



# DELIVERING PROCUREMENT VALUE FOR A GLOBAL MANUFACTURER OF ELECTRONICS

## EXECUTIVE SUMMARY

This global electronics manufacturing firm, headquartered in the US with over 200 manufacturing sites worldwide, had decentralized indirect procurement processes. They were using dozens of procurement software suites connected to over 100 ERP's and there was not a corporate procurement policy in place to manage spend. This disjointed system resulted in reduced visibility to spend, lack of corporate discounting advantages with preferred vendors and potential compliance issues.

## KEY OUTCOMES INCLUDED:

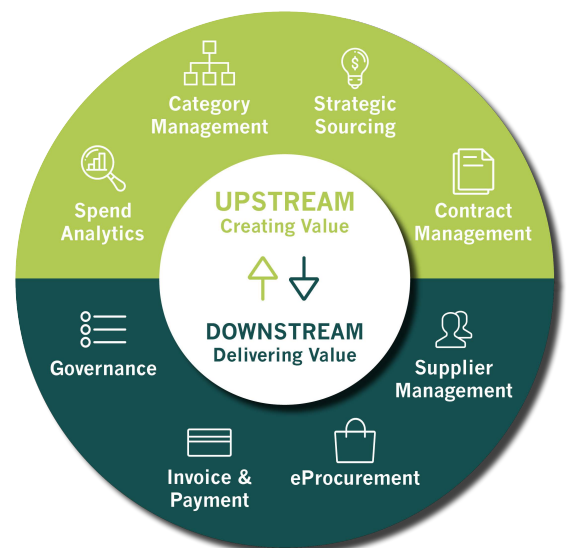
- One global procurement tool implemented in North America (150 sites) and 17 countries in Europe.
- All indirect spend reporting and invoice payment out of a single ERP.
- Established a new corporate procurement policy structure, reporting, training and compliance to enable a holistic and integrated source-to-pay environment.
- Enabled suppliers to transact electronically through the procurement tool, selected with Nitor's help.



Nitor created a true procurement solution that enabled all our sites and vendors to optimize their time and costs.”

*Senior Director of Procurement,  
Global Electronics Manufacturer*

## Delivering Value Across the Source-to-Pay Lifecycle



## CHALLENGES

The current state procurement landscape had many issues at the time of engagement:

- Due to the decentralization of this organization, user adoption was a challenge and given the highest priority.
- Change Management and training of a single tool across the entire firm for indirect procurement needs had proven to be a challenge in the past.
- Coordination and communication with 17 vendors capable of transacting electronically via cXML or EDI (PO's and Invoices) was an obstacle.
- Designing and deploying a system for use globally, regardless of the country's tax compliance or documentation requirements.
- Lack of a global procurement structure and processes.
- Decentralized structure and lack of skills driving a tactical/reactive procurement environment.

## HOW NITOR'S SERVICES HELPED

Through our collaborative approach, we identified steps to enable the client to progress on their procurement journey:

- Created a plan to move business processes from the existing system to a new, cloud-based solution.
- Defined new business processes that optimized best practices in purchasing.
- Implemented a cloud-based procurement tool that integrated with a single new financial system that was rolled out simultaneously to the procurement tool.

- Developed a roadmap of future functionality to implement to achieve greater cost savings and spend visibility.
- Provided training, guidance, and on-boarding of thousands of end-users throughout the organization.

## SUMMARY OF RESULTS

The key outcomes of our partnership with the client included:

- **On-boarding of all suppliers capable of transacting electronically.**
- **Considerable cost savings** achieved through increased operational efficiencies and compliance.
- **Decommissioned dozens of legacy purchasing tools** and reduced dependencies on supporting technologies.
- **Increased spend visibility** and compliance to negotiated rates and contracts.
- Development of technology landscape enabling an enterprise solution that creates a **360-degree view for business units and suppliers.**

**Contact Nitor today for your roadmap to Procurement excellence.**

## CONTACT

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