

Case Study: A Decade Old Engagement

\$10Bn Multinational Technology Company Specializing in Material Technology

Client Situation

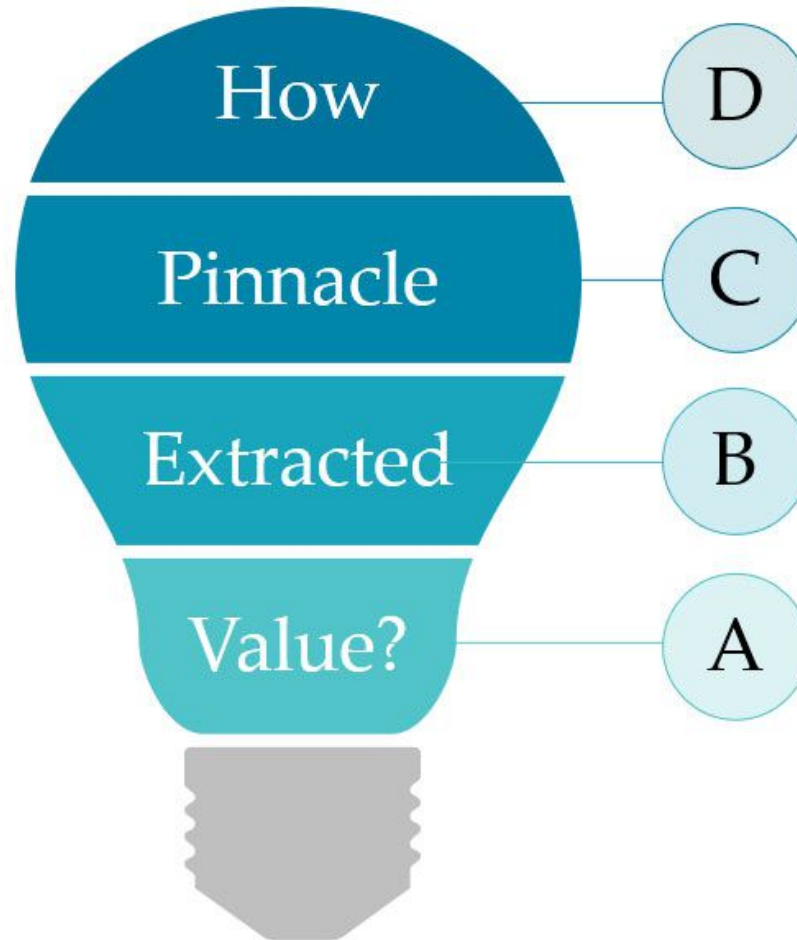
- > Low Productivity, High TAT
- > No visibility into operations
- > Rising costs of operations
- > Weak Governance

Challenges

- > Processes not defined completely / Non existent processes
- > Ownership not defined
- > Lack of skilled buyers
- > **No strategies in place to use e-sourcing**

Outcomes Expected

- > Well defined processes & ownership
- > Decreasing bottom line
- > Higher productivity, reduced TAT
- > Strong Governance
- > **Efficient use of e-sourcing capabilities**



Aspirations to Reality

Dramatic reduction in all expected areas bringing in stability and cost reduction with efficiency

e-Sourcing Enablement

Pinnacle team today is efficiently managing the client engagement through SAP Ariba

P2P Team Setup

Pinnacle started from a small supplier research engagement to become a strategic partner today

Defined Processes

Actionable insights into processes and ownership defined

Is It Really Working?

Decide yourself: Here are the improvement statistics that the engagement has been able to enable

Case Study: Below table displays major P2P metrics through a comparison between pre and post business process situation impacted through our engagement

P2P Metric	Before	After	Difference	+/-
PO Penetration	54%	81%	27%	↑
Invoice Processing Cycle Time	16 Days	3 Days	13 Days	↓
Discount Capture	58%	94%	36%	↑
Accuracy	71%	99.56%	28.56%	↑
Automation Invoice Processing	0%	25%	25%	↑
First Pass Yield	55%	75%	20%	↑
Invoice Ageing	90+ Days - 40%	90+ Days - 0%	40%	↓
Per FTE Productivity Per Day (Invoice Processing)	80 Invoices	200 Invoices	120 Invoices	↑

What else did we achieve?

Buyers are emotionally attached to direct spend and as a consultant we get the projects that they are really not able to control, the tough ones really...



Existing Vendors



Greenfield Vendors



LCC Sourcing



Global Sourcing