



DELIVERING PROCUREMENT VALUE FOR A GLOBAL FOOD AND BEVERAGE PRODUCER

EXECUTIVE SUMMARY

This privately held American food and beverage producer had antiquated and decentralized indirect procurement processes. They used manual procurement processes and lacked a corporate Procurement policy. This resulted in reduced visibility to spend, inefficient “order-taking” mentality, lack of corporate discounting with preferred vendors and potential compliance issues.

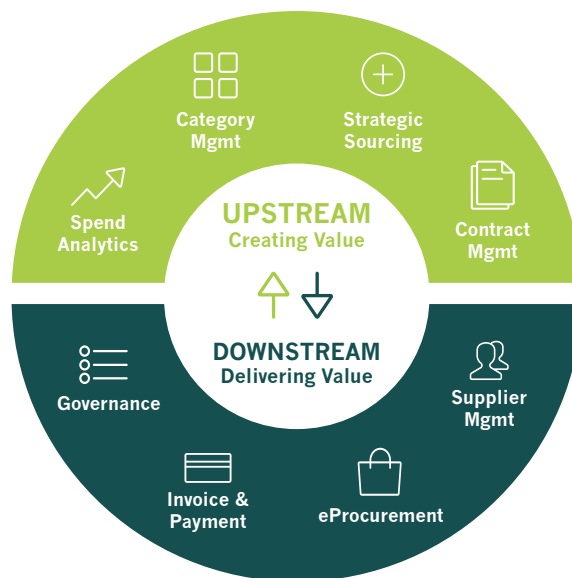
KEY OUTCOMES INCLUDED:

- Implemented source-to-pay technology systems to replace manual processes. This procurement technology helped drive efficiencies while improving the end-user experience.
- Standardized the buying process across all locations. This helped to bring non-compliant spend under control and give visibility for strategic sourcing.
- Established a new corporate procurement policy structure, reporting, training and compliance to enable a holistic and integrated source-to-pay environment.

“Nitor designed a Procurement solution to meet our specific needs, provide immediate savings and enhance end-user experience.”

*Director of Procurement,
Global Food and Beverage Producer*

Delivering Value Across the Source-to-Pay Lifecycle



CHALLENGES

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

- Manual processes were inefficient and lengthy. This meant employees purchased items independently and then went back and recorded a PO after the invoice had already arrived.
- Lack of automation meant every invoice was entered manually for payment.
- Negotiated savings were not being taken advantage of due to rouge spending.
- Change Management of user base to use a single tool across the entire company. Due to the manual and dated processes of this organization, user adoption was given highest priority.

HOW NITOR'S SERVICES HELPED

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

- Transformed manual processes into automated activities – ensuring the client's resources spent time on value-added actions.
- Created a plan to implement a cloud-based technology solution to create, keep, and measure value.
- Defined new business processes that optimized best practices in purchasing.
- Provided training, guidance, and on-boarding of end-users throughout the organization.

- Developed standards to capture supplier information and created a source of truth for vendor data.

SUMMARY OF RESULTS

The key outcomes of our partnership with the client included:

- Initial reduction of indirect spend of \$8M by driving to catalog-based purchasing, increased compliance, and moving maverick spend into a defined business process.
- Considerable cost avoidance achieved through increased operational efficiencies, including automating the invoice entry and reconciliation processes.
- Decommission of legacy manual purchasing methods and reduced dependencies on supporting technologies.
- Increased spend visibility and compliance to negotiated rates and contracts.

Contact Nitor today for your roadmap to Procurement excellence.

CONTACT

nitorpartners.com
info@nitorpartners.com

