



DELIVERING PROCUREMENT TRANSFORMATION FOR A GLOBAL APPAREL RETAILER

EXECUTIVE SUMMARY

This global manufacturing and retail client did not have a central purchasing organization and had outdated, manual processes. The lack of reporting visibility and supplier strategy resulted in rogue spending throughout the company. This meant lost value and process inefficiencies for the client.

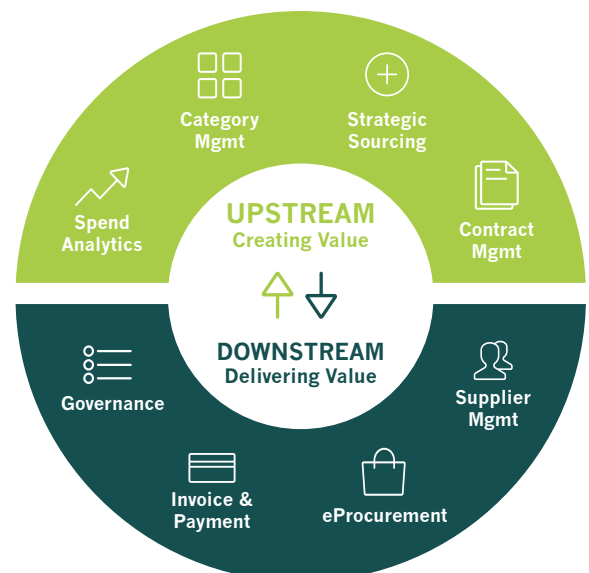
KEY OUTCOMES INCLUDED:

- Standardized the buying process across all locations. This helped to bring non-compliant spend under control and give visibility for strategic sourcing.
- Implemented source-to-pay technology systems to replace manual processes. The procurement system helped drive efficiencies while improving the end-user experience.
- Right-sized the supplier master, ensuring end-users were using preferred suppliers.

“We needed a partner to help us navigate the market options and tailor a Source-to-Pay technology solution to meet our needs. Nitor guided us through the selection of the best-fit technology. Their methodology and flexible approach enabled alignment across the differing needs and views of the global stakeholders and brands. Nitor helped implement the technology and improve procurement processes that enabled a transformation of our Procurement activities and generated savings for the company.”

*Director of Global Indirect Procurement,
Global Apparel Retailer*

Delivering Value Across the Source-to-Pay Lifecycle



CHALLENGES

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

- Lack of alignment on requirements and design across 6 brands in 3 regions / 15 countries.
- 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.
- Supplier records were incomplete and out-of-date, resulting in many suppliers being used for the same goods or services.
- Negotiated savings were not being taken advantage of due to rouge spending.

HOW NITOR'S SERVICES HELPED

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

- Gained alignment on requirements and processes across global business units.
- Created a plan to implement a cloud-based technology solution to create, keep, and measure value.
- Defined a supplier strategy to consolidate and simplify the supplier base, directing end-users to preferred suppliers.
- Developed standards to capture supplier information and created a source of truth for vendor data.

- Transformed manual processes into automated activities – ensuring the client's resources spent time on value-added actions.
- Captured contract information to ensure compliance to negotiated rates.
- Delivered value and generated excitement through the execution of quick-win sourcing events immediately after system deployment.

SUMMARY OF RESULTS

The key outcomes of our partnership with the client include:

- Delivered quick win sourcing events resulting in annual savings across categories.
- Considerable **cost avoidance achieved** through increased operational efficiencies, including automating the invoice entry and reconciliation processes.
- Initial **reduction of indirect spend of \$8M** by driving to catalog-based purchasing, increased compliance, and moving maverick spend into a defined business process.

Contact Nitor today for your roadmap to Procurement excellence.

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