Supply Chain Management—Procurement Services

Gaining competitive advantage through effective enterprise spend management
Organizational change issues, lack of supplier readiness and catalog enablement problems frequently prevent many establishments from using e-procurement systems to their full potential.

The compelling value achieved through effective procurement practices is often much harder to achieve than many companies realize. Capturing productivity improvements requires access to specialized expertise, enabling technology and a sound strategy that can be deployed across and beyond the enterprise. IBM Supply Chain Management - Procurement Services leverages IBM’s broad range of capabilities, including strategy, process improvement, enablement services and technology, to help you secure better prices and achieve greater efficiency, tighter control of spend and improved service levels.

Companies are moving toward a dynamic, realtime supply chain model that features key characteristics of an e-business on demand™ enterprise. An on demand supply chain is supported by applications that enable realtime information visibility inside and outside the enterprise. It can respond to changes in market conditions faster than traditional supply chains and uses realtime information to sense shifts and redirect resources. An on demand supply chain is adaptable and can enable you to seize market opportunities based on actual demand and market conditions. With an on demand supply chain, you can optimize existing investments to increase productivity and business flexibility, and extract greater value from data to drive business innovation. Plus, you can take advantage of variable cost structures to align costs with revenue and share risk across a network, rather than concentrate it in a single enterprise.
To help you build an on demand supply chain, IBM brings a wide range of capabilities to your enterprise. IBM can assess your on demand maturity, prioritize which on demand initiatives could have the greatest impact on shareholder value and implement off-the-shelf or customized on demand solutions. And IBM can effectively manage non-core procurement activities on an outsourced basis, so you can focus on your core business. IBM Leveraged Procurement Services is an IBM-hosted, on demand solution that can help you realize rapid return on investment by helping you rein in maverick spending and save time on customized supplier enablement. IBM professionals can help you implement direct procurement relationships with suppliers through customized use of IBM strategic sourcing expertise. And IBM works closely with you to develop a framework that complements your sourcing and procurement operations, and that helps you capitalize on the efficiencies of conducting business via the Web.

### Putting best practices to work for you

IBM’s approach to effective supply chain procurement practices builds on your past efforts and investments. Our strategy covers three focus areas: business transformation, to help you change existing procurement practices using best-practices business processes and leading technology; core business application solutions, to help you improve business efficiency; and enterprise integration, to help you reduce costs and increase productivity.

IBM offers the following capabilities to help you better manage enterprise spend:

- Procurement strategy
- Procurement opportunity assessment
- Procurement process reengineering
- Strategic sourcing
- Procurement application implementation
- Supplier enablement
- Supplier relationship management
- Procurement transformational outsourcing
- Procurement application management services and hosting services

### Leveraging lessons learned for big benefits

In addition to completing hundreds of successful customer engagements, IBM went through its own procurement transformation, across multiple divisions. Reorganizing procurement infrastructure for effectiveness, enhancing professional skills, improving governance and compliance with procurement policies, instituting sound business processes and building a unified technical architecture enabled IBM to save US$42 billion in managed spend.
Confidence in global supply chain solutions
With professionals in more than 160 countries globally, IBM Business Consulting Services is among the world's largest consulting services organization, providing clients with business process and industry expertise, a deep understanding of technology solutions that address specific industry issues, and the proven ability to design, build and run those solutions in a way that has the potential to deliver bottom-line business value. Detailed industry knowledge and extensive, strategic relationships with leading and emerging supply chain application vendors—including SAP, Ariba Inc., Perfect Commerce, Oracle and Emptoris Inc.—allow us to develop customized supply chain solutions that are designed to address your unique requirements. Known for innovative thinking built on focused business and technology research, IBM is committed to helping you fuse business insight with technology to drive lasting economic advantage.

Learn more
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