



Procurement Advantage

Delivering data driven insights for human-led, tech-powered procurement optimization.

- Are your accounting systems impeding your organization from effective data analysis?
- Would your procurement organization benefit from improved buying and saving decisions?
- Are your organization's buying and saving opportunities hidden within your accounting data?

PwC's Procurement Advantage combines your data with our digital analytics and advisory capabilities to unlock strategic opportunities to optimize your procurement.

The Procurement Advantage analytics platform helps you make informed, fast and insightful procurement decisions across your organization's spend. By taking your transactional data and applying digital analytics and expert consulting, we can quickly identify spend categories, allowing you to identify areas of optimization.

Are you ready to boost your procurement power?



Benefits

Our solution is built on Microsoft Azure and leverages the power of Azure Synapse Analytics, Azure Data Lake and Power BI, PySpark to provide lever-based analytics envisioned through PwC's Procurement Excellence Framework.

Assess

Assess organization-wide spend to pinpoint procurement opportunities and capabilities

Integrate

Integrate into existing systems and ways of working

Achieve

Achieve ongoing benefits realization through data-driven strategic planning, sourcing, and contract and supplier management

Features

The Procurement Advantage data model focuses on these key procurement levers to drive benefit realization:



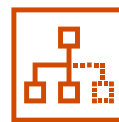
Contract and compliance management

Ensure contract and regulation alignment



Demand management

Plan and control capacity based on variations and demand cycles



Rationalization and consolidation

Consolidate spend, use volume leverage to improve prices



Right Shoring

Research local, regional and global supplybases to find right supplier(s)



Specification optimization

Challenge and optimize specifications to reduce cost



Supplier management

Improve supplier relationships for greater value creation



Total cost management

Use accurate cost models to achieve the best prices



Case Study

How we leverage Price Point Variation analysis to make better procurement decisions

Challenge

A major private hospital group sought to reduce its cost base while continuing to deliver premium patient experiences and attract leading clinicians. Procurement expenditure was ~ \$1 billion across directs (prosthesis, medical equipment, medical consumables, clinical services) and indirects (e.g. facilities, utilities, ICT).

Solution

We adopted a six-step approach to analyze the hospital group's spend, develop specific category strategies and develop a road map for implementation:

1. **Data Enrichment:** Collect and cleanse 3 years of spend data across 40+ hospitals
2. **Spend Classification:** Categorize spend using PwC's taxonomies and categorization tools
3. **Opportunity Identification:** Leveraging our Procurement Lever methodology, we systematically analyzed each category across a range of Sourcing Levers to identify and quantify opportunities.
4. **Sourcing Strategy:** We assessed the overarching strategy for sourcing and how to best leverage scale through the client's supply chain.
5. **Deep Dive Analysis:** We performed deep, targeted analysis on a number of sub-categories to identify quick wins.
6. **Recommendations:** Produced a roadmap for identified savings and collaborated with key stakeholders to produce a high level project implementation plan

\$40b

Our analysis of
data spend

\$80m+

Savings identified
for clients

Results

PwC produced a roadmap for identified savings and collaborated with key stakeholders to produce a high-level project implementation plan. The hospital group received category strategies for each major category group alongside a risk assessment and implementation plan. The Procurement diagnostic identified savings of between 5% - 8%, realizable over a 3-year period.

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