

Whitepaper

AUGUST 2021

Procurement as a
business safeguard –
Are you ready?

Big Data and Supplier Risk Management

Leverage Big Data to stay on top of supplier risk

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I. Big Data and Supplier Risk – Why now?

In a constantly globalizing world, the utilization of outsourcing strategies by services and manufacturing companies leads to an **ever-growing complexity of supply chains**. As new and better solutions to manage the risk inherent to this trend are required, in order to ensure that the benefits of fast-market expansions and reduced overall cost are realized, the discipline of supplier risk management (SRM) evolves. In addition, the maturing of regulatory necessities regarding personal data protection, as well as the increasing importance of cybersecurity are posing new challenges to companies' SRM, especially in industries such as financial services. These new developments work alongside the challenge to handle large data sets.

The ever-growing amount of available data

(<https://www.statista.com/statistics/871513/worldwide-data-created/>) leads to the development of methods and technologies that will allow timely processing, capturing, curating, and managing of "Big Data". Its main characteristics – **or five Vs** – that describe Big Data are volume, variety, velocity, veracity, and value (<https://www.bbva.com/en/five-vs-big-data/>). The volume stands for the quantity of generated and stored data, variety describes the type and nature of data (structured, unstructured, and semi-structured data), velocity refers to the speed at which data is processed and generated, veracity to the reliability of data while being a crucial factor for deriving valuable insights that could lead to the generation of value.

Common trends within SRM in small, mid-sized, and large companies require Big Data that can be used to generate value and increase effectiveness (<https://advisory.kpmg.us/articles/2018/supply-chain-big-data-part-1-shaping-tomorrow.html>). In order to generate benefits for companies, by utilizing Big Data in the context of their supplier risk management, the volume of available data and its variety requires a high level of quality. As agility becomes an ever-growing aspect of business success, the ability to handle supplier risk information in due time, terms of velocity, and in a variety of data sources, the technologies and methods provided by Big Data need to be leveraged. With the maturity of the European general data protection regulation, in terms of enforcement and fines, the corona pandemic, its rapid boots for digital transformation, and the usage of cloud services, shareholders are demanding high standards to environmental, social, and corporate governance (ESG) factors while conducting their businesses, including more **strict regulatory requirements** regarding e.g. KYC and AML (Know your Customer and Anti Money Laundering). Also, a high level of transparency is required to ensure general regulatory compliance, cybersecurity necessities and shareholder will along the full supply chain, which means it affects the 3rd party universe as well. The increased **need for transparency** requires new solutions and digitalization to enable procurement departments to gather, analyze and create actionable insights in a cost-efficient manner. Furthermore, the processes handled by procurement become more important in highly supplier-dependent businesses.

In that regard, it's more important than ever to have a clear phase plan for the integration of supplier risk management in the company, which addresses the aforementioned and future challenges and makes them "operable". **Titan's 3rd Party Risk Integration Framework** presented in this document is an approach based on best practices that meet these requirements.

The selection and integration of an SRM tool solution (supplier risk management) is no simple task as it requires experience, a common understanding of projects, goals, benefits, and a holistic approach to all core processes of corporate procurement and beyond. This White Paper will point out **five key challenges*** of running an SRM project, the Tool universe, provide guidance through an exemplary integration framework based on best practices and highlight Key Success Factors and Pitfalls covering small, midsize, and enterprise environments. We hope you enjoy reading.

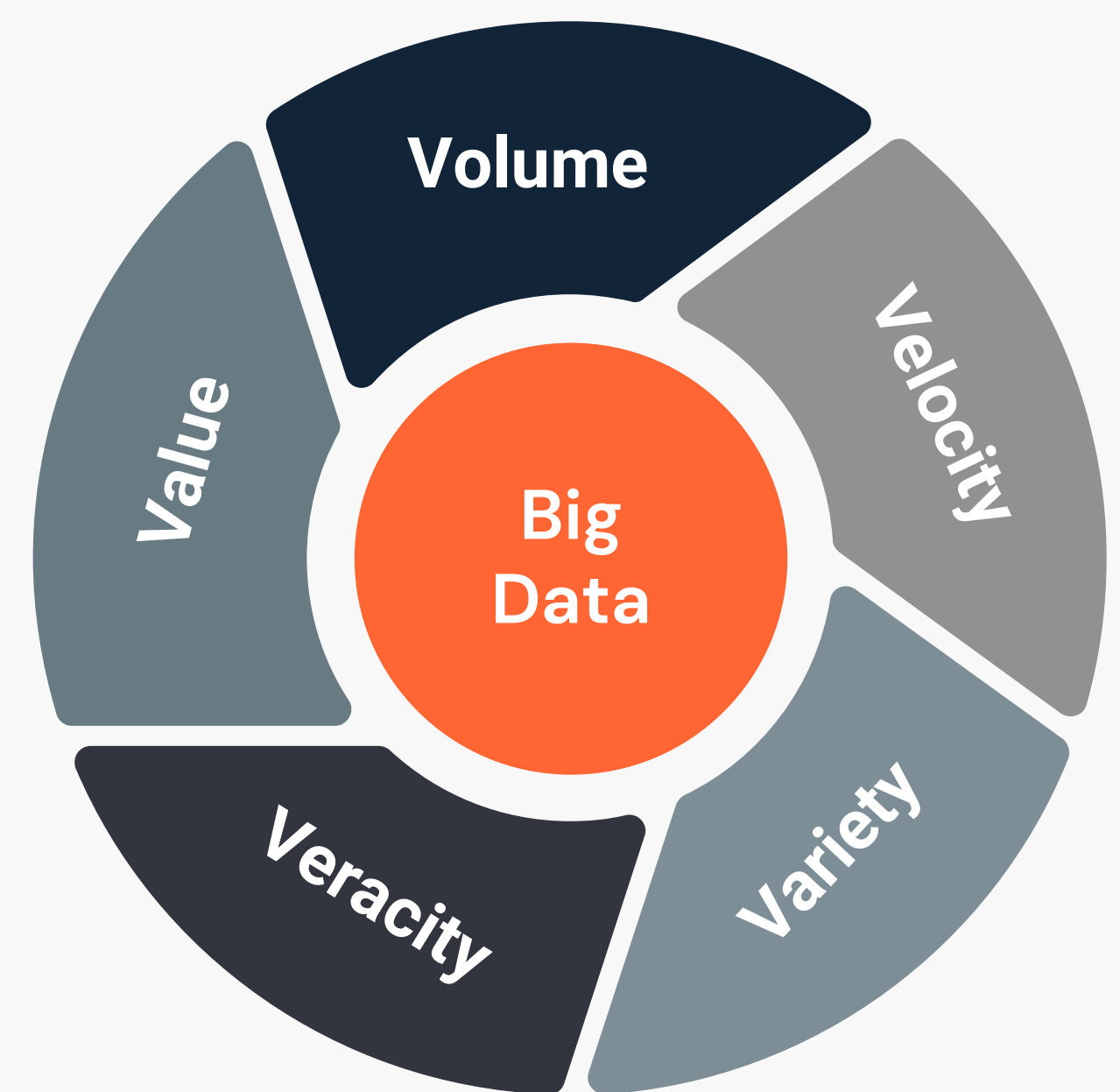
(*) (1) Internal Governance, (2) Input Factors, (3) Digital Workflows, (4) Escalation Management, (5) Non-functional



II. Definitions

(a) Big Data

Big Data is the collective term for the technologies and methods that enable companies to manage and leverage the enormous amounts of ever-growing data, where traditional technologies do not comprehend. Big Data can be described by the five Vs model using the characteristics of "Volume", "Velocity", "Variety", "Veracity" and "Value".



1. Volume is a key factor to determine if a data set is defined as Big Data as it relates to the size of the stored and generated data. The larger the size of a data set, the greater the potential value and number of insights can be gained.

2. Velocity covers the speed at which data is generated and processed to allow its beneficial usage and is one of the key ways to determine whether Big Data solutions are required.

3. Variety describes the heterogeneous type and nature (structured vs. unstructured data) of data that is combined and intertwined in order to generate the insights and value offered through Big Data from multiple sources.

4. Veracity describes the reliability (data quality) of data required to ensure that Advanced Analytics, Machine Learning (ML), or Artificial Intelligence (AI) concepts produce correct results and yield higher returns through more effective and in-time analysis, insights, or operational efficiency.

5. Value is always important in cases of data. Just to transform multiple data in the key information can be crucial for the information recipient to get the expected or hoped result out of the data records. We call it the "Art of Data Processing". It impacts the four key areas, the data sources, the data lake-related regulatory and control functions, the processing framework based on technology and curation, as well as the Add-on Features for Data sharing, reporting, and post-processing.

In the meantime, there are **many solution** providers who have taken on this challenging task. Research companies such as Gartner and Forrester have categorized the corresponding market players for the various uses of Big Data and presented them in their models. At this point, **the market is very agile and fast**. From our point of view, it's still in its consolidation phase, and it will only become clear, driven by use cases, and best partnerships. Individual solutions still dominate the market today.

In the context of **large supply chain data requirements** that comply with regulatory standards in a wide range of industries, as well as Just in Time and Lean Production business operation set-ups, which are data-hungry to maintain and improve, Big Data is required. Especially for external and unstructured key piece information of supply chains, or outsourcing efforts that require accurate and timely data on partners to reduce the risk of failures or regulatory non-compliant conduct of business through external partners. Features-driven solutions like "Health Checks" and rating systems getting chic and more and more players getting into these topics as well.

Titan SIM offers a lean "Plug-and-Run" and "parameterizable" cloud solution for all relevant aspects about risk-relevant supplier information based on a mature supplier survey engine, multiple integrated 3rd party risk data feeds, and innovative data processing technologies (e.g. Formula, Schemes, Machine Learning, AI) to monitor this information during the partnership lifecycle. Titan SIM supplier information can be also integrated into your existing procurement- and risk tool landscape for post-processing via its Open API. Typical upstream systems are Purchase to pay solutions (P2P), source-to-contract solutions (S2C), and risk management systems (RISK).

II. Definitions

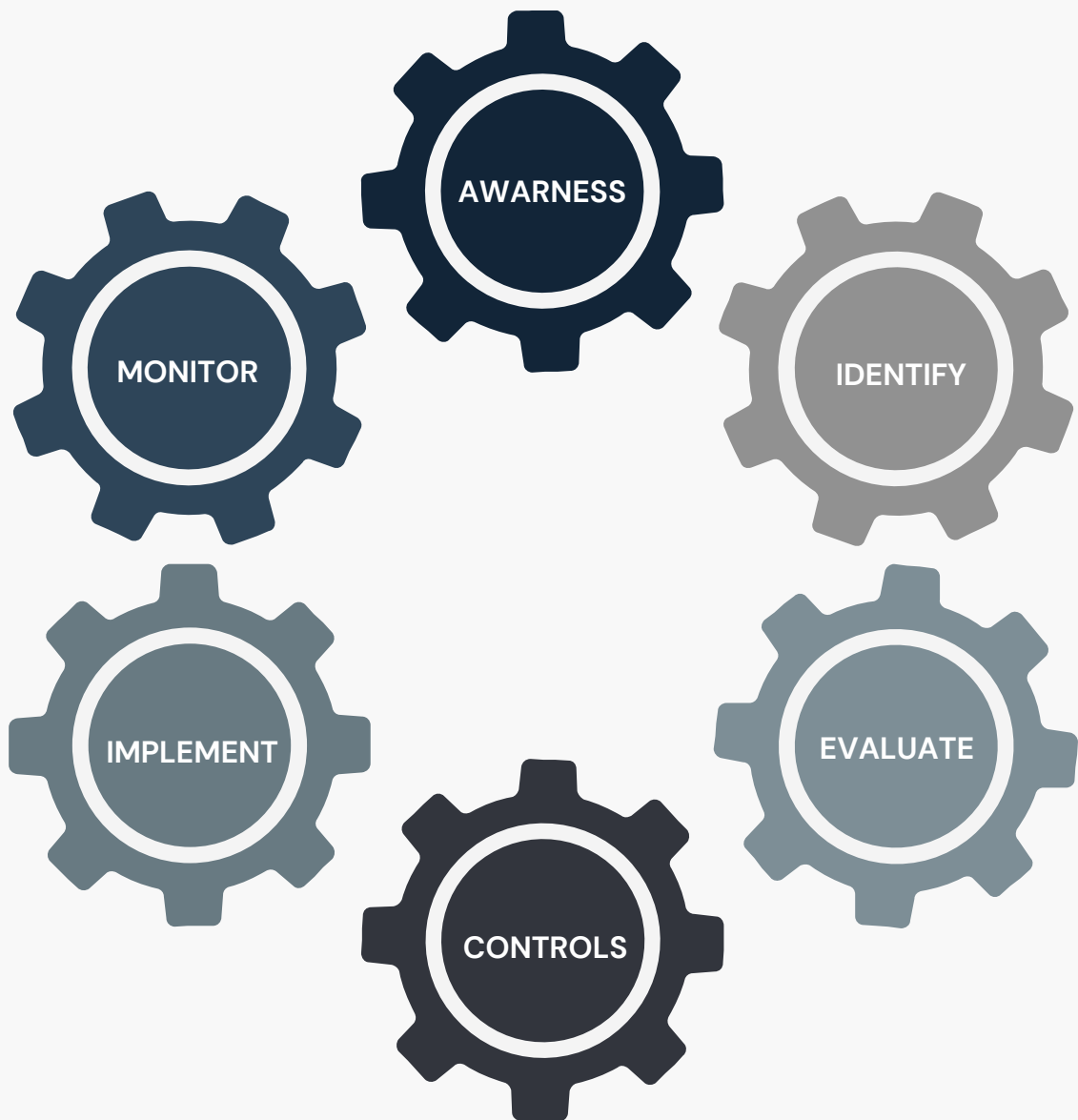
(b) Supplier Risk Management

Supplier risk management (SRM) is an evolving discipline where the organization is highly dependent on suppliers in order to achieve its **business objectives**. SRM is the process of identifying, assessing, and controlling threats to an organization's capital and earnings that are caused by the organization's supply chain. Procurement, IT, and Compliance leaders are having a hard time when it comes to managing today's complex regulatory environment, expansive supply chains, and compliance burdens. **Many regulators in different industries** dictate minimum standards that companies must consider in their operations. However, external influences are not the only drivers for the introduction of SRM in the company. There are also practical reasons. Since all of us are pretty much Just in Time and Lean Production driven and proclaim topics such as supplier consolidation and outsourcing, we simply cannot afford a supplier failure or the associated damage to our reputation from a purely financial and market visibility point of view. While such risks cannot be entirely eliminated, however, their **severity can be reduced**.

Companies with supplier risk management plans in place typically place a **chief risk officer (CRO)** in charge of overseeing the effectiveness of the organization's supplier risk management strategy.

An effective plan reduces supply chain risk whenever possible and anticipates how the organization could swiftly respond to supply chain disruptions. A related framework ensures supplier efficiency, quality assurance, and competitiveness. Compliance with those standards shall be verified through the **360° Third-party assessment**, which is part of the onboarding process and is reviewed periodically.

However, the goal should be for companies to find an appropriate SRM solution that meets their needs. The market has created a multitude of workflow tool selling companies, but very few of them involve a truly holistic approach that is cost-optimized and data-focused. The core questions to be answered are: Is a full risk management suite required or is a workflow tool sufficient to meet the business needs, or does the specific company set-up require a customized solution? **Take your time and find the right solution for you.** Consider Titan SIM, easy to integrate, efficient, and focused on enabling data-driven, efficient workflows.



The following figure illustrates the **nine-core topic and risk areas** for a successful SRM in a company:

Supplier Risk Scoring	Supplier Capability Scoring
In-depth examination of possible supplier risks containing: • Compliance & Legal Risks • Reputational Risks • Operational Risks • Financial Risks • Contractual Risks	Provide enhanced supplier due diligence to gain a deep understanding of supplier's capability in the areas of: • Industry References • Quality Management • Competitiveness • Service & Performance

However, in order to manage these topics successfully, associated supporting workflow, supplier assessment processes, and activities are necessary. For example, the validity of supplier relevance is based on contractual information, market situation, business continuity, replacement costs.

II. Definitions

(c) Digitalization and new Technologies

According to Gartner, digitalization is the use of digital technologies to change a business model and to provide new revenue and value-producing opportunities; it's the process of **moving to a digital business** (www.gartner.com/en/informationtechnology/glossary/digitalization).

Such a move requires an extensive transformation of existing processes, the establishment of organizational measures, as well as the addition and integration of new solutions that become feasible options as part of the digitalization efforts.

Digital businesses provide companies with **the opportunity to use and set up efficient integrated risk management (IRM)** solutions and systems (SRM being part of such systems). According to Gartner (<https://www.gartner.com/en/information-technology/glossary/integrated-risk-management-irm>), developing such an understanding requires address **six IRM attributes**

1. Strategy
2. Assessment
3. Response
4. Communication
5. Reporting
6. Monitoring and Technology

Deloitte
Insights

One topic that caught the eye is that 75% of CPOs think that Enhanced supplier information-sharing is the top supply risk mitigation strategy!

Deloitte 2021 Global Chief Procurement Officer Survey

Something that Titan SIM is absolutely made for!

Titan SIM offers solutions for assessment, communication, reporting, and monitoring of relevant supplier risk management data sets. It provides **«one important piece of the puzzle»** in building an effective IRM architecture.

Machine Learning

Machine Learning represents different advanced algorithms and technologies (e.g., deep learning, natural language processing (NLP), or neural networks) that are combined and used within unsupervised and supervised learning methodologies.

Machine learning algorithms that learn patterns from unlabeled data sets are called unsupervised learning (UL). A UL algorithm is designed in such a way, that it creates an algorithm and data-specific representation of its world.

API

Application programming interfaces (API) is a common interface methodology that provides easy and structured programmatic access to data or service functionalities within a software solution or database. It is often used as a building block that supports data and service integration of solutions into existing or planned IT systems. APIs are often used by Companies to address the needs required by digital transformation or an ecosystem, as well as to start a platform business model. The often-used representational state transfer (REST) paradigm is a good example of an API standard.

AI

Artificial intelligence (AI) describes the application and combination of methods of advanced analysis and logic-based techniques (e.g. machine learning), to derive (or take in an automated fashion) actions by supporting decisions based on automated interpretation of events.

RPA

Robotic process automation (RPA) represents an approach of automating workflows and processes by configuring scripts (sometimes referred to as "bots") that activate keystrokes in an automated fashion.

RPA tools allow increasing productivity within an overall business or IT processes while using a multitude of software applications. RPA scripts can be defined to manipulate data, passing data between different applications, executing transactions, and triggering responses.



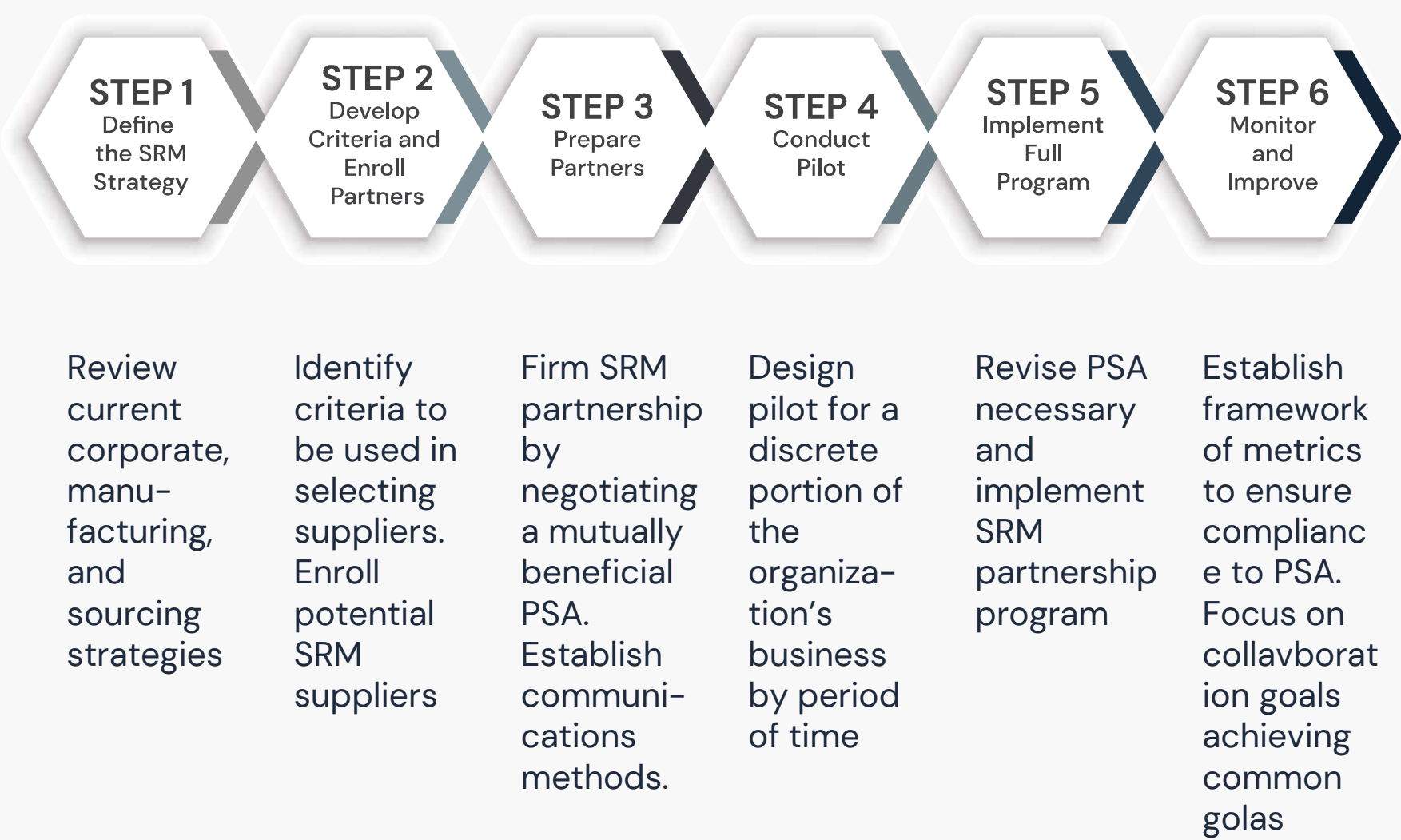
III. Getting started

(a) Your strategy

For the introduction or optimization of the existing 3rd party risk & supply chain management, a **6-step implementation approach** shown in the figure on the right is useful. This process is significantly influenced by the following 4 factors: Legislative Requirements, Voluntary Compliance, Customer Requirements, and Customer Choice.

The transformation from «as-is» to «to-be» can mean not inconsiderable costs for a company. Depending on the SRM maturity level of the company. It's recommended to create an **appropriate business case**, as well as to make the necessary staffing and tool decisions as early as possible. At this point, not inconsiderable cost avoidance and savings are possible, with the involvement of specialized consulting firms, such as Titan Advisory.

Implementing SRM



(b) Transition & Transformation Challenges

The biggest challenge during the introduction is the **definition of the "big picture"** that is to be achieved within the "new" framework. It's recommended to focus on the following dimensions:

- **Internal Governance** ⁽¹⁾
 - Policies
 - Approval boards
 - Contractual obligations
- **Input factors** ⁽²⁾
 - Data feeds
 - Questionnaires
 - Assessments
 - Reviews

- **Digital Workflows** ⁽³⁾
 - New requirements
 - Connectivity between tools
 - Automatized schemes
 - Reporting obligations, Evidence
 - Quality Assurance / Data cleansing
- **Escalation Management** ⁽⁴⁾
 - Threats
 - Stakeholders

Subsequently and recurringly, a big picture requires a detailed analysis of each risk area, and how the necessary information can be obtained. This is not a simple task, it requires experience and it can quickly become relevant from a cost perspective for the project- and running budgets.

In addition to the functional requirements for our new SRM framework, the following non-functional⁽⁵⁾ requirements must also be considered:

- **SRM Marketing**
- **Internal & External Communication**
- **Continuous Service and Framework Improvement**

In particular, if the SRM framework marketing, the associated communication, and the training are not adequate, acceptance losses and even errors are to be expected, which could affect the desired strategy achievement goals.

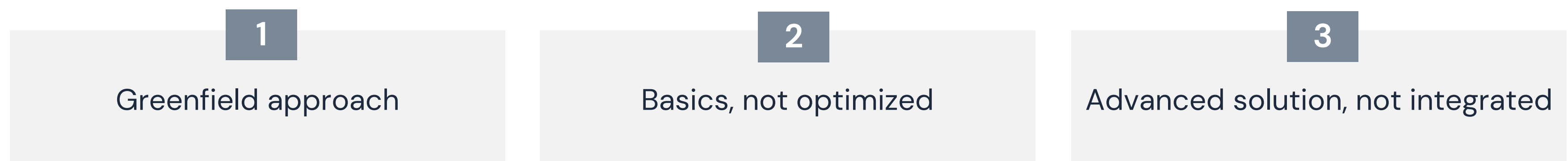


IV. Integration Framework

(a) Framework assumptions

The following Integration Framework **for implementing or optimizing a supplier risk management (SRM)** solution into/within an existing IT system landscape **is based on experiences and best practices**. Possibilities for lightweight usage, especially for organizations with **high- and reduced needs** (and strategy) regarding supplier risk management are highlighted.

The following **three as-is organization scenarios** are considered:



The "greenfield approach" is the simplest approach, as no existing IT systems and processes must be taken into account. It's usually considered as the reference approach, as it represents the ideal world for a company, very rarely found in this form.

The "basic, not optimized approach" is the most common approach. The one where niche provider solutions thrive with their transparent cockpit and open API integrations into downstream systems. The real art is to ensure a "lean" basic usage of these niche products (via downstream interface and manual data entry and curation), which is no simple undertaking. Reference providers on the market work use the latest technologies such as RPA, ML and AI (although these technological solutions are often not used on high levels of maturity, and still require a lot of customizing and parameterization).

The "advanced solution, not an integrated approach" is a scenario that's mostly seen as a benchmarking exercise to the Greenfield approach. In this case, costs of expanding the existing systems to a fully integrated solution, as well as exploiting the savings potential that already exists here via e.g. "One Data Feed provider incl. curation for all" must be calculated first (Business Case 1). As a benchmark comparison, the greenfield approach with simultaneous decommissioning of the existing systems (Business Case 2) needs to be derived. The best business case is then to be selected in a step-by-step implementation approach.

It's pointed out that solution providers such as Titan SIM can optimally serve all three scenarios and even deliver the desired results with a data feed optimization option. **In addition, it is always worth looking beyond** the end of one's nose at this point.

Solutions such as **Titan SIM** offer benefits beyond the risk topics (e.g. in sourcing):

- Reduce RfP and RfI events to increase cost efficiencies (Discovery / Compare)
- Increase and simplify Rate Card management and consider Rate Card thresholds as early as possible in the sourcing process (Rate Card)
- Digitize supplier collaboration and contract management within one environment (Contract Repository and Supplier collaboration)
- Increase efficiency within potential supplier discovery, while receiving more detailed and reliable supplier information, and covering a larger share of the market. (Discovery / Best-in-Class Data)
- Increase cost efficiency and quality of fit for new product/application introductions. (Product Catalogue)
- Others

IV. Integration Framework

(b) Viewing horizon

In accordance with the SRM strategy of the company, the integration project team should pay attention to **the four key layers** during the project execution. The Layers are:

- Risk
- Data
- Workflow
- Design tasks

The following illustration shows the **action patterns** for the related four key layers (based on best practices; not conclusive):

Design task

The SRM strategy of the company will be broken down into clear business requirements for the project and the necessary derivations for the project implementation. Here are some related corresponding activities:

- Identify relevant business stakeholders
- Asses AS-IS and desired state of Big Data use for SRM
- Define the target picture and related work packages
- Make T-Shirt sizing break down to give budget cornerstone
- Prepare project marketing & high-level communication plan

Workflow

Define the standard & exception workflows for the company, derived from the business requirements, the data usage, and the processing plan, supplemented by the risk governance-related requirements. Some of the related activities are:

- Data gathering
- Data processing approval
- Business process linkage and governance
- Country specific specialties
- Reporting and evidence related procedures

Data

Create a Data Usage and Processing Plan in this layer. Define which data (can) be received from whom, and how can they be further processed and (regularly) monitored. Consider data feeds, surveys, and other data sources. Related activities:

- Define Master Data
- Link the data to delivery systems (tools)
- Make an action plan for curation and data lifecycle actions
- Define exception and escalation process and procedures
- Define Data Contingency plan and e.g., EU-GDPR classifications

Risk

The risk and value chain-related requirements are defined here. Furthermore, they are documented in organizational terms. They are divided into First Line (Business) & Second Line (Risk Dept.) of Defense. Related activities:

- Define/review policies & procedures
- Define governance boards and escalations levels
- 1st/2nd line duties and responsibilities (RACI)
- Business Continuity Planning (including Testing)
- Risk Improvement, benchmarking, budgeting

Taking these layers into account, the project plan should then be drawn up. As already mentioned, depending on the respective scenarios mentioned in chapter IV, and the company-specific risk mitigation appetite of the company (see SRM Strategy of the company and the corresponding budget releases).

It's generally recommended to have this project plan approved by the company's internal audit and, if necessary, to discuss it informatively with the respective regulator or other specialists. There are always many roads that lead to Rome. Therefore, the most important thing is the common sense of the parties involved.



IV. Integration Framework

(c) Range of requirements

As mentioned before, the range of requirements for an SRM framework can **vary in terms of the industry, and the company's risk appetite**. In the following section, the authors have tried to cluster the range of requirements into the "baseline" and "good to have" requirements. It's also pointed out that the respective processual maturity of each topic requires its own consideration. However, **the minimum requirements go hand in hand with the common requirements** of the Big 4 audit firms and must be considered individually in each case.

Baseline ("Minimum requirements")

A systematic approach to mitigate general and industry-specific risk based on the risk strategy for your company.

General topics

- Policies and documentation (e.g., from risk, compliance, procurement, special topics: e.g., EU-GDPR, CID data (CH))
- Supplier Relationship Management Framework
- Supplier Monitoring (Risks & Capabilities, see chapter II.b)
- Supplier Governance Process & Procedures (e.g., Commercial Deal Approval Board, Cloud & Outsourcing Compliance Approval Board)
- External Workforce Governance (On-Boarding, Extensions, Off-Boarding, Lifecycle)

Industry specific (examples):

- Banking: EBA Guidelines on Outsourcing
- Pharmaceutical: WHO Guidelines on Quality Risk Mgmt.
- Public Sector: GOV.UK Supplier Assurance Framework
- Transportation: SBB Quality & Risk Management System

Good to have ("wider scope of requirements")

Requirements that should be regarded as expansion stages and whose implementation is like for like recommended.

Special topics (abstract):

- Sustainability management and rating
- Supply Chain Health Checks and rating
- Onsite visits & delivery location benchmarking
- Full Contract Chain Risk Controlling and Involvement
- Target Competitor Risk Mitigation activities monitoring
- Extended Sourcing Category management with SRM Focus
- Supplier adjustments as malperformance consequences
- Verification of technical and commercial supplier adequacy
- Supplier Development in the qualifying phase
- Systematic assessment of deliverables (performance)
- The impulse for supplier adjustments (out of global reporting)
- Active monitoring of contractual obligations and deadlines
- Supplier contribution measurement for partner benefits
- Commercial Benchmarking (e.g., daily rates, pricing lists)
- Outsourcing risk out-tasking efficiency measurement

However, whatever the SRM framework actually looks like in the company, building trust in the ecosystem with suppliers and customers remains one of the most important levers in risk management in general. At this point, we refer to an interesting survey by Ernst & Young. Quote: **Building trust with your third parties in a technology-driven and disruptive world*** :

- Operating model and governance
- Automation, technology and reporting
- Fourth parties, data breaches and resiliency
- Risk expansion and frameworks
- Emerging focus areas

These trends include a gradual movement toward the centralization of risk, in parallel with increased use of consortia/market utilities to expand the coverage and depth of due diligence. While technologies such as artificial intelligence (AI) are increasing in use, organizations should define their own specific reporting framework and requirements before automating risk-related processes.

There are also expectations from stakeholders and a growing awareness of the risks presented by entering new ventures and markets with respect to partners, joint ventures, collaborators, fourth parties, and other related structures. These fourth parties remain a blind spot for the vast majority of organizations.

* https://www.ey.com/en_gl/consulting/five-ways-to-help-you-build-trust-with-your-third-parties



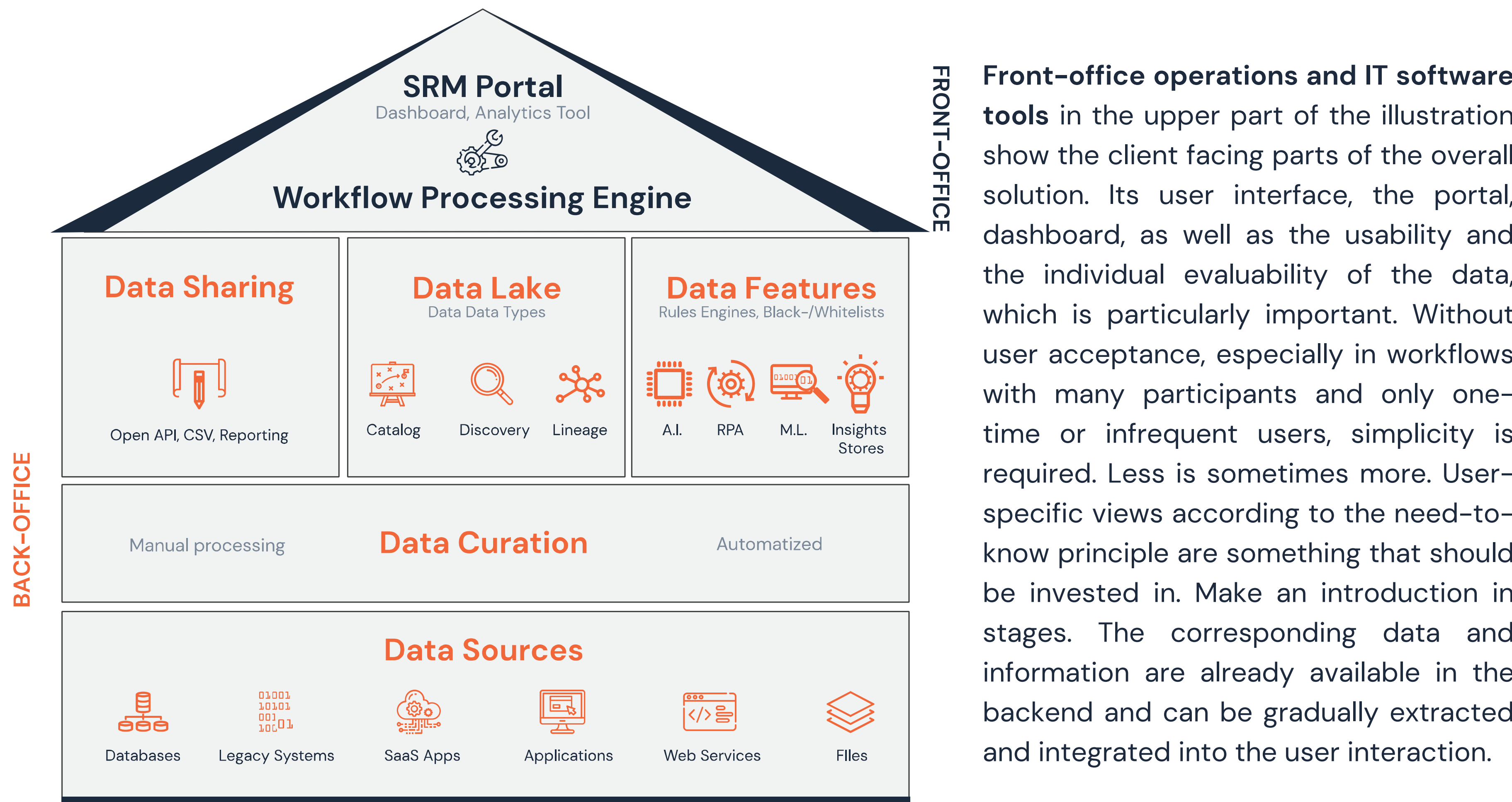
IV. Integration Framework

(d) SRM Target Solution picture (“Greenfield approach”)

1

Greenfield approach

The illustration below visualizes a high-level architecture of an SRM solution in the company. The solution shown here can also be used for other data and information-driven purposes. Some examples are Vendor Information System, Customer Relationship System, Client/Business On-Boarding (KYC, KYB).



IV. Integration Framework

(e) SRM Fill the gaps approach

2

Basics, not optimized

Following the viewing horizon (see IV.B), this is a **detailed delta analysis**. Different discussions with all involved parties are necessary to identify the activities required to make the right adjustments to the back-office and front-office solution architecture (see IV.D).

- Preparation of the “as-is” and “to-be” process map
- Deriving fields of action per layer and overall
- Carrying out tool consolidation analysis
- Prioritization of the fields of action
- Deriving need for action (with a business case)
- Carrying out a call for tenders for the need for action
- Phase change implementation (after budget release)

This condition, which is frequently found in companies and thus the approach that is used most often, brings many **advantages for niche providers** (such as Titan SIM). With these solutions, it's easy to close the existing gap, even to reduce the current defragmented efforts, through streamlining and using a structured approach to the topic and associated contracts. Back in the day, supplier interaction was shied away from here (although **market prices for (e.g. data feeds and solutions) have developed significantly in buyer's favor**). It's always worth taking a look at the market to identify the right solution for you.

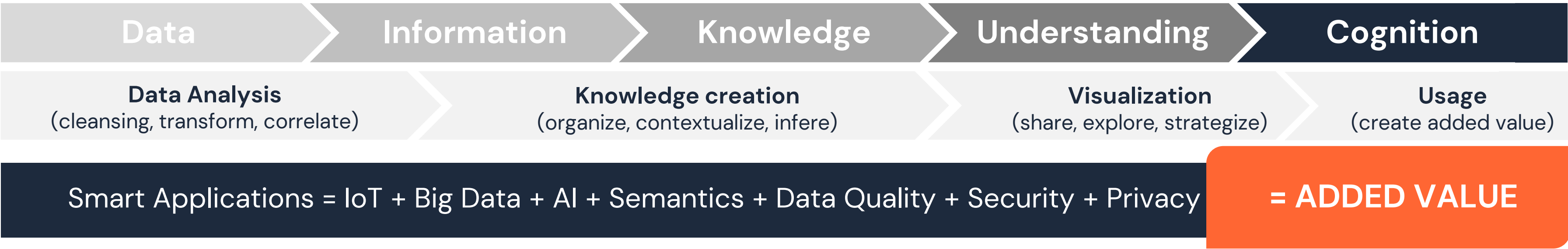
3

(f) SRM Business case driven approach

Advanced solution, not integrated

At this very advanced stage of SRM framework and solution implementation, a delta analysis (IV.E) is also necessary, with a much more important question to **consider – whether a switch to a "state of the art" solution** provider would not be worthwhile? The results that can be achieved from a call for tenders make it possible to look beyond the end of one's nose, and at the **same time to optimize the "existing business case"** of the current providers. As mentioned, market prices have developed very much in favor of providers in the last two years. Current experience also shows that it can even be extremely beneficial to change providers. Background: Historically, the SRM modules were mostly purchased standalone and across various providers (including the data feeds). Today's niche providers offer the whole package with all the consolidation advantages and integrated lessons learned from the past at a **much lower price and with optimized functionality**. Let yourself be surprised and carry out a small tender with prior in-house process analysis. You will be pleased with the outcome.

Map the complete Data and SRM Value Change optimized in your company and profit from it, but also from the competitive advantages on the market. Realize **new added values** aligned with new digital business (see II.C).



V. Conclusion

This whitepaper shows the growing demand for Big Data to comply with **regulatory and voluntary compliance** within a company, **growing complexities of supply chains**, the need for **transparency**, and new challenges and requirements for organizations (e.g., risk, procurement, and IT departments). The creation and integration of a digitalized Supplier Risk Management are becoming a necessity in handling the complex supplier universe. Having transparency and control over the supplier universe, and its associated risk represents a **basic business requirement** in today's corporate environments.

Six Pack for successful SRM integration:



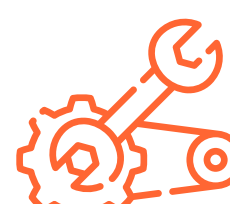
Strategy

For the successful SRM **implementation strategy**, we outline a 6-step approach ((1) Define SRM strategy, (2) Develop criteria and enroll partners, (3) Prepare partners, (4) Conduct Pilot, (5) Implement full program (6) Monitor and improve) to successfully structure the undertaking of transforming your companies SRM "as-is" to the desired "to-be" state.



Transition
Transformation
Challenges

Five key **transition and transformation challenges** ((1) Internal Governance, (2) Input Factors, (3) Digital Workflows, (4) Escalation Management, (5) Non-functional) are pointed out and explained in this Whitepaper to support your organization with making the right decision with a transition or transformation from your current SRM setup into a future prove state.



Implementation
Approach

An effective **implementation approach** for building or improving an SRM for companies across various industries is more important than ever. The presented framework – suitable for the considered "as-is" scenarios: Greenfield approach, basic but not optimized or advanced not fully integrated – shall give a practicable guideline to start such an undertaking and is based on best practices.



Action Patterns

Further, we provide **layers of action patterns** that should be considered by your project execution team, in order to ensure that an SRM system implementation is a success, regardless of the considered "as-is" scenario: Risk, Data, Workflow, Design Tasks.



Project Planning

To support your **project planning process**, we provide "Baseline" and "Good to have" requirements for your implementation plan. Building trust within your supplier universe is a key factor to have a sustainable and risk-reduced system of supply.



Niche Player
Consideration

Consideration of niche providers for SRM tools proved to be a valuable effort, as market prices have developed very much in buyer's favor. These niche providers can help to reduce defragmented efforts through streamlining SRM.

In conclusion, it's fair to say that more and more company-wide tools are based on a "data and workflow-driven information backbone". The SRM service is one of many. Current developments on the market show that companies should consolidate all these services on a **central cloud-based platform**. This enables efficient processing of the various use cases regardless of location, but also provides significant cost savings.

Today's state-of-the-art technology with its (1) connector/data loaders, (2) embedded workflow processing plug-ins, and (3) post-processing interfaces enables simple integration of the best-fitting products into the higher-level central platform, by using its portals, processes, and dashboards.

Many companies today rely on "**niche products**", **instead of expensive "one fits all" systems**. Almost all niche products are cloud-based, with the necessary security and privacy requirements, as well as leading handling requirements. In addition, they can be used standalone or can be easily integrated into the company-wide backbone and the associated platform.



About Titan

A certified network of extraordinary experts for strategic sourcing. A boutique consultancy for comprehensive solutions and a sustainable future. Your powerhouse strategic partners, project managers, and communicators. Our industry expertise includes banking, capital markets, insurances, e-commerce, automotive, public sector, real estate and pharmaceuticals.

We provide services in the following areas:

- Corporate Strategy
- PMO setup & support
- Digital enablement
- Procurement & Sourcing, i.e.



Procurement & Sourcing Services

Organizational level

Framework design
Overall sourcing strategy
Operating model development
Business process re-engineering
Transformation management
User interaction and simplification

Business development
Cost center analysis, staff planning
Strategic sourcing implementation
Regional sourcing advisory
Shared services setup & design

Category management
Category strategy and planning
Stakeholder & supplier interaction
Best-practice benchmarking
Savings calculation and reporting

Contractual level

Pre-sourcing
Spend, market, contract analysis
Cost driver analysis
Business workshops
Specification preparation
Bid analysis and score carding

Sourcing
Request for proposal execution
Partnership- & framework agreements
Due diligence management support
Final contracting and negotiations

Post-sourcing
Sourcing event review
Business case audit and CSI
Training in best-in-class sourcing
PMI and carve-out execution support

Our indirect spend sourcing category portfolio



Professional services
Contingent workforce and outsourcing



IT related services
(hardware, software, telecom, infrastructure)



Marketing, communication and public relations



HR related services
(recruiting and training)



Facilities and workplace management



Travel and fleet management related services

Please visit www.titan-advisory.com for our complete service portfolio

Want to hear more about our approach and to discuss a tailored approach for your specific needs?
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