Procurement has traditionally been seen as a transactional function, however the onset of the extended supply chain has resulted in Procurement taking a more strategic role. Furthermore, technology is now helping to automate the transactional activities to enable Procurement to spend their efforts on working with suppliers and minimising risks.

**Supporting you in your procurement journey**

KPMG has a step approach to enable you to be in the driving seat. You can choose which steps and options best suit your journey or KPMG can help you define the journey that fits you best. It’s your choice!

The green steps are the main steps in the journey and are designed to be delivered sequentially. The violet steps are options that provide additional benefits and can be delivered in parallel or free standing.

*Fire safety & security and **Key holding. Savings from client example in FM sector.

**Procurement Analysis**

**Understanding your expenditure to identify opportunity**

Understanding your organisation’s spend patterns is key to defining the most effective savings plan. At KPMG we use a pragmatic hypothesis based approach that uses our experience to quickly focus on the areas of highest potential.

Our hypotheses are supported by fact based analysis, providing you with the comfort that our recommendations are right for your organisation.
Opportunity assessment
Designing your procurement opportunity roadmap
At KPMG we understand that you want to start delivering savings quickly. We therefore ensure that even during the high level planning we already start your quick win opportunities.

We will structure your procurement opportunity roadmap in such a way that we maximise savings while minimising disruption to your business.

Cost reduction
Delivering savings for your organisation
At KPMG we use our gate-based methodology to ensure an efficient and structured delivery of savings initiatives. We will use our Procurement Center of Excellence to support our consultants with a wealth of experience from our global projects.

eAuctions are used by 68% of best in class organisations and 80% of users run 50+ events per year, delivering at least 10% savings.

Sustaining savings
Transforming your procurement function
Key to delivering sustained savings and compliance in the long term is to be able to drive the procurement agenda from within your organisation.

To do so you need the right organisational setup, effective processes and systems. In addition, you need the right people who have the skills your organisation needs.

Thought Leadership in the Marketplace

Executive Talks
- Executives from an impressive set of global firms across a variety of industries discuss key challenges and trends in Procurement
- KPMG Procurement Center of Excellence

Power of Procurement 2.0 + Nordics
- An update to KPMG’s groundbreaking Power of Procurement study, this installment delves deeper into the areas of Procurement Value, Risk and Talent
- KPMG Procurement Center of Excellence

High Impact Procurement Operating Models
- Trends in target operating models and their impact on procurement performance
- KPMG USA

FUTURE BUY: The Future of Procurement
- The Future of Procurement: Delivering procurement value in an increasingly complex world
- KPMG USA

Global Procurement Advisory Pulse Survey
- Bargain hunter to business partner: The monumental opportunity facing procurement
- KPMG Procurement Center of Excellence

Demand-Driven Supply Chain 2.0
- Upgrade to a demand-driven supply chain 2.0 in five steps
- KPMG International

The KPMG approach to opportunity assessment

<table>
<thead>
<tr>
<th>1 week</th>
<th>0.5 weeks</th>
<th>2 weeks</th>
<th>2-4 weeks</th>
<th>Step 3 Cost reduction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initiation</td>
<td>Prioritisation</td>
<td>High level planning</td>
<td>Detail level planning</td>
<td>Now you have the plan of action. How will you deliver it?</td>
</tr>
<tr>
<td>• Agree scope and expectations with client</td>
<td>• Review and prioritise opportunities</td>
<td>• Develop opportunity roadmap</td>
<td>• Develop individual initiative plans</td>
<td></td>
</tr>
<tr>
<td>• Convert analysis report into high level opportunities</td>
<td>• Identify data gaps</td>
<td>• Initiate Quick Win opportunities</td>
<td>• Quantify opportunities in detail</td>
<td></td>
</tr>
</tbody>
</table>

The KPMG approach to cost reduction

<table>
<thead>
<tr>
<th>4+ weeks</th>
<th>0.5 weeks</th>
<th>2 weeks</th>
<th>1 week</th>
<th>Step 4 Sustaining savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Execute detail level plan</td>
<td>Capture savings</td>
<td>Close out initiatives</td>
<td>Now you have taken costs out of the organisation you have to ensure that they do not creep back in.</td>
<td></td>
</tr>
<tr>
<td>• Confirm approach with sponsor</td>
<td>• Analyse savings</td>
<td>• Finalise initiatives</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Prepare market engagement approach</td>
<td>• Validate savings with finance dept.</td>
<td>• Hand over to client contract owners</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Execute market engagement</td>
<td>• Prepare reporting</td>
<td>• Review lessons learnt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Support market negotiations and contracting</td>
<td></td>
<td>• Document decisions</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The KPMG approach to sustaining savings

<table>
<thead>
<tr>
<th>3 weeks</th>
<th>4 weeks</th>
<th>6 weeks</th>
<th>10 weeks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Define</td>
<td>Design</td>
<td>Develop</td>
<td>Implement</td>
</tr>
<tr>
<td>• Agree on scope</td>
<td>• Detailed implementation plan</td>
<td>• Prepare documentation for:</td>
<td>• Managing organisational change</td>
</tr>
<tr>
<td>• Case for change</td>
<td>• Detail RACI</td>
<td>- Process - Governance - Policy</td>
<td></td>
</tr>
<tr>
<td>• High level plan</td>
<td>• Pragmatic solutions</td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Design principles</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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