

# Enabling Automation, Detailed Process Visibility and Integrated Knowledge Framework to Sourcing Process

Challenges	Solutions	Results	
<ul style="list-style-type: none"> <li>• An aggressive expansion strategy that required well-oiled procurement machinery</li> <li>• Needed process standardization, streamlined negotiations, and good governance and controls</li> <li>• Enormous amount of work associated with expected annual spend of USD 3 billion in expansion projects, managed by 300+ procurement professionals distributed across businesses and geographies, and more than 30,000+ global suppliers</li> <li>• Less-than-optimal visibility into common spend areas across verticals</li> <li>• Substantial amount of buyer's day spent conducting manual negotiations, which were highly dependent on individual skills and did not lend itself to consistency and transparency</li> </ul>	<ul style="list-style-type: none"> <li>• Chartered group company, Aegis Limited, to establish centralized procurement shared service</li> <li>• Manage entire capital expenditure required for expansions and also common indirect spend across businesses</li> <li>• Institutionalize world-class spend management through streamlining people, process and technology</li> <li>• Defined clear working model with group companies including detailed service level agreements for efficiency and effectiveness</li> <li>• Partnered with Ariba to implement Ariba Sourcing and Ariba Category Management to provide automation, detailed process visibility and an integrated knowledge management framework to the sourcing process</li> </ul>	<ul style="list-style-type: none"> <li>• E-sourced spend of more than USD 1 billion in first year of implementation</li> <li>• Up to 30 percent reduction in sourcing cycle time</li> <li>• Complete transparency and credibility of sourcing process</li> <li>• Positive supplier experience</li> <li>• Consistency of sourcing process over time and additional knowledge gained through sourcing project</li> <li>• Incorporated best practices like Total Cost of Ownership, Lotting Strategy, and specific negotiation formats</li> </ul> <p><b>“As business leaders, we are assured of complete transparency and speed of execution, especially in a shared service environment .”</b>            Mr. Shyam Bagrodia, Group President - Procurement, Essar Group</p> <p><b>“The Group expected Aegis to execute its mandate consistently and rapidly. Delivering on this expectation over such a large volume of sourcing with globally dispersed supply base would not have been possible without technology enablement. Ariba fit the bill perfectly.”</b>            Mr. Aparup Sengupta, Global CEO and MD, Aegis Limited</p>	<p><b>Company</b> Essar Group</p> <p><b>Profile</b> A multinational conglomerate and a leading player in the sectors of Steel, Oil &amp; Gas, Power, Communications, Shipping Ports &amp; Logistics, Construction and Minerals</p> <p><b>Ariba Commerce Cloud Features</b></p> <ul style="list-style-type: none"> <li>• Ariba Sourcing On Demand</li> <li>• Ariba Category Management</li> </ul>

