

Real Impact of Procurement-as-a-Service

How Your Competitors Are Improving Profit Margins without Cutting Service Providers

Executives like you are constantly asking themselves this key question: **“How do I focus on the most important aspects of my business without feeling like the rest of it is deteriorating without my attention?”**

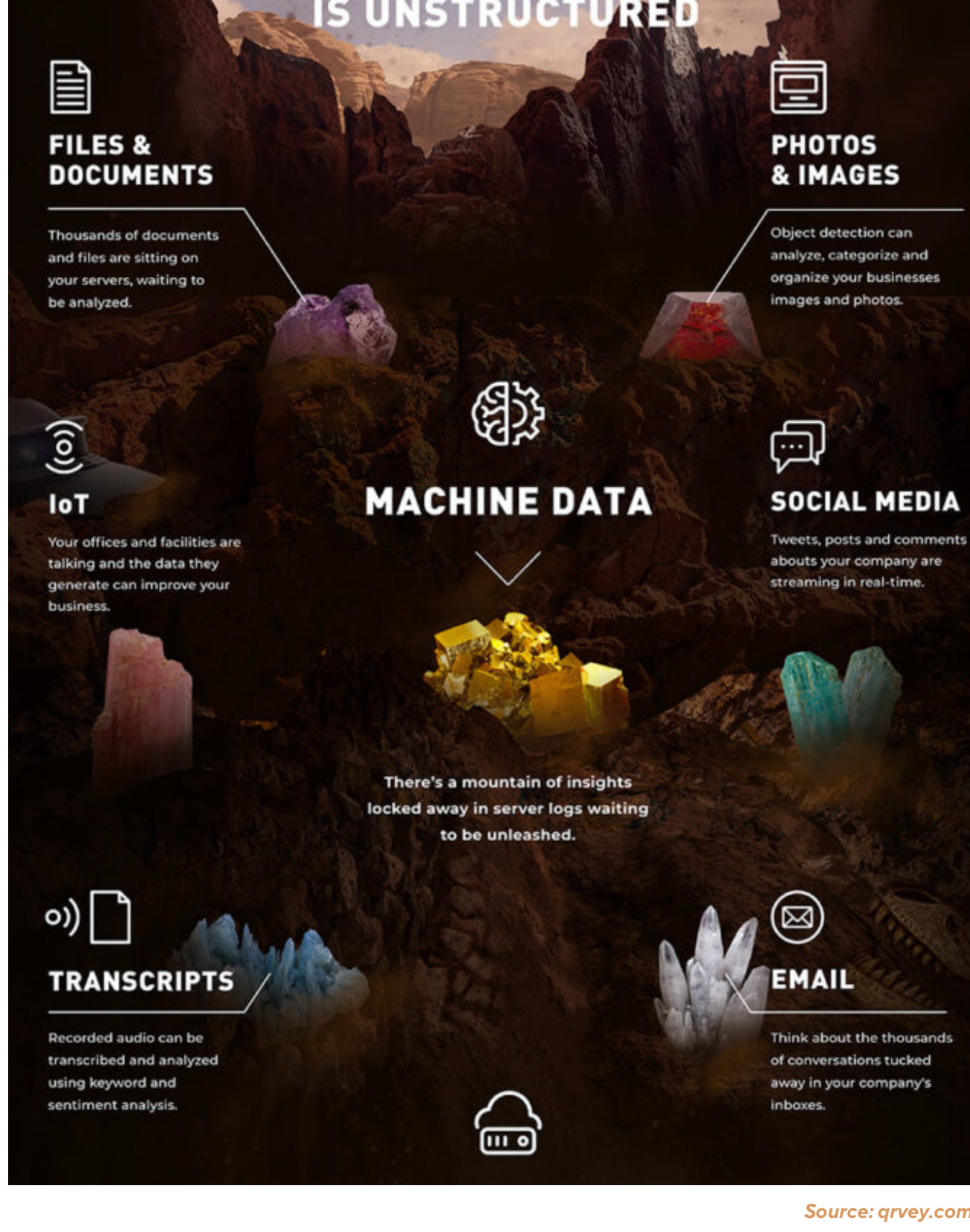
This is where Procurement-as-a-Service is putting millions of dollars back in Asset Management firms’ pockets. You need a team that is watching your company’s back and sides, so you can move relentlessly forward.

This infographic is going to dive into the challenges that companies face, what they’re doing about procurement now, and what opportunities are within your reach.

Data and Vendor Sprawl

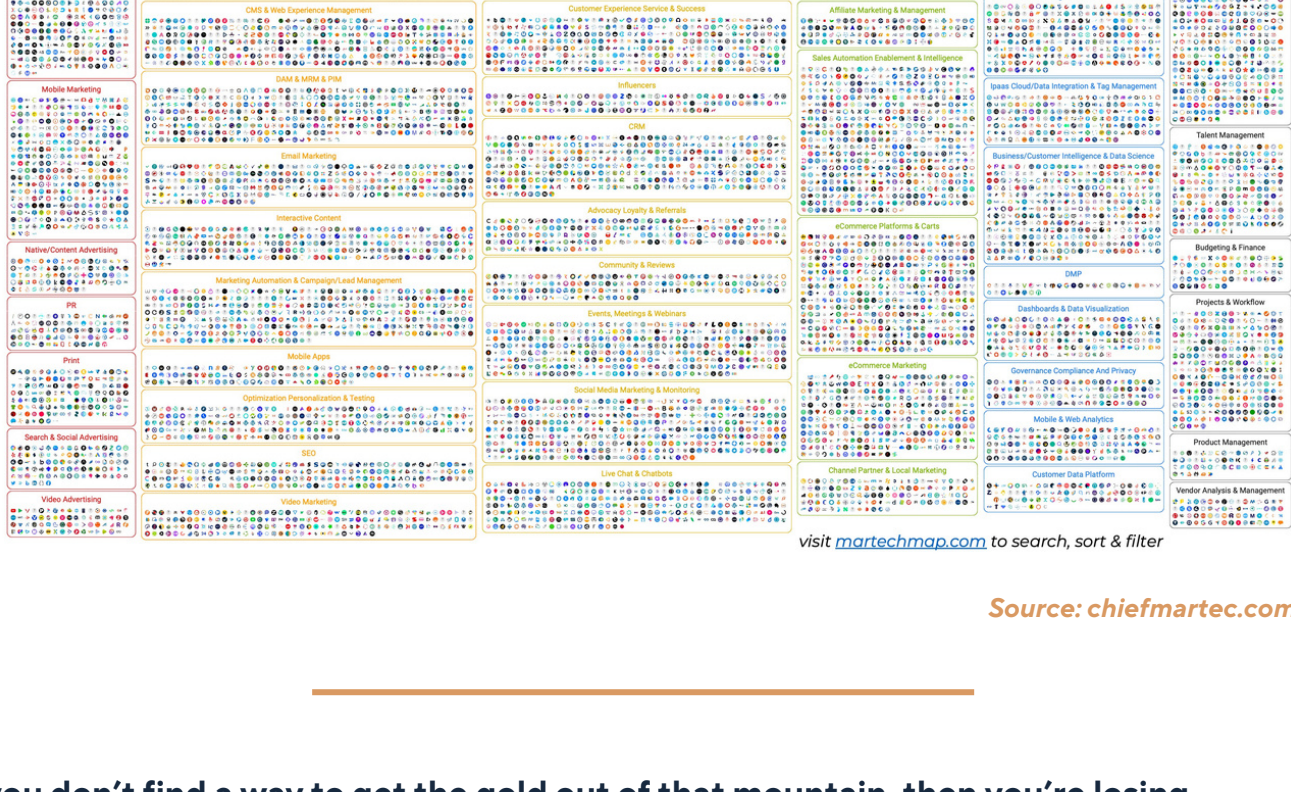
Your company’s data is full of gold... but first, you have to dig into a mountain of data to find it. And that mountain is only getting bigger. Chances are, you’ve tried to mine it. But every time you add a vendor, there’s more data coming in, and more ways to cut the data.

Here’s how that is playing out in today’s business environment, by the numbers.



Source: qrvey.com

Business intelligence platforms can display the data...if that’s yet another vendor you’re paying for. And even if you are, no one has the bandwidth to take it all apart and interpret it. The scope is simply too massive.



Source: chiefmartec.com

If you don’t find a way to get the gold out of that mountain, then you’re losing. And statistics prove it.

According to Bain Consulting, “Over 13 years, our research has shown a sharp divergence between winners and losers during and after disruptions.”



Source: bain.com

The State of Procurement for Asset Managers in 2022

Savvy executives are using procurement to wrap up the vendor sprawl and associated data into core differentiators for their organizations. It’s not easy, but those who are successful...are very successful.

The promised benefits look a lot like this:



Source: PAC 2013 for Xchanging

So you choose to engage a procurement consultant, because whatever they cost, you’ll spend less on your expenses:

World-class procurement organizations can reduce a company’s purchasing cost base by an average of 15%–20% and deliver additional annual savings of 2%–3%.

Source: Concertiv

Who Wants What from Procurement?

The definition of a good idea is one that translates from concept to reality with the intended result. But those concepts also come with expectations. So let’s look at where the rubber is meeting the road, and who’s satisfied versus disappointed with the procurement management process.

So how do you start?

You get your executives on board. And though getting unanimous buy-in can be a challenge, it still happens. Now you need to get their buy-in just one more time. And everyone is already bought in on one critical concept:

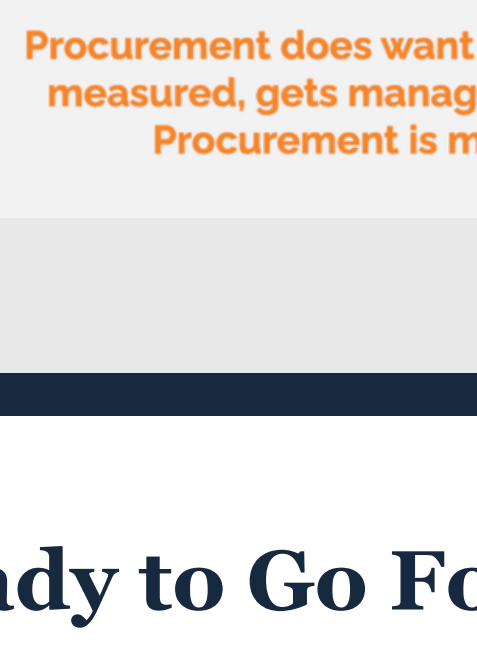
MARGINS.

WHAT VALUE DOES PROCUREMENT ADD TO THE ORGANIZATION?

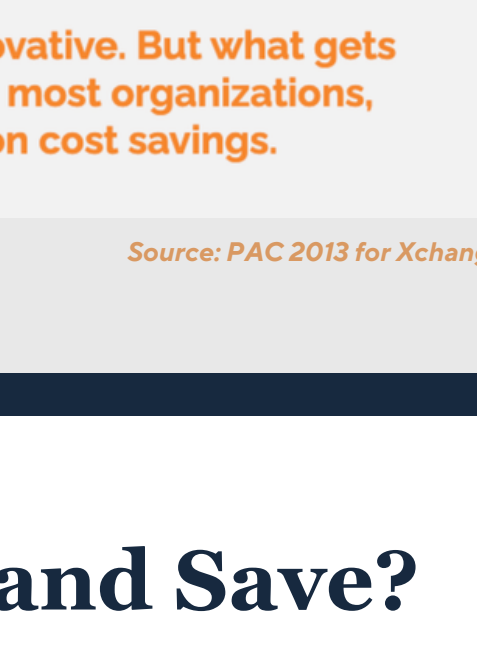
Innovation is #1 for stakeholders, but at the bottom of the list for practitioners, who are most focused on cost savings.

SURVEY QUESTION: “Thinking about the procurement department at your organization...In your perception, what is the highest value procurement brings to the organization?”

Highest Value for Practitioners



Highest Value for Stakeholders



Procurement does want to be innovative. But what gets measured, gets managed. And in most organizations, Procurement is measured on cost savings.

Source: PAC 2013 for Xchanging

Ready to Go Forth and Save?

One of the predominant arguments against procurement as a service is that it’s adding to the vendor sprawl. However, you buy lunch every day without hiring an in-house chef because some things are just done better externally. Procurement is one of those things.

With Procurement-as-a-Service at Concertiv, you can:

Gain Momentum
You can move forward faster when you have someone watching your back (curbing costs, negotiating contracts, contacting vendors when you’re not getting the value you’re paying for) and your sides (market data, in-house data, customer data).

Increase Margins
Save more money. But also, spend less money. It’s an enormous task, and it requires relationships across multiple industries and deep experience in contracts and negotiations. Concertiv has you covered.

Go Home
You work to live. You don’t live to work. In hectic times like these, give yourself and your employees the ability to turn off, so you can have the life you work for.

So go home. Have dinner with the family. Play fetch with the dog. You can rest easy knowing that your company is keeping more of its assets now than ever.