

eBook

Reduce costs and optimize indirect materials purchasing with Dynamic Procurement



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Introduction

Indirect materials spend is rarely managed as meticulously as direct materials, and many companies disregard these supply costs as a drop in the bucket. However, these expenses can quickly add up in the long-term, resulting in tens, if not hundreds, of thousands of dollars wasted each year due to inefficient management practices and poor data quality.

Even when business leaders realize the full extent of their indirect spend and the benefits of optimizing their indirect materials procurement processes, they might lack the data or resources to improve their situation. Traditional spreadsheets and outdated computer systems provide little in terms of visibility, making it difficult to transition to an innovative procurement tool.



Fortunately, Dynamic Procurement makes it simple and easy to cut costs and optimize indirect materials purchasing. This powerful tool is strategically designed and tailored specifically to your organization's needs, with fast implementation and complete visibility.

Challenges with indirect materials procurement

While organizations primarily focus their cost-saving efforts on direct spend, indirect materials spend can often account for a substantial portion of the company's total expenses. However, managing indirect procurement costs can be a daunting challenge, even for experienced leaders.



Because organizations typically consider indirect spend as low-priority or too complicated to manage effectively, the quality of data is often insufficient to properly monitor performance. Spending is also generally fragmented across a diverse supply base, making it difficult to identify and leverage enterprise-wide saving opportunities. These issues feed into one another, creating a cycle of seemingly unmanageable expenditures with little visibility.

As procurement leaders face mounting pressures to increase savings and streamline business processes in indirect materials procurement, they require a specialized set of tools and technology. **Dynamic Procurement** is an AI-based solution designed to help businesses overcome these challenges by making it easy to track and manage indirect spend performance.

DYNAMIC PROCUREMENT:

A collaboration between DSSI and Baker Tilly

The Dynamic Procurement portal is a collaborative effort between DSSI, a leader in the Indirect materials source-to-pay industry, and Baker Tilly, a leading full-service advisory, tax and assurance firm with expertise in Supply Chain and Manufacturing consulting. Together, DSSI and Baker Tilly have forged a powerful collaboration to create a cutting-edge product that helps clients strategically optimize their supply chains and procurement processes.

Dynamic Procurement allows procurement leaders to understand and gain a hold of the value they miss out on every day with real-time insights and an actionable e-Commerce catalog. The innovative Dynamic Procurement portal provides clients with:

- ✓ Turnkey execution of centralized purchasing.
- ✓ Market intelligence and peer data.
- ✓ Consolidated invoicing for multiple vendors.
- ✓ Standardized catalog, pricing and payment terms.
- ✓ A customized program tailored to your business's needs.

Most importantly, Dynamic Procurement enables complete visibility and total control over indirect materials procurement without the need for initial system integration.

How Dynamic Procurement works

1

The first step toward receiving best-in-class pricing, supply base consolidation and increased spend visibility is to benchmark your current indirect materials purchasing by logging into the Dynamic Procurement portal and uploading your spend data into the system.

2

From there, you'll answer a few questions about your organization's indirect procurement strategy and infrastructure to help us better understand your business and its goals.

3

Next, our Spend Analytics tool, powered by state-of-the-art artificial intelligence and advanced analytics, examines your spending data to generate a comprehensive report based on DSSI's multi-customer sourcing results in the market. This report increases your spend visibility, details all of your savings opportunities and provides suggestions for process improvements.

To help you realize these opportunities for improvement, DSSI offers Epic® — a premium e-Procurement platform that allows you to procure your common products, shop from DSSI's advantaged deals and consolidate your supply base.

Streamline your business with Dynamic Procurement

The Dynamic Procurement tool is designed to streamline your supply chain operations, optimize indirect procurement processes, increase spend visibility and reduce overall costs through our numerous service offerings, which include:

- ✓ Fast implementation of our all-encompassing tool.
- ✓ Category management to identify areas for cost reduction.
- ✓ Optimal sourcing from a consolidated supply base.
- ✓ Advanced spend analytics and reporting tools for enterprise-wide visibility.
- ✓ A standardized payment term to reduce Accounts Payable costs.
- ✓ Access to easy online ordering through DSSI's e-Procurement platform.



Over time, DSSI has the ability to help you easily transition into a fully managed procurement solution that is both system and supplier-agnostic, ensuring alignment with your company's strategy. For instance, if you want to keep certain suppliers, we can quickly and easily set them

up in our system, process purchase orders and create an item master record for complete visibility. Dynamic Procurement is the ideal way to begin this process and measure performance in indirect materials procurement along the way.

Conclusion

Managing indirect materials procurement can be confusing and frustrating, especially when procurement leaders lack the necessary visibility into their diverse supply networks. But with Dynamic Procurement, it's never been faster and easier to monitor performance and optimize procurement processes while reducing overall expenditures.

When you use Dynamic Procurement, you receive the combined value and support of DSSI and Baker Tilly. We'll help you optimize all aspects of your supply chain operations to boost your business's indirect spend strategy. From conceptualization to execution and optimization, implementing this innovative tool is simple and intuitive, and we'll be there to assist you through the entire process.



Ready to start hitting your organization's profitability goals by leveraging the best-in-class procurement and consolidation tool?

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