



CONSULTING GROUP

# The Future of Procurement

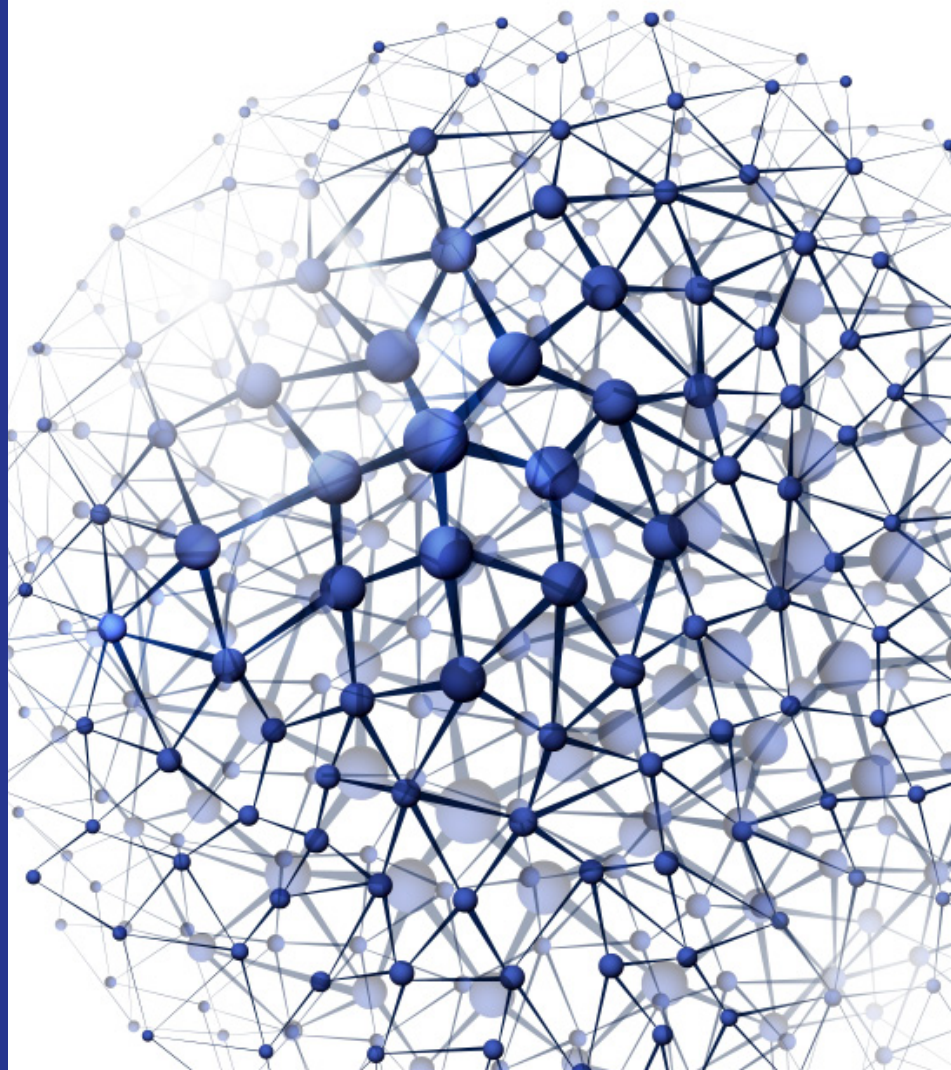
Value-enhancing partner,  
innovator and integrator

A strategic, value-  
enhancing partner  
for companies

Developing innovation  
and supplier potential

Supply Network  
Management

Inspiring solutions.  
**Implemented.**



# From cost-reducer to integrating and innovative value-enhancing partner

These days, cost reduction, category and supplier management form part of the everyday challenges of procurement. For ConMoto, these areas for optimization are a matter of course. Our projects over the past years prove this: Working with our customers,

we have introduced over 5,000 cost-reducing measures, processing an accumulated purchase volume of more than 25 billion euro and implemented average savings of between 8 and 12 per cent.



**Customer:** International company in the transport and logistics sector, turnover > 39 billion euros  
**Method/approach:** Material costs offensive / process optimization  
**Project duration:** > 2.5 years  
**Result:** Implementing an innovative change-concept in company procurement led to the BME Prize for Innovation being awarded

Significant cost reduction

**BME Innovation prize**



**Customer:** International group of companies in the automotive supplier industry  
**Method/approach:** Qualifications offensive  
**Project duration:** 1.5 years  
**Result:** 339 trained purchasers and 34 teams

Purchasers trained worldwide

**339**



**Customer:** International construction group  
**Method/approach:** Material costs offensive / process optimization – Procurement Innovation  
**Project duration:** > 1 year  
**Result:** Introduction of Lead Buyer Organization, reduction of the average number of suppliers for selected product groups > 50% and supplier development initiated

Reduction of suppliers

**>50%**



**Customer:** International group of companies manufacturing fibre ropes and steel cables > 180 billion euros  
**Method/approach:** Material costs offensive / process optimization – Procurement Innovation  
**Project duration:** 8 months  
**Result:** A saving of 14.5% of the processed purchase volume, equating to around 1.5 million euros over the year

Savings

**14,5%**

Procurement needs to be transformed from cost reducer into an integrating and innovative value-enhancing partner. At ConMoto, we recognized this early on and we continuously develop new project approaches and methods for our customers, in order to transform procurement in a targeted and sustainable manner.

## Value-enhancing partner:

Only when procurement is in a position to fulfill its role as innovator and integrator can it be fully effective as a strategic value-enhancing partner in the company and in terms of suppliers. Targeted integration of the procure2pay process supports the role of the value-enhancing partner. In the future, cost optimization of external value creation will also be a key task for procurement.

## Innovator:

As innovator, procurement has the role of actively generating innovation and supplier potential and combining these with internal innovation and product development processes. Here, concepts such as total-cost-of-ownership and design2value are integral elements.

## Integrator:

In the future procurement is destined to create and coordinate the entire external value of the company. Supply Network Management is partially responsible for this. Procurement is, additionally, supported by ever more useful options for closer networking in the context of digital transformation, such as by means of the "Einkauf 4.0" ("Procurement 4.0") concept.

# First Steps towards the Procurement of the Future

Modern procurement must develop new perspectives to develop in the direction of innovator and integrator. The point of departure is a precise analysis of the current situation. Here, ConMoto RapidProcurement Assessment is of use.

This tried-and-tested methodology identifies optimization approaches and defines areas of activity. Using objective criteria, RapidProcurementAssessment analyzes in only three days how networked and integrated procurement is and to what extent it is therefore positioned as an innovative value-enhancing partner.

On the first day, structured interviews are conducted and a questionnaire is sent out. These produce the first evaluation of procurement by employees (internal image) and by the Partner (external image). In addition,

on, ConMoto consultants deliver an expert review on the basis of the interviews.

On the second day, the focus is on joint assessment of procurement with the help of ConMoto RapidProcurementScoring. This "scoring" contains 12 criteria, each with 5 sub-criteria, which facilitate to determine a clear positioning for procurement.

On the third day, the first areas of activity can be derived on the basis of the two assessments from the interviews/questionnaire and the scoring. The goal is to optimize the position of procurement in the ConMoto maturity model. Enhanced performance allows for an upward shift towards "Procurement Excellence", creating a strategic competitive advantage (see Figure 1).

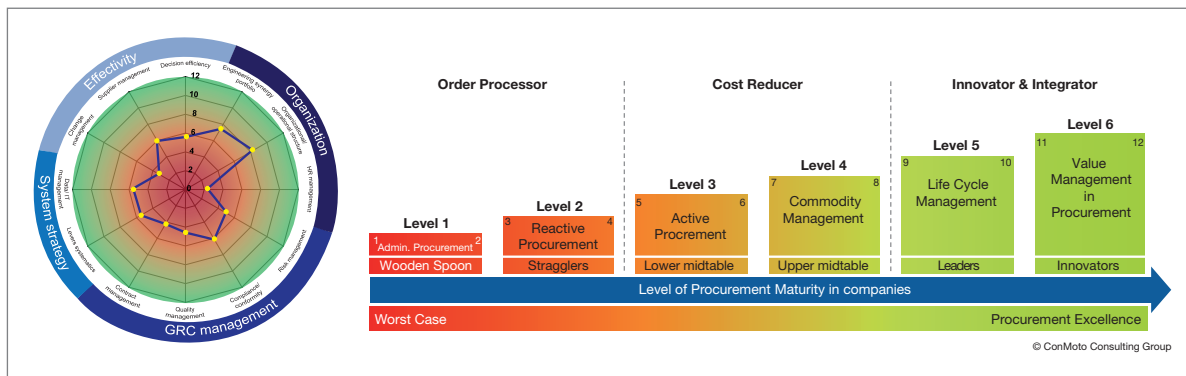


Figure 1: ConMoto Maturity Model for Procurement

The ConMoto RapidProcurementAssessment provides you with concrete results and a clear positioning. In addition, it defines potentials, areas of activity and possible solutions. Together, we create a schedule for your company to realize relevant potentials. Here, ConMoto accesses a comprehensive toolkit to make your procurement fit for the future (see Figure 2).

Our consultants support your employees by means of individual qualification offensives – strengthening innovative capacity, ensuring sustainability and reducing costs. Improving your competitive position begins with procurement.

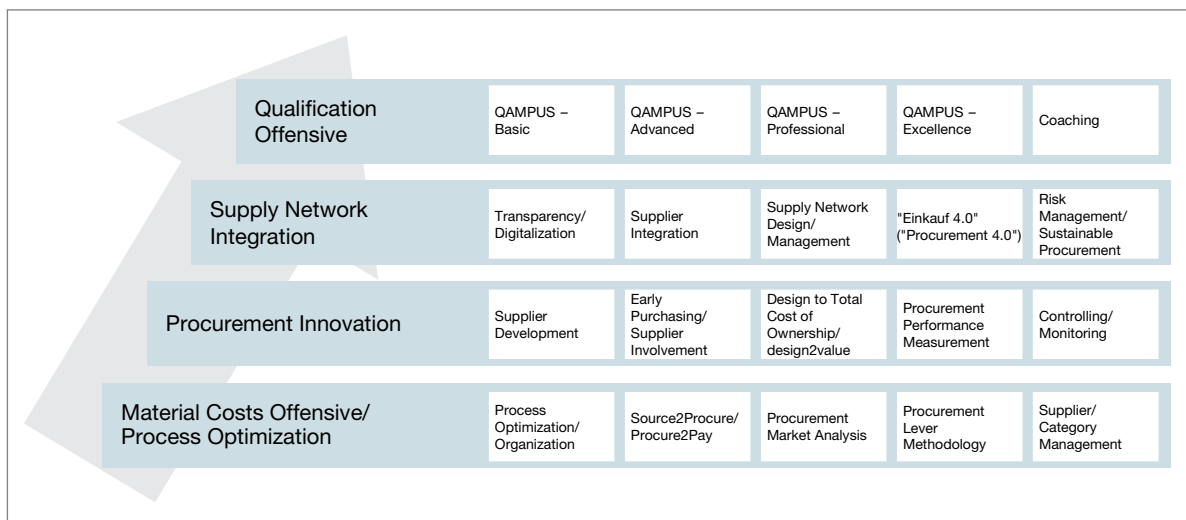


Figure 2: ConMoto Services Portfolio



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Established in 1990, we are the management consultancy with clout when it comes to implementation.

In musical terms, "con moto" means "moved" or "with movement". We named ourselves ConMoto, because we are convinced that consulting is only successful, if it moves people to take action and results in verifiable improvements.

Our consultants have a wealth of managerial experience and adopt an entrepreneurial approach to create sustainable value enhancement for our customers. Using innovative methods and acting in a spirit of partnership, we systematically develop and implement solutions, efficiently change structures and processes and successfully motivate people.

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Inspiring solutions. **Implemented.**