



# Streamlining and Optimizing the Procurement Business Line

## Company Profile

**Client:** Oil and Gas Exploration and Production Corporation

The client is one of the leading independent oil and gas exploration and development companies in the world.

## Business Challenge

The customer is one of the fastest growing energy companies in the world. With such large production and development, the client's challenge was to enable business processes through effective communication and management.

The company's lack of visibility across the process of Purchase Requisition (PR) to Pay led to process failures including fragmented spend and an inability to negotiate on volume discounts. Without a central monitoring team for project work, the client lacked both point checks for PR creation as well as focus on expediting.

A further challenge was the company's lack of industry benchmarks and best practices, preventing it from measuring up to the highest standard. The client missed savings opportunities because of its lack of market research expertise. In addition to its deficiency in communication, inefficient training and resources led to a low user adoption of the electronic Request (eRFx) processes through Ariba.

Other challenges the client faced included the following:

- A lack of Service Level Agreements (SLAs) or Key Results Areas (KRAs), which are important for monitoring and improvement purposes in various supply chain processes
- A lack of a Management Information System (MIS) which is important for reporting to ensure better compliance and spend visibility
- A lack of resources with cross-functional knowledge to meet workload increases

## How Corbus Helped

Corbus used several approaches to help the client improve their business processes. To begin, Corbus provided the client a framework to standardize and centralize their procurement process. Additionally, Corbus conducted spend analyses through Spend Radar and organized products and services in standard categories taken from the client's pool.

To ensure a high accuracy level in PR processing with an emphasis of product/service expediting to meet delivery dates, the client's team was placed under three team leaders. To handle workload fluctuations during the process cycles, the client staff was also cross-trained through organized knowledge sharing sessions.

For negotiating a volume discount with the supplier, Corbus centralized open PR data generated from SAP to club similar requests together and set up a dedicated market research help desk to bring more competitive suppliers into the client's supply chain. Another approach Corbus offered was the rolling out and managing of competitive bidding processes like eRFx on Ariba to drive savings.

For delivering category strategy, Corbus enabled monitoring of key metrics and created and shared monthly dashboards to all stakeholders, which enabled close monitoring of SLAs, spend visibility, and other key information.