delivered savings of 10 to 20 percent per initiative.

Let's talk

Deloitte Procurement Central is transforming the procurement function and disrupting traditional approaches. We've helped Fortune 500 organizations transform their procurement function by amplifying their strategies, capabilities, relationships, negotiations, and outcomes.

Let's change the way your procurement solves for next. And let's start now. Reach out and start a conversation.

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