

Business Challenges & Goals

In today's global business environment, companies that operate across international borders need efficient ways to direct how their organizations manage money. As a multinational, multi-industrial company, our client has 142,000 employees in 1,300 locations across six continents. Operating three different business units covering Automotive Experience, Building Efficiency, and Power Solutions, they were using a COP system. They faced several colossal challenges with this system:

- Inability to leverage spend due to sixteen disparate ERP systems (i.e. – SAP, Oracle, and others)
- Inconsistent procurement processes around the globe
- Unclear methodology to promote and deploy global solutions
- Need for a versatile system allowing global, national, and regional suppliers
- Need to connect over 10,000 suppliers via an “e-enablement” process



This global company sought a new solution to streamline their international procurement processes and create operational efficiencies across their extensive network of suppliers. After our client met with Perfect Commerce procurement experts, we identified a clear benefit from our eProcurement solution, Procurement Manager, which:

- Automates processes to save time and money
- Increases spend under management
- Connects seamlessly with financial and accounts payable systems
- Enhances the supply chain by connecting buyers and suppliers in a highly scalable electronic environment

The Approach & Business Solution

As a company with 142,000 employees, managing maverick spend was a monumental task. The first step to improving our client's procurement process was to direct spend to only contracted suppliers. This allows businesses to find, control, and expand savings within the supply chain by asking:

- Does it eliminate costly point-to-point connections?
- Does it include full service supplier adoption or automated supplier self-registration?
- Does it integrate easily with existing procurement and purchasing systems?

Upon review of the proposed strategy, our client agreed to a full deployment of a global eProcurement solution. Leveraging Perfect Commerce's Open Supplier Network, we deployed a global eProcurement solution that spans 25 countries, a dozen languages and more than 20 currencies.

For our client's North America operations, Perfect Commerce deployed the Elite Level of our Open Supplier Network, Procurement Manager and Search Manager. For their European operations, Perfect Commerce deployed our Catalog Manager, Search Manager, Procurement Manager, and Open Supplier Network.

The workflows that were created provided the client with a spending hierarchy and a networked system on a global scale. Their supplier exchange helped them manage their direct spend.

The Business Results

Within three months of working within the Perfect Commerce procurement solution, our client saw tangible business results. Their purchase order transactions increased 6% and revenue from those PO's increased 12%.

Over the course of the next year, our client had 39 hosted suppliers, 7 integrated suppliers, and 2,591 light suppliers with transactions in their network. This streamlined approach improved their global processes by decreasing the number of suppliers to manage and reducing overall spend.

Additional benefits of our deployment included:

- Standardized procurement best practices
- Leveraged spend across the enterprise
- Established feed of spend data into their global spend tracking and reporting cube
- Created workflow for approval-based buying on a wide variety of user profiles, commodities and business rules
- Enabled over 6,000 suppliers in 30 days

Our client has been successfully implemented for over two years and continues to benefit from their investment in the Perfect Commerce eProcurement and supplier network solutions. With so many possible points of spend, multinational corporations have to be extraordinarily diligent about their procurement processes. Companies operating with offices across the world need standardized practices that optimize workflow wherever possible. Our client adopted a solution that streamlined their ERP system, created a platform for global deployment of future solutions, and improved relationships with suppliers. They have reduced spend, increased supplier transactions, and improved global best practices.