



Transforming Organizations Procurement from Traditional to Strategic Approach

In today's demand-driven manufacturing and dynamic world, organizations are facing challenges to attain excellence in all the operational processes right from core functions to support functions. The excellence is towards the Quality, Schedule, cost and compliances which contributes to the bottom line efficiencies of the organizations.

To attain the operational excellence; Procurement is an important function to be driven with a high sensitive process inline to the corporate vision as it is integrated with all functions from order generation to dispatch of products and services. The key activity of these series of functions is sourcing where high level of transparency, compliance and relations has to be maintained to attain savings.

eAuction is an sourcing web based application which can be integrated with the procurement process to to gain the kind of complete transparency that leads to sustainable savings, lower operational costs, and ongoing compliance with contracts, corporate guidelines, and regulatory requirements with the implementation of eAuction.

A Complete E-Sourcing Solution

eAuction supports the end to end sourcing process, allowing you to improve essential activities by:

- Generating greater savings and value
- Extending procurement's reach
- Enabling visibility across the organization
- Supporting project standardization and repeatability
- Reducing cycle times
- Driving change management through collaborative processes
- Identifying the right suppliers
- Managing requests for information, proposals, and quotations
- Conducting online reverse auctions
- Optimizing supplier awards
- Enabling end-user bid management
- Helping ensure compliance
- Streamlining collaboration with suppliers
- Tailoring application to your specific business needs

A Centralized sourcing management

eAuction can assist organization to centralize sourcing activities by linking and unifying all operational procurement processes and systems. Organizations can connect the enterprise resource planning systems of local entities to a single central sourcing management system.

This hub approach enables enterprise-wide transparency into demands, identification of the best sources of supply, better negotiation with suppliers, and global compliance with contracts. Organizations can avoid missed savings opportunities and enforce negotiated prices and conditions across the entire organization. With centralized sourcing, key suppliers can be recognized and create a sourcing environment that fosters competition.



Compliance Driven Sourcing Approach:

To realize negotiated savings requires well-managed processes that enforce sourcing process. However, inconsistencies in the ways that local entities manage sourcing, typically lead to savings leakage and difficulties ensuring compliance and usage across all entities.

eAuction provides the functionality you need to manage all aspects of a sourcing – proactively, transparently, and centrally – from inception through finalization. Ultimately, this approach enables you to rein in maverick buying and eliminate sourcing redundancies while easily tracking and monitoring actual usage and quickly identifying issues such as off-eSourcing spending.

Reducing the Process Lead Time from eAuction

Availability of right resources at the right time and right cost is the key challenge for procurement. To make the resources at the right time with minimal inventory, eAuction can support by reducing the lead times of the sourcing process by communicating the prenegotiation process electronically and create a platform where in the costs can be negotiated as parallel in a closed environment.

Tangible ROI and Quick pay-off

E-Sourcing, you can achieve a clear ROI that includes time and cost savings resulting from quick deployment, improved decision making, and repeatable processes. In addition, BOB offers services that help ease your transition to the application.

Multiple Deployment Options (Pay Per Use/ Rental/ Licensed) are offered by BOB according to business needs and volumes. The migration process among the deployment models are well supported by BOB according to the business growth.

The Application is developed on Opensource technologies reducing the Total cost of Ownership to the organizations.

Lean Approach to Sourcing Function

A Lean approach can be implemented in the sourcing function by bob eAuction through 5S methodology. The application has been developed to integrate the 5S framework in the sourcing function and eliminate the waste as depicted below:

1. **Seiri** (Sorting): Reviewing all the Purchases, Vendors, Location, purchase framework etc which influence on the key parameters of sourcing. The vendors, locations and other variables can be sorted out based on the tangible benefits resulted to the operational benefits.
2. **Seiton** (Set in Order): With the application implementation and the results, Organizations can baseline their procurements Like suppliers usage, Type of sourcing framework, lead times etc.,
3. **Seisō** (Healthy Process): With the Analysis of the procurement results, Rules can be defined by the organizations to clean the unhealthy parameters of sourcing.
4. **Seiketsu** (Standardizing): The Operations of sourcing can be standardized with the results like, type of framework, Vendors, Locations, costing etc., and increase the efficiencies of the Procurement resources.
5. **Shitsuke** (Sustaining and Improving): The tool can maintain the focus and provide the intelligence required to continually improve the sourcing.



Summary:

The BOB eAuction tool helps automate and streamline strategic sourcing across the organization's spending. The Web-based application facilitates processes such as collaborative Procurement management, online bidding, and contract negotiation and management. Using eAuction, Organizations can attain business excellence through 5S methodologies and TQM.

Business Challenges

- Extend procurement's reach to more vendors
- Increase visibility into sourcing activities
- Reduced cycle times for executing the entire source-to-contract process
- Enablement services to drive adoption by empowering users and suppliers
- Seamless integration that connects sourcing results to procurement execution
- Improved collaboration across the organization and externally with
- A central repository for organizational knowledge retention
- Improved analysis and decision making suppliers
- Standardized and auditable processes using predefined templates and libraries for sustainable procurement