

INTEGRATED PROCUREMENT SOLUTION IMPROVES DECISION MAKING, INCREASES SAVINGS & OPTIMIZES AWARD ALLOCATIONS

CUSTOMER PROFILE

Leading global CPG ingredients solutions company who serves more than 60 highly diverse sectors, turning grains, fruit, vegetables and other plant materials into sweeteners, starches and other materials that go into an extensive range of consumer and industrial products. The company's ingredients and biomaterials are used for producing consumer product goods (CPG) that are used by customers in everyday products from foods and beverages to paper and pharmaceuticals.



LOCATION: Publicly held, Fortune 500 firm headquartered in Illinois

2016 REVENUE: \$5.7 billion (US - net sales)

EMPLOYEES: 11,000 globally

CUSTOMERS: 100+ countries

SPEND KPIs:

- Global spend covered within the software: over 7 billion
- Over 120,000 suppliers in scope
- 10 active users
- Data refreshed: quarterly basis

EXTENSIVE PLATFORM USAGE:

- 280 procurement professionals'
- More than 2,400 suppliers
- 380 online negotiations

After a merger and reorganization in late 2011, a newly formed, re-branded and much larger global ingredients provider, the company recognized that further drastic changes were required to better manage spend and drive purchasing efficiencies.

This company, like so many other massive, publicly-held multinational organizations, relied exclusively on manual systems and Excel spreadsheets, which resulted in a significant lack of accurate, real-time consistent data, office to office, country to country and continent to continent. Their management and purchasing teams recognized the impact of everything from cost-effective, strategic sourcing to team productivity and transparency. Yet, they also faced budgetary constraints, users' comfort with the legacy systems, and concerns regarding implementation, training and acceptance.

"We knew change was required but there was invariably resistance to what's new and unfamiliar," said Vice President of Procurement. "However, we knew firsthand just how difficult it is to leverage your team's experience and expertise when they don't have the data required for deep analysis and the subsequent decision making."

Worldwide it was difficult for buyers to share information on everything from pricing to supplier performance and relationships because the various regions focused on different data, in a variety of formats. It was also impossible to track the status of dozens to thousands of RFPs, RFQs and RFIs in real time.

"There was a real duplication of effort when it came to managing our suppliers because our buyers didn't have the key performance indicators at their fingertips," said Vice President of Procurement. "You're essentially starting from scratch each time and relying on your own memory and tribal knowledge."

KEY CHALLENGES:

- Manual and automated processes varied significantly country to country.
- Required to meet strict standardization and governance protocols.
- Lacked seamless visibility and control overall and specific to their spend.
- Various system components existed in different silos.
- User community frustrated by inefficiencies and inaccuracies.
- Existing system wasn't compatible with current ERP (SAP).

SOLUTION: BravoAdvantage

Data pulled from multiple standalone systems pulled into a single, integrated strategic procurement platform:

- Streamlined sourcing suppliers
- Measured & managed spend
- Analyzed complex sourcing scenarios
- Standardized global KPIs & scorecards
- Delivered reports in minutes
- Managed and stored contracts
- Created total transparency

BENEFITS:

- All processes automated and standardized in every country.
- Sourcing and purchasing now complies with corporate standardization and governance protocols.
- All sourcing and purchasing components reside on a single, integrated platform.
- Satisfied user community easily leverages current, accurate data and efficient, effective processes.
- Rolled out centralized Global Procurement organizational structure.

Achieved Greater Insights for Informed Decisions and Compliance

Since implementing BravoSolution in 2012, this global ingredients solutions company relies on BravoSolution's standard and customizable reports to effectively compare bids and suppliers and follow the company's history.

"BravoSolution puts the suppliers' history right in front of our buyers so that they can make truly informed decisions before awarding contracts," says the Vice President of Procurement. "BravoSolution ensures we're complying with our governance standards and maintaining absolute objectivity when awarding contracts."

The single, standard platform with end-to-end automation dramatically reduces the possibility of human error because once the data is entered; it populates everything from the contracts to the scorecards and is cascaded through our organization's global BravoSolution system.

BravoSolution was on hand to help manage changes and support global adoption. BravoSolution recognized that clear and consistent communication, a pragmatic implementation plan, effective on boarding and results-oriented training are the key to user acceptance.

VP of Procurement said, "The fact BravoSolution let our teams and users know exactly what to expect before initiating the deployment contributed to its success. We always look to best-of-breed solutions throughout our organization to standardize and follow best practices globally."

Optimized Award Allocations

BravoSolution optimized purchasing logistics with automated reports following all invitations to tender while reducing paper flow. Such optimization included the automation of previously manual administrative tasks, which frees up employees to focus on strategic purchasing and sourcing. The advanced sourcing optimization engine, which is recognized as one of the industry's most robust, allows buyers to compare the hundreds of vendors bidding on tens of thousands of items. This provides the information they need to negotiate through convenient dashboards, and increases the number of quality bids which ultimately allows them to optimize award allocations.

"We're also able to impose our own business rules across the BravoSolution platform to ensure we're meeting our guidelines around diversity and other factors," said VP of Procurement.

5 to 10% Savings Across Multinational Organization

BravoSolution also allows this leading global CPG ingredient solutions company to collaborate with suppliers, looking beyond price to benefit from their depth of knowledge in their respective sectors. As massive as the impact of 5 to 10% savings are across a multinational organization, BravoSolution recognizes that its clients also want to know supplier specifics such as their policies pertaining to issues such as child labor and sustainability.

VP of Procurement said, "As much as pricing matters, more than ever before, industries around the world are looking beyond cost because the higher the impact of the product or service on your business, the more collaborative you want to be."

In the long run, there will be a return on their investment due to savings on products and services, as well as a much more effective use of employees' value-added skills.