

Improve Procurement Efficiency Cost Controls & Contract Compliance

Procurement Sourcing Advisory Services

The demands placed on today's procurement function are great: control administrative costs, improve process efficiency, reduce maverick purchasing, increase contract compliance – all while accelerating savings and increasing shareholder value. Accomplishing these objectives while your procurement organization is still focused on administrative tasks is not easy.

More and more organizations are reaping the benefits of transforming their procurement operation, with many opting for outsourcing as the key enabler. Procurement business process outsourcing (BPO) is a maturing market, with worldwide spending, estimated to be \$627 million in 2005, expected to increase to \$1.7 billion by 2010. Although cost is still the central driver for procurement transformation, compliance, standardization, reduced risk and other considerations are starting to play a larger role. The advantages of a more strategic procurement function are proven. The challenge is figuring out how to get there.

EquaTerra Procurement Advisors Deliver Results

EquaTerra guides the world's leading corporations through procurement transformation initiatives so they can improve cash flow and focus on what matters most to their business, whether looking to:

1. Implement a large-scale technology platform to control buying demand and capture detailed spending data
2. Integrate procure-to-pay or source-to-pay functions for maximum visibility and spending control
3. Adopt a consolidated shared services approach, or
4. Accomplish all of the above, in partnership with a BPO provider, to speed the transformation process, leverage third-party expertise and minimize upfront investment

Our expert advisors help clients validate procurement strategies, understand baseline costs, build business cases for change, align stakeholders, evaluate options and, if appropriate, provide guidance through vendor selection, negotiation and the transition process. We also help clients re-align existing outsourcing relationships; using our proven methodologies, we help them build an outsourcing management capability and manage their ongoing relationship.

We do this by driving process improvement and transformation into all phases of your procurement lifecycle – sourcing, category management, cataloging, supplier management, ordering and accounts payable.

We assist clients in assessing their entire procurement operation or sub-processes, such as asset management, requisition processing and accounts payable. No matter where you are in the transformation process, our approach helps you gain an in-depth understanding of your current operations compared to the marketplace and your peers, so together, we can determine the right sourcing strategy for your procurement organization.

“Our challenge was to implement a group procurement strategy that totally transformed the way we do business. Our selected strategy was to keep for ourselves, in a more efficient organization, the strategic procurement activities, and outsource the more transactional procurement activities to an external third party that would provide us with a robust but standard service delivery model that demonstrates a sound, sustainable cost/value relationship, and captures the full-value potential in strategic sourcing, enhanced compliance and operational synergies. It was an enormous undertaking that we could not have completed without EquaTerra's support and guidance.”

– Nima Motazed,
Chief Procurement Officer,
Erste Bank Group

We talk straight, telling you what you need to hear.



EquaTerra has been involved in the largest procurement sourcing transactions to date, worth more than \$50 billion in total contract value, helping clients achieve cost savings ranging from 20-40 percent while improving service delivery.

Experience the EquaTerra Difference

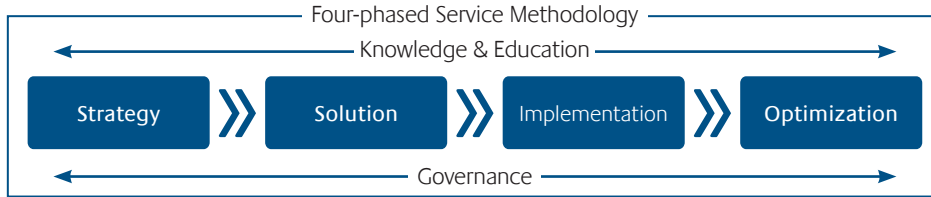
EquaTerra has the procurement expertise and resources to guide you through the transformation process. Our seasoned procurement advisors average more than 20 years of experience and possess skill sets unparalleled in the industry, bringing multi-dimensional experience as enterprise executives, service providers and consultants to each client engagement.

Our sourcing advisory services help clients:

- Improve financial performance
- Enhance process efficiency and standardization
- Access specialized expertise and leading technology
- Mitigate business risk
- Achieve faster sourcing cycles
- Focus on strategic initiatives
- Increase shareholder value and competitiveness

EquaTerra uses the most rigorous, yet flexible, methodology in the industry. Our approach can be scaled up or down depending on clients' needs and the complexity of the situation. We have the ability to take clients through a tailored assessment and implementation strategy, detailed sourcing advice, solution design and implementation, and ongoing advisory services to help them realize the full value of the service delivery transformation and improve results over time.

Our procurement advisory services cover the following processes:



Procurement Processes & Sub-processes

Requisition & Approval » Requisition Processing » Approval Processing » Approval Process Management » Employee Hierarchy Management	Receiving, Inventory & Invoicing » Receiving Acknowledgement » Inventory Management » Warehousing » Fulfillment Processing » Inventory Control	Fixed Asset Management » Asset Tracking » Asset Utilization » Asset Analysis » Asset Accounting » Asset Reporting
Strategic Sourcing » Strategy/Spend Analysis » Sourcing » Negotiation » Supplier Selection » Supplier Program Implementation » Commodity Management	Financial Reporting & Analysis » Financial Entries » Cost Distribution » Monthly Performance Reporting » Tracking Procurement Activity » Compliance Reporting » Process Performance Measures » Analysis	Order Management » Spot Buying » Order Processing » Order Tracking » Catalog Management » Supplier Integration » RFP Processing
		Accounts Payable » Document Management » Transaction Processing » Exception Processing » Inquiry Handling » Payment Distribution

Why a Sourcing Advisor

Having an experienced advisor on your side who has guided dozens of procurement transformations is invaluable. An EquaTerra advisor can help you navigate the entire transformation journey effectively and efficiently – from initial strategy, through internal design or external service provider selection and negotiation, to transition and ongoing outsourcing relationship management. We provide truly objective and independent counsel based on our extensive experience and expertise. We simplify the complex and bring certainty to the unfamiliar...so you can focus on what matters in your business.

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About EquaTerra

EquaTerra sourcing advisors help clients achieve sustainable value in their IT and business processes. Our advisors average more than 20 years of industry experience and have supported over 2000 transformation and outsourcing projects across more than 60 countries. Supporting clients throughout the Americas, Europe, and Asia Pacific, we have deep functional knowledge in Finance and Accounting, HR, IT, Procurement and other critical business processes. EquaTerra helps clients achieve significant cost savings and process improvement with internal transformation, shared services and outsourcing solutions.

For more information on our Procurement services or to contact a Procurement expert, please see our Website at: <http://www.equaterra.com/fw/main/Procurement-126.html>