



# Standardizing Global Procurement Operations

## Company Profile

**Client:** A major global pharmaceutical company, headquartered in the United States. Most of its sales come from products in the therapeutic areas of cardiovascular care, immune system science, metabolism, neuroscience, oncology, and virology, and its products are marketed to healthcare practitioners, hospitals, and managed care providers in 100 countries.

## Business Challenge

The client's highly localized transactional procurement process led to regional inconsistencies and inefficiencies. Also turnaround time for the Purchase Requisition (PR) to Purchase Order (PO) process was lengthy. Automation of POs, consistent adherence to standard procedures, visibility to metrics, and proper control mechanisms to ensure compliance did not exist. There were no efficient mechanisms to ensure optimum usage of available resources and technology and the costly workforce was not equipped with the skill sets to dramatically improve results. Lastly, language and cultural barriers existed which prevented global standardization, and there was no flexibility in scaling up or down the operations in alignment with the business needs.

## Project Highlights

- Location: 4 regions and 50 countries
- Languages: English, French, Spanish, German, Italian, Portuguese, Chinese (simplified), Mandarin, Russian, Turkish, Thai, Japanese, Korean
- Transaction Volume: More than 120,000 Transactions/Year
- Spend Managed: USD 4 Billion

## How Corbus Helped

- Established a Procurement Operations Center (POC) to globally manage the procurement transactions and related sub processes effectively and with greater efficiency
- Reorganized order processing work flow and tasks to leverage best practices for efficiency and effectiveness
- Centralized work processes to scale resources, improve productivity and efficiency resulting in global standardization
- Improved controls to enforce application of standard processes and compliance and improve transparency

- Implemented daily/weekly/monthly metrics to provide visibility to productivity and service levels
- Developed and provided standard job and technology training
- Enabled the client to focus time and resources on more strategic priorities
- Developed and implemented bi-annual customer satisfaction surveys to measure effectiveness of the service delivery
- Created a comprehensive metrics package to measure and track Key Performance Indicators (KPIs) and other defined Service Level Agreements (SLAs) on a monthly basis.

## Results

Centralized and standardized transactional procurement processes for the indirect spend. POC covers around 50 countries and supports 15 languages

- Improved velocity in the PR to PO conversion process (average Requisition to PO conversion cycle time reduced to 0.15 days from 1 business day)
- Reduced PO to invoice cycle time, leading to the elimination of delivery disruptions and reduction in payment disputes
- Improved compliance and increase spend through catalogs through better PR validation processes
- Conceived, developed and published Procurement Playbooks by region which resulted in standardized process and increased compliance
- Revised and harmonized 12 main procurement processes and eliminated redundant steps in the process
- Improved usage of automated PO transmission, eliminating usage of paper products and followed a Go Green initiative (automated PO output increased from 54% to 99%)
- Reduced manual processing and re-work (productivity increased 40% for some of the locations supported)
- Improved customer service levels and predictable results
- Brought culture of consistent, results-driven performance



# Standardizing Global Procurement Operations

Corbus continues to support client processes:

## Procurement Operations Center

- Support the client's Global Procurement Group in managing transactional procurement activities for indirect material spend globally
- Validate the requisitions
- Create and transmit purchase/service orders
- Change Order Management
- Functional Helpdesk

## Reporting and Analytics Support

- Providing reporting and analytics support to the client's Global Procurement Group by working closely with the data warehousing team
- POC scorecards
- Adhoc reports support (spend reports, category reports, compliance reports, operational reports, etc.)
- New reports development and testing

## System Administration and Support

- Providing administrative support to internal and external stakeholders of the client's Global Procurement Group in various sourcing and procurement tools
- Frictionless SRM admin support
- SAP Vendor Master Table maintenance
- SAP PO Maintenance (PO close/mass change execution)
- Catalog Management Support