

# **Empowering Procurement to Lead the Way**

From insights to action, Aligned Automation is your partner to maximize the value of next generation procurement.

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# Gain control under macroeconomic shifts

To lead in a volatile environment, procurement leaders must make fundamental changes to their operating model. Non Paci

Indian Ocean

Charles and the



# Leaders are facing the toughest market of their careers

Global factors such as COVID-19 shocks, trade policy shifts, workforce scarcity, the energy transition and the unpredictability of global superpowers have created an unstable environment. Impacts like the current inflationary surge and the frequent scarcity of critical supplies has made operational shortcomings impossible to ignore.

To survive in this environment, leaders need to reassess their existing operating models to predict shocks, react quickly and reduce risk. Many organizations have deepened their understanding of their supply chains and deployed new value creation tactics - **but more can be done**.

Not just surviving but *thriving* in today's world requires reliable long-term planning, supply chain modeling, deeper insights into supplier economics and real-time collaboration across functional teams with an ability to adopt and scale with proven technologies.

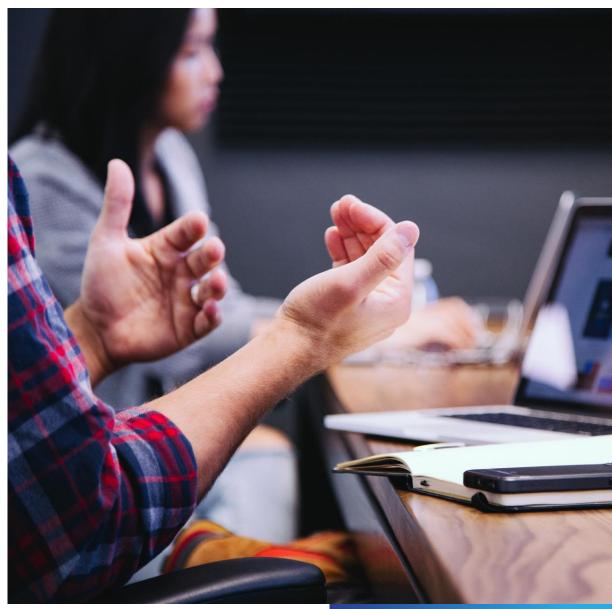
Possible bottlenecks, changes in the workforce, shifting from "justin-time" to "just-in-case," and increased regulatory scrutiny are several top issues for CPOs.

#### Gain control under macroeconomic shifts



### Key questions leaders are asking to assess organizational readiness

- 1) Have we **quantified the potential impact** of inflation, volatility and supply chain disruptions at the commodity and supplier level?
- 2) Do we have **effective partnerships** in place to ensure supply?
- 3) Do we have the **right talent and capabilities** in our team?
- 4) How are we incorporating data and near-real time **customer** information **to match supply with demand?**
- 5) What technology **needs will drive efficiency and a competitive edge** in procurement?



# Partner for success

Accelerate your journey toward intelligent procurement operations with Aligned Automation.

#### Partner for success

### Futureproof procurement with Aligned Automation's comprehensive set of value creation services

Harness the full potential of data, technology, intelligence, processes and talent to ensure a future where confident decision making is paired with operational resilience. We specialize in intelligent procurement operations and helping leaders adapt in the following ways:

- Taking a leading role in protecting enterprise margin and growth
- Stepping into the center of **cross-functional value creation** based on TCO and life-cycle views of spend
- Building deep expertise in supply market dynamics and supplier economics to **optimize their operations through insight**
- Investing in proven technology and process automation to **free up high-value talent for the most strategic activities**

- If necessary, **acquiring talent** who understand the suppliers' markets and industries and who are strong category mangers, negotiators and relationship builders



### We invest in understanding your organization's current and desired digital maturity.

Then we partner to craft an actionable and tailored roadmap.

**2.8**X

Average boost in corporate profitability with high digital maturity\* Average efficiency gains with enhanced digital maturity\*

18%

\*Accenture Research and Oxford Economics Intelligent operations Survey , 2020



	Foundational	Automated	Insight-Driven	Intelligent
Data	Siloed or incomplete	Aggregated at the organization level	Leveraged analytics driving data insights	Al at scale using diverse data
Technology	Foundational tools and technologies	Integrated tools and technology with custom apps	Function-based Nerve Centers	Enterprise-wide intelligent Nerve Center
Intelligence	Data visualization	Robotics automation and deep analytics	Advanced data science & predictive insights	ML, AI and cloud enabled
Processes	Non-standard and fragmented	Industry- and function-leading practices automated	Leading practices widely adopted	E2E digitization and transformation processes
Talent	Internal, human workers conduct majority of processes	Machines & global talent augment some processes	Machines augment humans for majority of processes	Knowledge workers focused on judgement-based work



### To reach truly intelligent operations and thrive, procurement leaders should implement 3 core actions:

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Achieve more with targeted and integrated **services and solutions** 

2

Drive rapid results through automation and high-value workflows within a **Center of Competency** 



Connect, scale, and mobilize through a Nerve Center

# Achieve more with value creation services and solutions

Our tailored services and solutions meet you where you are and take you where you want to go.

#### Figure 2.

#### Aligned Automation's procurement services and solutions mapped to the value chain

SERVICES

Market Tail Spend Category Procure-to-Pay Working Capital Strategic Green Intelligence Management Sourcing Optimization Operations Management Optimization Contract Procure-to-Pay Spend Impact Lifecycle Analytics Tracker Automation Management Margin Optimization Collaboration Procure-to-Pay & Knowledge Source-to-Contract Analytics Exchange Supplier Relationship Management Category State Supplier procure-to-Pay Collaboration sustainable Procurement Risk Suite Management Center POWERED BY AN **INTELLIGENT NERVE** CENTER

Deploy the **right combination of services and solutions** to accelerate breakthrough value in Intelligent Operations.

# Category Strategy

Create actionable insights to guide procurement strategy development and execution.



#### SERVICES



#### CATEGORY MANAGEMENT

Engage stakeholders and deliver results

Help procurement teams save more money while contributing value by improving supplier performance, mitigating supply risks, improving cash flow and market basket, and driving innovation.

#### MARKET INTELLIGENCE

Apply industry insights for impactful decisions

Collect and connect data from external and enterprise data sources to create insightful category, customer, competitor and channel intelligence.

#### SOLUTIONS



#### **RISK MANAGEMENT CENTER**

Address the invisible before it becomes visible

Enable procurement stakeholders to act with speed and accuracy through surfacing both impacts and consequences. Anticipate category risks in real-time, seamlessly analyze data and receive alerts for recommended changes in key performance indicators, unused potential and performance outliers.

#### SPEND ANALYTICS

Improve spend visibility

Utilize analytical metrics and tools to address leading KPIs within procurement. Improve the market basket for sourcing. Optimize and automate procurement spend management.

#### **MARGIN OPTIMIZATION**

Align savings and stakeholders across all categories

Ensure margin consistency and growth across all categories in a shorter timeframe. Provide transparency into forecasted cost fluctuations to inform better decision making.

### COLLABORATION & KNOWLEDGE

Align cross-functionally

Foster cross-functional collaboration, promote idea sharing and perpetuate best practices. Serve as the centralized location for strategic documents as well as initiative-specific learning and development.

# Source-to-Contract

Maximize negotiated savings and value.



#### SERVICES



#### STRATEGIC SOURCING

Achieve more savings and value for every dollar spent

Leverage the full potential of supply markets. Maximize the value of spend by increasing competition for your business. Facilitate collaboration across sites to evaluate suppliers, run RFQs and negotiate and award contracts.

#### TAIL SPEND OPTIMIZATION Generate quick wins

Rapidly deliver sustainable positive cash flow by tapping into and managing tail-spend. Conduct holistic tail-spend assessments to rationalize suppliers and increase market basket with preferred suppliers.

#### SOLUTIONS

#### CONTRACT LIFECYCLE MANAGEMENT

Seamlessly author, collaborate and optimize

Reduce time, effort and paper used to create, manage and monitor contracts. Boost contract utilization and compliance to transform negotiated terms into realized savings.

#### VALUE TRACKER

Plan, forecast and measure strategic value creation and implementation

Enable enhanced planning and monitoring of procurement projects and activities. Integrated reports allow you to quickly view and automatically measure savings, value realization and degree of goal achievement in real time.

# **Procure-to-Pay**

Gain more control, minimize risk and increase efficiency by automating procure-topay.



#### SERVICES

#### WORKING CAPITAL OPTIMIZATION Release additional cash by increasing liquidity

Improve the effectiveness of working capital in the long term by applying measures across all operational areas, including sales and procurement.

#### **PROCURE-TO-PAY MANAGEMENT** Revitalize your P2P process

Deliver breakthrough improvements. Empower procurement teams to do more with their time and drastically improve return on operating costs.

#### SOLUTIONS



#### **PROCURE-TO-PAY AUTOMATION** Touchless processing

Reduce paperwork and cut down cycle times. Simultaneously increase spend under management, boost compliance, reduce maverick spend and improve the overall purchasing experience. Deliver greater time and cost savings. Elevate buyers' work and enable them to only manage exceptions.

#### **PROCURE-TO-PAY ANALYTICS** P2P performance analytics

Conduct real time analysis of all procure-to-pay processes, including supplier performance tracking for on-time delivery, material price variance, compliance, outstanding payments and open orders to ensure transparency into total cost of ownership.

# Supplier Relationship Management

Enable visibility & collaboration through a deep interconnection of systems and data.





#### SUPPLIER COLLABORATION SUITE

Seamlessly coordinate and manage suppliers

Increase agility and resilience by bringing suppliers into your planning process with rich, secure and connected collaboration workflows.

The ambition is bold: double the savings in partnership mode.

## FORECASTING, CAPACITY & ORDER VISIBILITY & ANALYTICS

Leverage real-time supply signals, optimize your inventory and ensure supply continuity. Anticipate and understand customer demand. Facilitate seamless collaboration and proactive action with suppliers.

#### **DIGITAL PARTNER ONBOARDING**

Deliver tailored and effortless experiences for onboarding, contract management and query resolution.

#### **MARKET INTELLIGENCE**

Collect and connect data from external and enterprise data sources. Create insightful category, customer, competitor and channel intelligence for a 360-degree view of market opportunities and risks.

## TURNAROUND & CAPITAL MANAGEMENT

Provide seamless planning and performance tracking capabilities to drive an optimum state of readiness. Create shared accountability for Turnaround Excellence.

### 360-DEGREE PERFORMANCE MANAGEMENT

Take partner relationships to the next level with increased transparency into performance metrics and parallel persona priorities. Set enhanced collaborative goals.

## **BUSINESS OPERATIONS PLANNING** & INNOVATION

Bring partners into collaborative joint planning and LRP, backed by analytics-driven insights, to align business strategies, tactics and innovations. Meet market needs and optimize workflows across multiple planning cycles.

#### **SUSTAINABILITY**

Collaborate with partners to reduce scope 1, 2 and 3 emissions. Drive sustainable innovation with trusted analytics. Formulate a joint climate action plan and easily measure and manage your plans and progress.

# Sustainable Procurement

Accelerate your journey to netzero emissions.





#### **GREEN OPERATIONS**

Drive transparency and long-term resilience

Enable real-time measurement of performance and progress of key sustainability indicators while increasing accountability across your organization.



#### TRACK TO ZERO

Consolidate, track and report on your company's air, water and waste emissions to assess progress towards corporate sustainability goals.

- Energy management & analytics
- Carbon offsetting & forecasting
- Carbon credit strategy
- Energy procurement: renewables vs. conventional
- Compliance & risk management



#### **EMISSIONS ASSURANCE**

Conduct internal and external sustainability audits by consolidating data to generate insights and derive action that ensures corporate sustainability and responsible sourcing standards are met.

- Product traceability
- Material traceability
- Supplier and partner transparency and performance



#### ADVANCE THE CIRCULAR ECONOMY

Leverage process mining, ML and Al capabilities to enable a circular economy that ensures processes are restorative and regenerative by design.

- Inventory management: reduce obsolescence and waste
- Optimized resource yield (material re-circulation)
- System and process efficiency
- Transportation optimization (empty miles utilization)
- Data center efficiency

# Drive rapid results with a Center of Competency

Fueling your next gen operating model.

### Aligned Automation's Center of Competence fuels your next gen operating model to win in the digital world

In today's transformation journey, digital is only part of the answer. Procurement leaders face an increasingly complex landscape of technologies and methodologies to secure value and continuous innovation. To stay ahead, businesses must embrace agility in the way they work and build competency that can sustain efficiency and precision. Leaders need a way to help smooth over some of the technology-adoption bumps along the way.

An Aligned Automation Center of Competence (CoC) - essentially Next Gen Managed Services - maximizes the value of your technologies, realizes operational excellence and enables businesses to continuously innovate for the future. A CoC offers a focused and highly efficient team made up of procurement and technical experts who incubates and drives on-going digital enhancements across any of our Business Process Management and Intelligent Operations Services.



**Agility and Expertise** - deliver fast and full adoption of implemented digital solutions to reduce operating costs and complexity, thereby shortening time to value.



**Rightsource** - enable procurement leaders and teams to re-focus current capacity into higher value work, often by utilizing the output of implemented digital solutions to drive decision-making and action.



**Continuous Innovation** - develop new solutions and enhance existing ones by looking ahead to new disruptive technologies and issues beyond the immediate focus of current projects.



**Scale and Efficiency** - promote best practices and standard while providing the advantage of global talent and labor arbitrage.

# Mobilize insights through a Nerve Center

Unlock new sources of value and growth.



To outmaneuver uncertainty, drive efficiency and accelerate business growth, leaders must evaluate their performance against benchmarks and act on real-time insights.

We enable leaders by connecting Aligned Automation's point solutions into an intelligent end-to-end workflow called a Nerve Center. Powered by AI, a Nerve Center optimizes the synergy of data, applied intelligence, digital technologies and talent to help transform operational workflows. Nerve Centers unearth previously hidden opportunities and risks and simultaneously unlock new sources of value and growth.



# Effectively manage risk, boost output and enhance productivity



**Connect data, tools, systems, KPIs and spend projects** in a single Aldriven intelligent workflow. Map views to personas for a streamlined user experience.



Sense shocks earlier with real-time and predictive visibility into business needs and improvement. Track complex problems as they evolve. Quickly resolve issues.

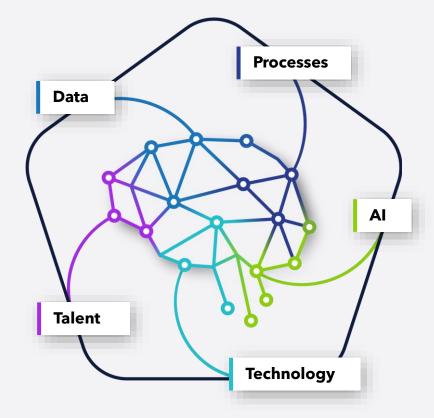


Orchestrate how work is allocated and facilitate collaboration across technology and specialized talent. Push transactional tasks to software bots and free people for more critical thinking.



Improve the quality and speed of decisions that drive business value by drawing on both external and

internal data and insights from across the organizational siloes. Demonstrate the impact to KPIs.





# **Foundational**

# Deploy unique digital solutions and services to

drive efficiency and cost savings within existing functional silos.

# **Advanced**

collaboration.

0-0

Identify the most promising use cases and **interconnect existing solutions and services** to achieve a deeper level of intelligence and

# Intelligent

Achieve a new ability to sense high-impact threats and opportunities across the value chain earlier by **completing the mosaic of integrated solutions and services called the Nerve Center.** 



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Shaping an evolved and intelligent operating model

# Bring the work to life

Learn more about the benefits of an Aligned Automation partnership through our case studies with Fortune 500 companies.

# Procure-to-pay management

Revitalize your P2P process

Increased buyer effectiveness with information availability, workflows and process mining by 12% (~\$2M per year).

#### **Common P2P Challenges**

High manual touches

PO execution delays

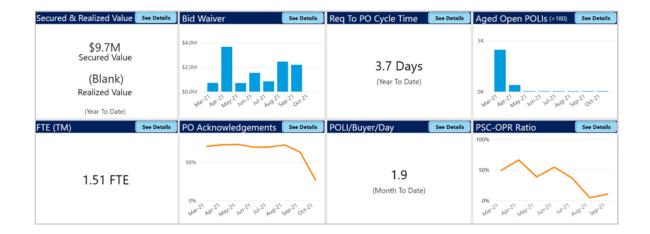


#### **RTP Services for Success**

- PR to PO execution: Centralized handling with a hybrid onshore/offshore model
- Order confirmations: Collaborating with suppliers to ensure accurate PO delivery dates
- Order expediting
- Invoice resolution team: Working across Finance, Operations and Procurement for on-time invoices

#### **The Solution**

- RTP Metrics: Strategic and tactical metrics available in one place across data sources
- Process Mining: Identify process bottlenecks and automate execution workflows across the RTP value chain for increased efficiencies
- PO Automation: Improve Auto POs ratio with root cause analysis of manual POs, suggest process improvements and track progress
- Invoice payment delays: Root Cause Analysis of non-3-way matched invoices, improve Intelligent Character Recognition with Machine Learning, work with high volume suppliers to improve accuracy
- Auto-classification plug-in to minimize free text orders
- Realized Value Automation: Calculate realized values with formulae and fixed fee price comparisons



#### Increased Buyer Efficiency (12% | ~\$2M / year)

# Contract Lifecycle Management

Seamlessly author, collaborate and optimize

Realize the contract benefits while shortening the cycles of negotiation.

Controlling

versions in the

#### **The Challenge**

Communicating

- Long approval Time-intensive low value cycles contracts
  - repository • Revenue loss due to disorganization contract terms to
    - Coordinating redlines across teams and suppliers

• Keep terms

updated in ERP

#### **Key Services**

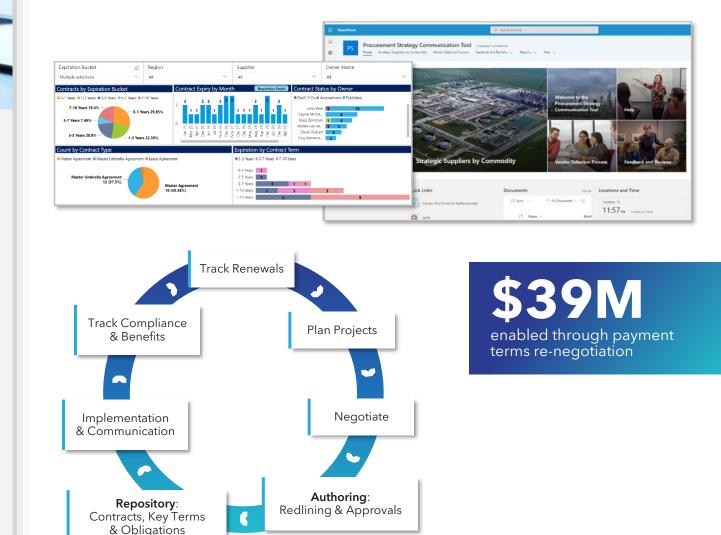
end users

- MS SharePoint Intranet lined strategy communication tool
- MS Power BI Visualization for expiry and bonus tracking
- MS Power Apps based Project Management tool
- ICR linked contract parameters extraction

- Process Review & simplification of thresholds and templates
- Helpdesk services for update of price masters and meta data review
- Redlining of contracts Roadmap

#### **The Solution**

A strategic blend of solutions and services realizes, covers risk, negotiates benefits and shortens the time to negotiate for a smooth contract lifecycle.



# Supplier **Collaboration Suite**

Seamless coordination with Partners & Suppliers.

Increase agility and resilience by bringing partners into your planning process with rich, secure collaboration workflows.

**Top features** organizations desire from upgrading their partner collaboration tools

#### **Online Collaboration Workflows** \_

Provide efficient and accurate data-driven insights over multiple planning cycles.

#### **Early Visibility into Evolving Constraints** \_

Proactive action driven by early visibility into developing constraints across the partner ecosystem and fluctuating market environment.

#### **Captured Opportunities to Increase Value Realization** \_

Capture cost savings and eliminate leakage in material planning and procurement processes.

#### **Supplier Collaboration Suite Solutions**

Visibility & collaboration through deep interconnection of systems and data.

Forecasting, Capacity & Order Visibility & Analytics

360-Degree Performance Management



**Digital Partner Onboarding** 

**Turnaround & Capital** Management

**Business Operations Planning** & Innovation



**F** 

Market Intelligence



Sustainability

Solution enablement includes rigorous Master Data Management, technology integration, change management and more.

\$21M+ value enabled with 8 suppliers in 2021

Collaboration Suite on track to include 29 suppliers in 2022 for joint value.

# **Nerve Center**

Unlocking new sources of value and growth

Extend end-to-end planning and insights by interconnecting historically isolated functions through a self-learning engine.

#### **Services performed**

- Designed by Procurement SMEs
- Data quality and Master Data Management to integrate and enrich data from SAP, Celonis, Turnarounds, Suppliers, travel agencies and more.
- Process engineering to mine for opportunities on PO and Invoice processing time to determine root causes and track improvement.
- **300+** Users engaged

350+ Projects tracked

- ML models to enable predictive and prescriptive analytics built on a closed loop engine that continuously learns, advancing procurement's decision making.
- UI/UX designed to create intuitive, efficient and transparency user experiences based on key stakeholder personas.
- Change mgmt. drove user adoption across functions and teams.

**60** Unified manufacturing locations

#### The Challenge



#### **The Solution**

A web-based hub with modular applications including spend analytics, supplier collaboration suite, demand forecasting, margin optimization, scheduled maintenance and planning. Designed around a persona's needs and powered by automation and ML/AI, the Nerve Center serves as the single source of truth for all procurement data, analytics and insights driving value generating behavior and realized savings *with the capability to scale*.

- Predictive & prescriptive analytics
- Supplier relationship
  & performance mgmt.

Value reporting

- Integrated workflows
- Project management

- Core KPI tracking



\$200M sustained in year two; \$500M projected through Enterprise expansion and vested partner model into year four.

# About the authors

Shaping industry-leading procurement offerings



# **Our authors**



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Hardik Bhatt is a Procurement Practice Lead at Aligned Automation. He has led a \$400M USD category, managed buyers in an operational role and implemented various procurement solutions for Fortune 500 companies through positions at Wipro BPO, Zycus, Maersk and now Aligned Automation.



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Gaurav Gulati leads the Procurement Center on Competency at Aligned Automation and is passionate about expanding the role of digitization in procurement and creating sustainable, yet value-enabled functions. He brings varied procurement experience from e-commerce, manufacturing and automotive industries.



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Keri Walter leads product marketing for Aligned Automation and is driven by the desire to define solutions and services that make employee's lives easier. Prior to Aligned Automation she worked as a consultant, collaborating with high-tech leaders to ensure the successful implementation and adoption of digital technologies.

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# Our team of seasoned professionals is here to champion your success.

The management team has deep experience in intelligent operations and procurement. <u>See more</u>.



