



*cutting through complexity*

# Transforming a procurement organization:

**A financial investment  
firm's quest to support  
growth through  
procurement excellence**

[kpmg.com](https://kpmg.com)





**Investco's purchasing demands were growing faster than their procurement capabilities could handle—the process was at a breaking point.**

# The initial issue

*Note: Investco represents KPMG's client, a global investment management company*

Despite a time of economic instability with headlines depicting a grim global economy plagued with debt crises, financial volatility, and lower commodity prices, Investco has continued to sustain its competitive advantage in hedge fund management. Similar investment companies recorded portfolio losses, while Investco experienced unprecedented growth, expanding its client roster, maintaining and improving historical returns, and substantially increasing the number of its personnel during this period.

Although Investco retained a competitive advantage, the company was growing organically faster than internal processes could adapt to scale and new demands. This growth challenge was exacerbated by the current procurement practices which varied by business unit with limited enterprise-wide standards or policy. Lengthy cycle times and redundant activities were common across the procurement to pay cycle as a result of this rapid growth and nonstandardized approach. Adding to the challenge, the existing procurement tool, a custom-developed solution, was inflexible and inefficient. While the tool was fixed and rigid, individual business unit processes and approaches were not. Some business units used purchase orders, where others did not. Each business unit had a

variety of process and review steps for purchasing goods and services. The legal review process for contracts was not differentiated or scalable based on type of purchase, and the review steps were not consistently applied. Spend authorization thresholds were low relative to the large number of purchases at a smaller dollar value and had not been adjusted to reflect growth. For example, a \$50 software license renewal went through the same review stages (technology, legal, and sourcing) as a one-off \$100,000 specific piece of IT equipment. Investco's existing tool did not have workflow capabilities that would meet the new needs of the business, and concerns existed regarding scalability. The inflexible workflow issues combined with poorly designed process also led to late engagement of the required reviewers. For example, a purchase would frequently go through sourcing or contract review before technology review.

The impact of these inefficient processes was being felt as a constraint to leveraging third party goods and services to support firm growth. When the firm identified a need for a new procurement software tool to address these constraints, KPMG was chosen to assist Investco with the selection of the tool and the initial design of the new procurement solution.

# Tool requirements and selection

Tool requirements and selection

Investco wanted to evaluate, select, and implement an automated work flow process for the purchase requisition, purchase order, and invoice/payments processes—effectively, Purchase to Pay (P2P). The firm sought external support to provide guidance and assistance in conducting the search and selection process for this tool, perspectives on current options for procurement technology applications, and recommendations regarding key considerations, including process flexibility, stability and philosophical fit of the business partner, and related business requirements. Investco's primary focus was to select a tool that would alleviate the majority of its issues. They believed this new tool would be a comprehensive solution for the organization's overall procurement needs.

## KPMG's approach

### Measure

Conduct spend analysis

Conducted a high-level spend analysis to understand the spend profile, including vendor fragmentation, categories of purchases, and volume of accounts payable transactions.

### Define

Define requirements & specifications

Defined high-level business requirements for P2P tool.

### Analyze

Develop external category profile

Researched and identified leading P2P solutions, including eProcurement tools (traditional end-to-end tools) and vendor management solution tools (industry-specific tools).

Develop sourcing strategy

Recommended an RFP package that included detailed functional requirements and technical requirements, and socialized RFP requirements across multiple departments and with key stakeholders.

**“After several failed attempts with other consultants, KPMG was the partner who was able to provide the vision and execution necessary to successfully get us to the goal.”**

– Chief Procurement Officer



**Results achieved**

- Assisted Investco in selecting a vendor for the eProcurement tool by conducting a thorough analysis based on functional fit, company health, technology alignment and roadmap, and cost
- Developed an RFP package and evaluation framework for selection of the procurement technology that reflected Investco’s unique business requirements, environment, and culture
- Provided the client with a phased implementation plan of the selected procurement tool tailored to its rollout strategy, business requirements, and resource constraints

**Improve**

**Control**

**Select suppliers**

**Negotiate & contract**

**Manage supplier performance**

Instituted a framework for Investco to evaluate P2P solutions, which included development of evaluation criteria and weighting considerations, and generation of scripts for conducting vendor demonstrations.

Client executed negotiations and contracting; KPMG reviewed the contract and provided recommendations and comments on the contract deliverables.

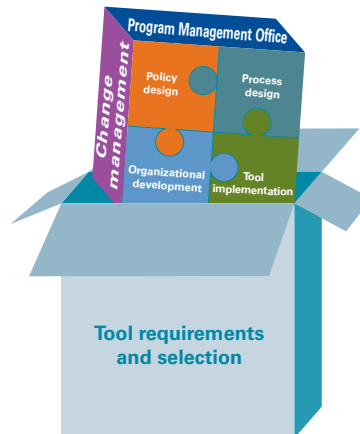
Provided the client with a phased implementation plan of the selected procurement tool tailored to its rollout strategy, business requirements, and resource constraints.

# Taking a closer look at performance challenges

As KPMG dug deeper into the issues Investco was facing, it became clear that what the firm had originally identified as technology limitations was only the tip of the iceberg. Underlying issues with process, policy, and organization had risen to the surface. Addressing these gaps and deficiencies during the design phase for the new tool would be a critical success factor to realize and sustain the benefits that the tool promised.

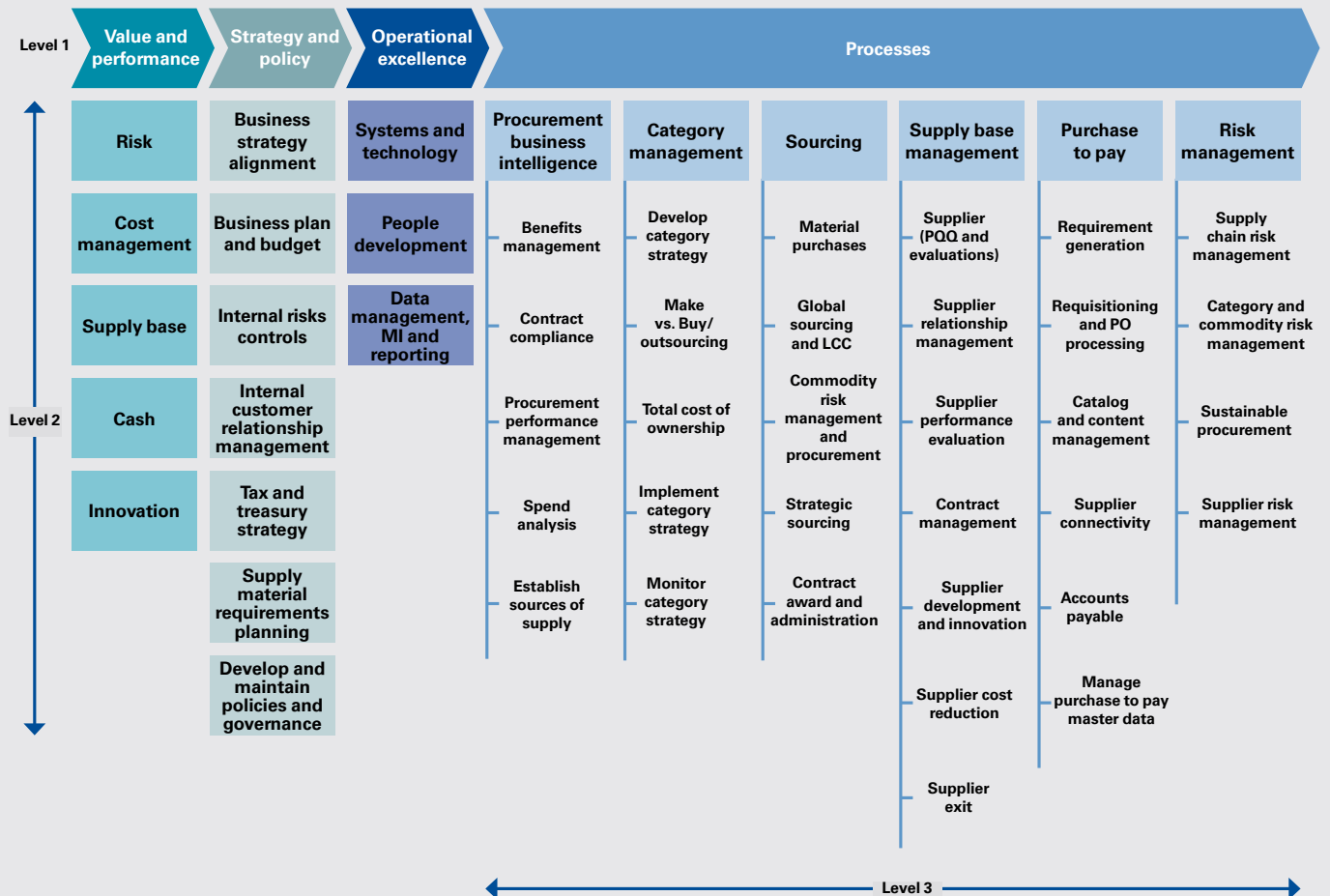
With these issues in mind, KPMG recommended that Investco develop a larger procurement transformation program to help accomplish its objectives. This transformation would be built around four distinct components: policy design, process design, organization development, and tool implementation. To coordinate these components and promote the sustainability of the new tool and processes, a Program Management Office (PMO) and a change management workstream were also established.

- **Policy design** – Governing the procurement processes developed by creating corporate policies
- **Process design** – Developing purchasing processes and procedures to differentiate types of purchases, incorporate proper controls and transparency, and capture end-to-end purchasing activity
- **Organizational development** – Enabling business units to achieve value from their supplier relationships by being a proactive, value-add partner to the business, and to enhance procurement capabilities within the department to support the new policies and procedures
- **Tool implementation** – Managing business requirements, configurations, and conducting a series of testing cycles to validate the functionality
- **Change management** – Helping ensure stakeholders are armed with the capability, capacity, and motivation to manage the change impact within the organization
- **Program Management Office (PMO)** – Helping the client manage the risks and issues for the overall project, and keeping stakeholders involved and informed

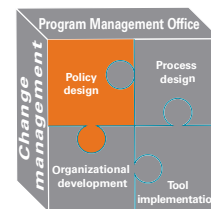


# KPMG procurement functional excellence framework

KPMG's process decomposition model provides a fundamental structure for efficient evaluation of process design by our professionals.



# Policy design



Policies establish strategic guidelines and controls to promote the company’s vision within its day-to-day operations. Policies can “incent or prevent” certain behaviors within a company. Good policy not only provides the basis for process controls but also reflects the values and priorities of the enterprise (e.g., establishing levels of spend authority). After examining the issues present at Investco, KPMG identified several gaps in procurement policy. By developing and establishing robust policies in line with Investco’s business needs and enterprise values, the firm could better enforce what, how, and from whom materials and services were purchased.

## Key challenges

- Existing policies were unclear and did not cover all types of spend and categories
- Finalizing these policies required constant input and feedback from senior-level stakeholders
- Implementing standard policies in light of Investco’s culture was challenging. For example, business units retained a lot of flexibility in determining technology infrastructure making it difficult to standardize specifications and vendor selection

## Results achieved

- Alleviated senior management review of 90 percent of the transactions while still reviewing 65 percent of the spend
- Established control infrastructure to assure financial approval prior to commitments and use of purchase orders to facilitate invoice approval and processing
- Enabled enhanced procurement processes across the various business units





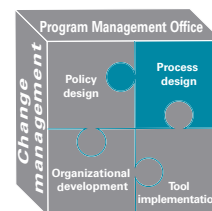
### KPMG's approach

- **Spend authorization** – Ensured expenditures were consistent with business goals and were appropriately timed and managed
- **Contract signing authority** – Routed contractual commitments to the appropriate parties according to contract amount
- **Procurement engagement** – Integrated dedicated procurement professionals in the purchase of goods and services to help ensure that best value was obtained from the deal and risks are highlighted and managed appropriately
- **Purchase order usage** – Required the use of purchase orders in order to establish controls, create visibility into spend commitments, and enable process efficiencies
- **Supplier management** – Helped ensure Investco effectively managed risk and performance of its critical suppliers

### Key considerations when addressing procurement policies:

- ✓ When is a Purchase Order required?
- ✓ What are the appropriate spend approval thresholds?
- ✓ What functional areas are involved in vetting the items and vendors that comprise a catalog?
- ✓ When is competitive bidding/use of preferred vendor required?
- ✓ Do all contracts require Legal review?

# Process design



By taking a closer look at some of the root causes of the underlying issues cited initially by the client, KPMG realized that many of the deficiencies were a result of a complicated mix of inflexible requirements, disparate processes at the business unit level, and functionally isolated and/or non-existent core activities. Processes are a critical part of the backbone of an organization, driving consistency and efficiency through agreed-upon steps that are cross-functionally integrated. Investco fell victim to a common issue in many thriving companies that have had to undergo a significant amount of change. As change is required for a company to grow, the processes must be altered to accommodate this change.

## Key challenges

- Lack of differentiation in process steps (e.g., approval levels, workflow routing, review) for different types of spend categories
- Spend types (with the exception of very high volumes) were processed through the same level of approval and document review regardless of dollar amount
- Lack of basic procurement process steps were also lacking (e.g., financial approval occurred after an invoice was received as opposed to before the requisition to purchase order stage)
- Sourcing and procurement processes were not differentiated, which often led to repetitive review steps for transactions

## Results achieved

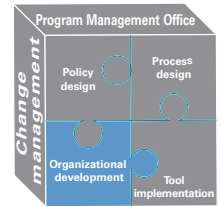
- Provided Investco with a consolidated view of its spend profile and procurement processes that identified deficiencies and lack of standardization that identified deficiencies and lack of standardization. As a result, 14 new processes were defined and tailored based on spend type
- Presented a set of enterprise-wide future state procurement processes for all third-party expenditures that streamlined workflow and provided visibility into, and controls around, procurement activities
- Developed a design requirements document for tool and process implementation
- Reduced cycle time of standard invoices from receipt of invoice to payment for AP from 15 days to 4 days
- Streamlined procurement and purchase approvals from 4 weeks to 9 days by implementing specific SLAs for each approval phase
- Developed a formal process to communicate defects and/or changes, and to escalate incidences for expedient resolution

### **KPMG's approach**

- Developed future-state procurement processes at a category level and accounted for procurement policy and organizational design implementation
- Designed process workflows to determine how requests were routed through the tool
- Implemented umbrella approvals that bundle transactions which reduced the number of separate approvals and shortened delays and unnecessary steps
- Automated vendor approvals to reduce cycle-time approvals by ~ four days
- Created category and vendor specific processes to drive workflow as necessary to achieve transparency across departments
- Avoided eliminating approvals or reviews for the spend area by choosing to aggregate the reviews at the spend level rather than the individual transaction level



# Organizational development



As stated by Investco, Procurement sought to “enable the business to achieve excellent value from their supplier relationships by being a proactive, value-add partner to the business.”

## Key challenges

- The business units lacked procurement capabilities and access to information, yet Procurement was not invited to assist with key purchasing decisions at the business level
- The division of procurement roles and responsibilities between the Procurement group and the business units was not well defined. The procurement group lacked necessary roles to effectively support the business (e.g., supplier relationship management lead)

## Results achieved

- Assisted Investco with development of the strategy and plan to enhance its organizational design
- Developed a foundation by formulating competencies that made sense to Investco’s organization
- Developed effective engagement models for operations and, through these activities, optimized supplier relationships
- Developed a new organizational structure and responsibilities map for the Procurement group, including the addition of three key roles

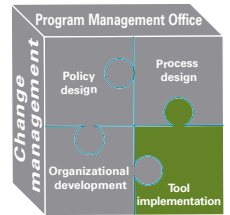
## KPMG's approach

The Investco Procurement organization sought to be a true partner to the business in developing strong supplier relationships, optimizing value, and assuring access to the right suppliers to support growth and innovation. To accomplish this, KPMG assisted Investco with the following activities:

- **Define key procurement competencies:** Guided by stakeholder interviews and leading practices, KPMG identified four supply chain competencies that would benefit business objectives: contract management, strategic sourcing, procure-to-pay, and category and supplier management
- **Define procurement objectives:** KPMG helped Investco define which procurement activities should be center led and which should be retained by the business areas. The team identified the following objectives:
  - **Develop and disseminate procurement standards guidelines, and policies:** Procurement built standard procurement processes and provided guidance to business areas in building and improving internal functions performing procurement-related activities. Help desk support was also provided to manage issues and risks through an open avenue of communication
  - **Build and deploy procurement competencies:** Procurement developed knowledge around the four agreed-upon procurement competencies. They then provided services to the departments in areas such as category management and negotiation
  - **Create an audit capability and provide transparency:** Procurement maintained spend analytics capability, developed and delivered management reporting to create visibility into spend, and provided quality control by assessing compliance with standards, guidelines, and policies
- **Assess current organizational model:** With these competencies and objectives in mind, KPMG reviewed the current organizational structure, roles and responsibilities, and existing skill sets
- **Design future organizational model:** KPMG recommended a future state organizational model to accomplish the defined vision and objectives for Procurement



# Tool implementation



In order to help ensure smooth implementation of the new tool, the project team decided that several things were needed, including validation of the original configuration design, requirements to support future state policies and procedures, and an integrated testing approach with a series of testing cycles. These activities would allow the client to validate that the solution design met the business requirements and to confirm the users' acceptance of the new tool.

## Key challenges

- Federated organizational structure across the business, which often led to additional review and requirements gathering
- Investco had limited experience with implementing enterprise-wide technology applications
- Defining a data conversion approach from the legacy system to the new tool
- Difficulty adopting a consistent rules-based approach with a culture historically focused on individual scenarios and customization due to smaller volumes
- Internal technical support had limited skill sets and experience

## Results achieved

- Worked with the client to develop a test strategy and plan, execute a testing package, and validate the business design
- Provided a traceability matrix of business requirements to document key decisions and functionality tested
- Identified and managed all defects and resolution via a formalized process
- Updated business requirements and configuration design as needed based on testing results and user feedback
- Developed an implementation and transition plan which helped the team conduct a sequenced implementation and transition
- Increased supplier e-invoicing to 70 percent and forecasted implementation of 90 percent within two months
- Increased usage of purchase orders to 60 percent within two months of implementation
- 95 percent of purchases made using the new e-procurement tool

## KPMG's approach

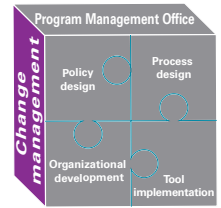
In addition to the design implementation plan, KPMG assisted the client with development of a test strategy and plan for execution of all testing cycles. Once this strategy was approved, execution of the eight testing cycles commenced, and monitoring and tracking began to manage issues and risks for proper resolution. The team decided that eight cycles of testing would be needed to address all specific requirements, including:

- **Unit testing** – Tested the detailed functionality of each application component
- **Functional Integration Testing (FIT)** – Tested the detailed interaction between related application components and combination of application components as part of a business flow
- **Conference room pilot** – Functional test scripts were tested in preparation for UAT vetting out obvious errors and mistakes. This increased the probability that the end user experience during UAT would be positive
- **Interface testing** – Tested the transfer of data between the target application system and third-party and legacy systems
- **System testing** – Tested the full end-to-end capabilities including user authentication, process flows, and system administration activities
- **Performance testing** – Performed system performance testing to help ensure application processing, screen, and interfaces performance met requirements
- **Disaster recovery testing** – Confirmed that in the event of an unforeseen disaster, the application can be restored quickly without significant impact to operations
- **User acceptance testing (UAT)** – Performed in a controlled environment by key users and secured acceptance of the production system. This cycle tests complete business transactions, validates converted data, and interfaces.

Results from testing were used to objectively measure system quality and validate the design solution. During testing, the team found that certain adjustments needed to be made to the original configuration design and updates to the actual test scripts were made as well. In order to manage the change requests and defects which surfaced, a formal process was implemented to communicate the defect and/or change, and escalate these incidences for expedient decision making and resolution.



# Change management



As many companies often encounter resistance when making changes to how they do business, it was expected that Investco would run into similar challenges. The user community at Investco reacted with a combination of reluctance, skepticism, and uncertainty to the forthcoming change and how these changes would affect them. With a project of such scale, Investco decided that they needed assistance from KPMG to help them with obtaining stakeholder buy-in, providing enhanced transition support for users/groups with conflicting interests or concerns, and continuously measuring the pulse of the organization in order to address any potential issues before they impacted implementation and adoption.

## Key challenges

- Gaining appropriate buy-in from key stakeholders
- Lack of participation/engagement in meetings, workshops, etc.
- Lack of awareness existed for many key stakeholders (e.g., ad hoc approach to managing concerns, issues, and risks)
- Disorganized approach to managing change requests
- Inability to effectively deliver change

## Results achieved

- Conducted a stakeholder analysis to assess the level of influences, and gained deeper insight into the cultural nuances in the organization
- Boosted engagement and participation from stakeholders by increasing their communication and their overall involvement
- Developed a compelling case for change by providing targeted benefits for stakeholder individuals and groups
- Created an inclusive communication plan and developed the right messaging for the audience using the appropriate channels
- Developed and implemented a sustainable training program across the departments and trained users on the new processes, policies, and procedures
- Provided each business unit with a custom “playbook” that captured all project activities, including expectations and deliverables at the department level



KPMG's tested Change Management methodology addresses nine key elements of change to help Investco develop a targeted approach to change management. This structured approach helped the client define the case for change, identify key change agents, and manage risk while realigning the organization and transitioning the workforce to new roles and responsibilities.

## KPMG's approach

### • Organizational readiness

- Assessed situational factors impacting the readiness for change
- Analyzed potential resistance issues for each key stakeholder group and audience
- Developed and tracked organizational risk articulation and mitigation plan

### • Stakeholder management

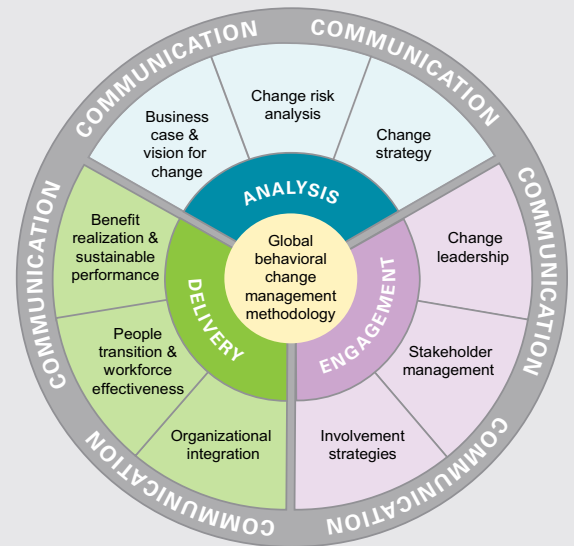
- Built a powerful guiding coalition with key stakeholders to drive the change process
- Aligned the leadership around a common vision and engaged key leaders in the organizational transformation process
- Established a change agent network to cascade the transformation into the organization

### • Communications

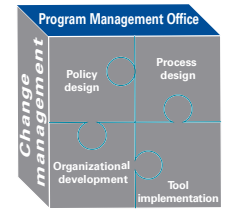
- Segmented and assessed audiences impacted by change
- Developed a strategy that is both proactive and interactive to build awareness, buy-in, and ownership
- Used a variety of communication channels and specific messages to each audience

### • Organizational impact and workforce transition

- Assessed the impact of transformation on job profiles, skills, and behaviors
- Developed a role-based learning strategy to address business process, technical, and interpersonal skill gaps
- Deployed a workforce transition strategy to operationalize the new business model



# Program management office



With the expanded approach, it was evident that more risk and need for structured governance would arise. Project management functions are commonly seen as an additional administrative management layer and reporting function that does not have the authority to cancel, reprioritize, or change the sequence of project rollout for the day-to-day functions. KPMG assisted Investco with developing project controls and guidelines that allowed the team and resources to keep the project scalable, agile, and efficient in response to changing conditions.

Investco identified the importance of establishing a robust project management function to align its business strategy, establish governances, develop stage gate project model and templates, elevate competencies on project management activities, and use a standard, streamlined approach to achieve their goals.

## Key challenges

- Lack of formal issue resolution and risk mitigation plan
- Lack of escalation plan for effective decision making
- Sporadic/ad hoc status reporting, meetings, and undefined approach for collaboration
- Major decisions were made in the wrong parts of organization by the wrong people

## Results achieved

- Defined and validated strategic and tactical goals and objectives early by establishing a regular cadence and process with key stakeholders and decision makers (e.g. scheduled weekly program and project meetings, schedule monthly executive steering committee meetings)
- Developed and managed a comprehensive project plan to manage initiatives, tasks, and activities against time and deliverables needed
- Developed a monitoring and reporting progress against the transformation objectives from project initiation through closure and confirming signed-off benefits were achieved
- Created and maintained project templates, established document control procedures, and managed project stakeholders and team lists
- Established clear roles and responsibilities for project team members with standards for accountability
- Instituted a governance model to help ensure adherence to the new processes, policies, and procedures implemented

## KPMG's approach

- **Strategic vision** – Developed project charter to document and confirm what is in and out of scope, key stakeholders, goals and objectives, assumptions, high-level time line, high level risks, etc. KPMG also defined and confirmed goals and objectives early in the process
- **Stakeholder management** – Developed a regular cadence and process with key stakeholders and decision makers (e.g. schedule weekly program and project meetings, schedule monthly executive steering committee meetings). Continuous follow-up with the stakeholders was also important, as well as obtaining the executive buy-in necessary
- **Project execution guidelines** – Provided clarity through governance process/document on the escalation procedures for key decisions when disagreements and/or conflicts arise. Accurate and timely reporting and tracking of the project was imperative to maintain a level of project discipline and adherence to the schedule
- **Leverage knowledge management functions** – Used technology (e.g. SharePoint) to support program and project management communications and help various stakeholders stay on the same page and have access to appropriate information



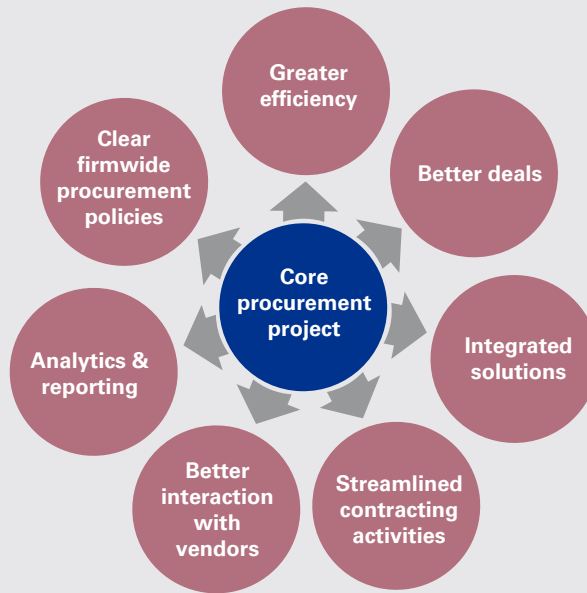
# Achieving desired results

## Critical success factors

With the guidance of KPMG, Investco was able to transform its procurement capabilities by focusing on the critical success factors below.

- Provided a full range of procurement consulting services with the ability to bring complementary subject matter professionals to fulfill Investco's needs (e.g., sourcing and procurement, change management, financial management and technology, and outsourcing and shared services)
- Demonstrated experience and a tailored approach for Investco that led to clear benefits by producing positive results in each phase of the procurement transformation and, resulting in buy-in and trust from both senior leadership and end users
- Defined roles and responsibilities, which is a critical step in rolling out new procurement processes. Equally important—recognized that workload will shift
- Created buy-in with end users and process participants by including them in the design process
- KPMG was able to adapt to the client's unique culture to help it solve its procurement problems via an intense change management program that aided in applying the new procurement structure to the unique environment
- For projects that extended beyond a few months, it was important to keep track of the pulse of the organization with multiple check points on buy-in and readiness
- Identified and addressed areas of resistance on an ongoing basis throughout the project that helped to limit disruptions in the transition period
- Training was role-based and process-focused to drive adoption and assure sufficient conceptual and tactical knowledge transfer
- Most transformation projects did not end at "go live." Remembered to continue using Change Management concepts and tools throughout the journey





#### Streamlined repetitive processes:

- Ordering (using catalogs)
- Invoice approval (using electronic invoice approval flow)
- Invoice processing (using automated three-way matching)

#### Improved sourcing strategy:

- Providing strategic sourcing advisory for Investco departments as opposed to a backend audit
- Enhanced sourcing support provided by the procurement tool

#### Better transactional procurement solution:

- Budget, procurement, and AP information all available in ONE system
- Fewer errors from manual entries purchase orders and related controls in place

#### Effective integration:

- End-to-end and cross functional processes are enabled by the procurement solution

#### Improvements in:

- Order processing efficiency
- Visibility and tracking of invoice status
- Faster vendor payment through ebilling solution

#### Better reporting capabilities for:

- Project spend versus budget
- Open invoices
- Spend commitments (e.g., purchase orders)
- Vendor performance
- Spend dashboards
- Spend by type of buy

#### Procurement policies that will bring:

- Clear direction on spending money wisely
- Increased spend authorizations
- Early and active engagement of procurement in the sourcing and procurement cycle
- Transparency around spend
- Improved control and transparency through the use of POs

# Looking forward

The development of a procurement organization should not be seen as a one-time event or a series of independent efforts, but as a carefully coordinated set of interdependent initiatives, each contributing to the company's vision of establishing a leading procurement organization. Excellence is not a destination, but a journey, and should be sought on a continuing basis.

For the financial services company featured in this case study, the initial stage of the transformation effort focused primarily on key strategy and policy development, procurement process design, and organizational structure. The core technology solution in this case played a key role as a focal point of the transformation but was not a driver; it was an enabler. "Standing up" the organization was the first act, not the finale.

To continue on their transformation journey, additional initiatives have been defined as elements of a roadmap that will continue to drive improvement and sustain the benefits of the initial transformation achievements. While the path is guided by a view toward procurement maturity, the roadmap is designed to meet specific goals defined by management and to align with the overall corporate strategy and goals. Selected areas of focus for the roadmap include supplier relationship management, category management, financial planning and budgeting process improvements, and enhanced management reporting.

In addition to driving these discrete initiatives to build new procurement capabilities, the company is also focused on "optimization." This is a targeted effort to solidify the gains achieved in the procurement transformation by revisiting design decisions and making practical adjustments based on real-life experiences. This exercise serves multiple purposes. First, it creates a stable plateau from which to launch the next wave of initiatives. Second, and as important, it provides an essential feedback loop to engage the organization broadly in verifying and validating the successes of the initiative. Finally, it fosters a culture of continuous improvement.

The success of the project would not have been achieved without a well articulated vision manifested in tangible deliverables. The realization of this vision was the result of sustained organizational commitment and disciplined execution against a well-structured, integrated plan. KPMG served as a strong thought advisor and pragmatic execution advisor throughout the journey.



### **Benefits of implementing a strategically designed procurement program**

- ✓ Reduced cycle times for invoice processing – **up to 80 percent**
- ✓ Improved processes and clearly defined roles and responsibilities
- ✓ Increased transparency of purchasing status and spend
- ✓ Reduction/elimination of “Maverick” buying
- ✓ Improved contract compliance
- ✓ Improved relations with suppliers, who have benefited from reduced transaction costs and improved efficiency

### **Upgrading your procurement capabilities reduces spend and frees up cash flow**

#### **Leading metrics:**

- ✓ Standard invoice processing cycle time: **three to five days**
- ✓ Purchase approval average lead time: **seven days**

- ✓ Percentage of POs enabled onto eProcurement solution – 78 percent
- ✓ Percentage of spend under contract – 70 percent
- ✓ Percentage of total spend under management – 68 percent

#### **Leading practices:**

- ✓ Solicit top management support to help drive system compliance and ensure sufficient funding and resources are made available
- ✓ Don't underestimate change management. Insufficient focus on change management has held back acceptance of many e-procurement systems
- ✓ Ensure processes are efficient before applying automated solutions
- ✓ Clearly define and reinforce metrics for measuring costs, process efficiency, and performance of e-procurement technologies and processes

**Aberdeen research shows that each new dollar of spend brought under management can yield 5 to 20 percent of total cost savings.**

# About KPMG

## Leadership in the marketplace

### *Joint research studies/publications*



*Supplier Category Management: Driving value through the procurement organization*



*Right Alignment: Evaluating options for procurement reporting alignment*



*Power of Procurement: A global survey of Procurement functions*



*Beyond Purchasing: Next steps for the procurement profession and its journey towards greater influence*



*Rethinking Cost Structures: Creating a sustainable cost advantage*



*Procurement as a Value Lever: Driving business value through Improved Procurement Performance*



*Balance Supplier Risk vs. Reward: Seven steps to gaining the greatest total value from your supplier relationships while limiting risk*

### **Conference sponsorships and presentations at industry conferences**

- APQC Conference
- Cloud Expo
- Logistics and Supply Chain Management Conference
- Sourcing Interest Group
- Procurement Leaders Forum
- Council of Supply Chain Professionals
- SGA Supply Chain Management Conference



## Our mission

Our mission is to make the procurement function a competitive differentiator for our clients.

We help drive sustainable improvements to make procurement a source of value and innovation. Leveraging our financial heritage and strength in managing risk, we help achieve balanced business performance through better spend management, productivity gains, and improved internal controls. We serve as business partners providing tailored insight to our clients through their transformation journey.

## Our people

The Strategic Sourcing and Procurement (SS&P) practice has a global footprint comprised of seasoned supply chain specialists. Our professionals come from a rich background of industry, technology, and advisory experiences that combine to deliver practical fit-for-purpose designs. We leverage industry leading practices with an eye on appropriate controls to enhance efficiency and control risk.

We advise our clients with an understanding of their needs and corroboratively develop approaches that create sustainable business value.

## Our differentiators

- **Focus on total value delivered:** Holistic lens to enhance value across end-to-end supply chain instead of localized, incremental cost savings
- **Sustainability of benefits:** Overriding focus on structural improvements and knowledge transfer to deliver sustainable benefits
- **Genuine functional insight:** Experienced practitioners with domain knowledge and industry insights to tackle complex client challenges
- **Collaboration in vision and execution:** Business advisors from concept-to-realization of future state vision
- **Trusted advisor:** Objectivity in recommendations and solution design—not compromised by affiliation to technology or outsourcing providers
- **Global Reach:** Network of professionals through KPMG International member firms in all major sectors and countries to address global client needs

### Industries served

Consumer Products

Energy

Entertainment/Media

Financial Services

Healthcare

High Tech

Hospitality

Life Sciences

Manufacturing

Pharmaceuticals

Public Sector

Real Estate

Retail

Software

Transportation

Telecommunications

Utilities

# Notes





## Contact us



**Samir Khushalani**  
**Principal, Americas Practice Leader –**  
**Operations Advisory**

KPMG LLP

811 Main Street  
Houston, TX 77002

**T:** 713-319-3570

**E:** [skhushalani@kpmg.com](mailto:skhushalani@kpmg.com)



**Patricia Muldowney**  
**Managing Director**  
**Strategic Sourcing & Procurement**

KPMG LLP

Stamford Square  
3001 Summer Street  
Stamford, CT 06905

**T:** 203-406-8039

**E:** [pmuldowney@kpmg.com](mailto:pmuldowney@kpmg.com)

[kpmg.com](http://kpmg.com)