



# EVOLVING TOGETHER AND FUTURE-PROOFING PROCUREMENT

The advent of next-generation procurement

## Abstract

Infosys Portland's partnership with a leading telecom company resulted in a textbook-perfect transformation of their procurement function, making it completely ready for the future. At the same time, the partnership enabled Infosys Portland to test and improve the analytical tools and thinking that are brought to clients, to the point that this framework has evolved to a new generation. Read this case study to know how Infosys Portland's evolved framework helped the client smoothly manage spend of NZ\$3.5 Bn, while also acting as a future-ready solution for new engagements.



A leading telecom company embarked on transformative journey by implementing an enterprise resource planning (ERP) system, which also served as a catalyst for developing a new generation of strategic procurement advice and services.

The client applied the agile operating principles it had adopted many years

before, to implement Microsoft Dynamics 365 technology. This was designed explicitly to align with their agile operating structure and empower the business.

From a procurement perspective, the ERP implementation presented an opportunity to re-evaluate how the procurement function could support the broader

technology transformation. The goal was to significantly enhance how procurement supported and added value across the business.

Infosys Portland's diamond framework was the starting point for the engagement with the telco.

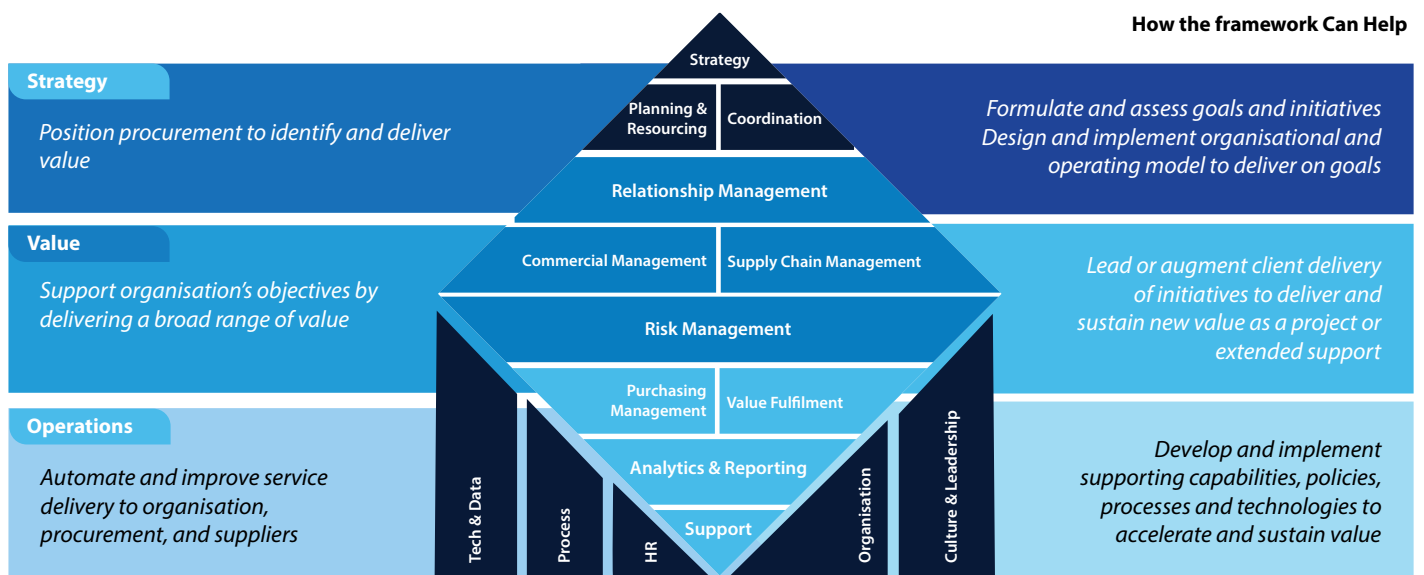


Fig. 1: Infosys Portland Procurement Functions Framework

# The imperative of transformation

The company had more than 20,000 active contracts across 3,000 suppliers. They already had a mature, sophisticated procurement function. Telecom companies typically manage complex spending due to a wide range of specialised products and services they purchase, often requiring significant capital investment. While the diamond framework offered valuable analysis and addressed certain aspects of their business, a bigger challenge was presented.

The client's executive team initiated this program, driven by their objectives of

increased contract transparency, better strategic spending, and timely, high-quality data for informed decision-making. However, under the glare of transformation, this quickly evolved into a widespread perception that the procurement team's existing performance was unsatisfactory for business partners.

The core challenge was to transform the procurement team's technology, data processes, and planning to unlock value for the business. Both the client and the Portland team recognised an opportunity to leverage this transformation to collaborate

more effectively with other departments in the future. However, a clear roadmap outlining the path to achieve this was lacking.

While the diamond framework provided valuable insights into the current and future states, it lacked specific guidance on how to navigate the journey towards the desired future.

## Framework evolution

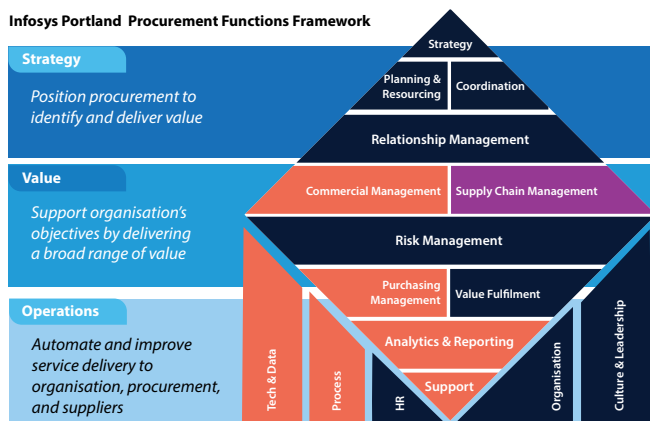
There was a high level of confidence that applying the diamond framework would yield answers to the numerous 'hows' arising from the analysis.

The first phase involved a holistic review of the procurement function using the

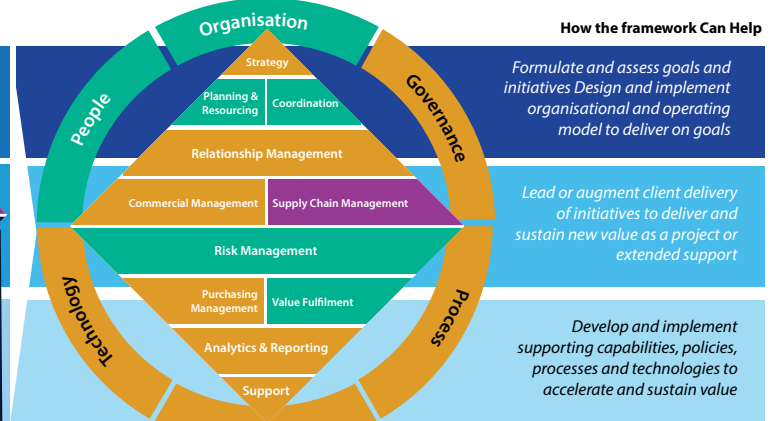
diamond framework. This review provided valuable insight into the business' operations and guided both the business and procurement teams in collaborating on the development of a roadmap that would take their procurement function to its future state.

Next, a set of future-state design principles was jointly developed to guide all aspects of implementation.

## Current State



## Future State (24 months)



<b>Basic</b>	Low level of maturity, focused on transactions; limited / no tech support	<b>Performing</b>	Strategies tackle problems at enterprise level; collaborative in defined areas only; higher use and adoption of technology	<b>N/A</b>	Not applicable
<b>Emerging</b>	Strategic direction exists; culture tends to lean towards operational thinking; BUs operate in silos	<b>Leading</b>	Strategies and enterprise-wide collaboration are strongly valued; strong adoption of tech+ integration to maximise efficiencies		

Fig 2: Initial Assessment vs Current Operating State

The final phase involved the rollout focusing on data enhancement. This included the introduction of a spend cube<sup>1</sup>, as well as category-focused dashboards that

merged multiple data sources together to track metrics relevant and specific to the category teams. Additionally, a contracts database with a bespoke dashboard was

created. Leveraging the Microsoft Dynamics 365 suite, all dashboards were created in Microsoft Power BI.



## Smooth, strategic, and quick procurement

The solution provided by Infosys Portland enabled the client to leverage user-friendly dashboards powered by their own AI capabilities, providing vital supplier and contract information. Additionally, a new Power BI dashboard dedicated to physical infrastructure allowed for better intelligence development. This transparent and reportable system helped manage over 98% of the company's spending, to the tune of NZ\$3.5 Bn, facilitating fact-based and proactive decision-making.

It also enabled supplier management to become more proactive and strategic.

The new contract management database covered more than 26,000 reviewed and uploaded documents, covering ~90% of all contracted spend. This further enabled more value-adding conversations with suppliers, focusing on how they can add greater value to the overall business.

Procurement processes too became significantly faster, with 75% of them templatised, without compromising compliance or risk management. This led to improved internal relationships, with project startup timelines reduced substantially from 2 weeks to a few hours due to readily

available information. Moreover, it enabled to direct procurement expertise towards strategic work, minimising less time spent on transactional activities.

Most importantly, the executive team got access to more valuable and reliable information, enabling insights to be directly incorporated into planning and resource allocation decisions.

This successful transformation fostered a much stronger core within the procurement team, solidifying its foundation for an agile and integrated business.

## A future-ready framework

This engagement also brought substantial positive impact For Infosys Portland.

The framework evolved to include a 'ring' surrounding the 'diamond', essentially

answering the 'hows' by addressing broader, strategic management aspects crucial for successful solution integration. These dimensions encompass governance,

structure, people, process, data, and technology.

<sup>1</sup> A spend cube is spend data presented as a multidimensional cube. The three dimensions of a procurement spend cube are suppliers, business units, and category of item. The aim is to show who bought what from where.



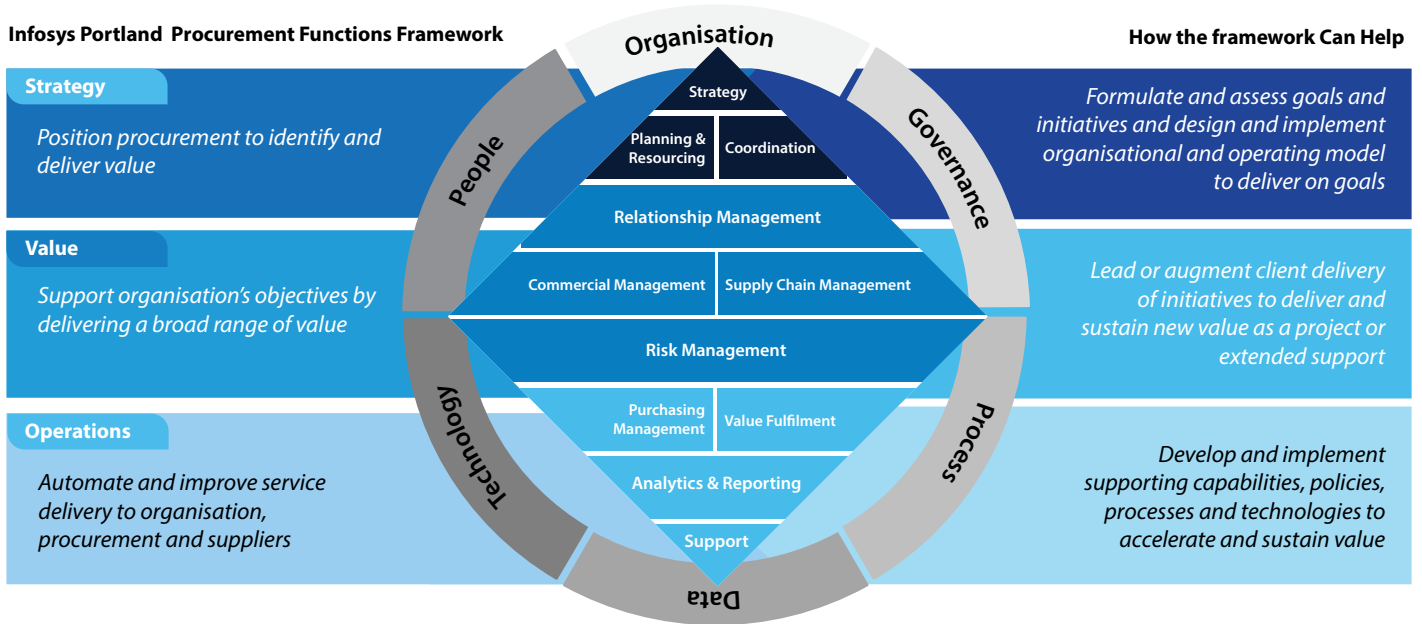


Fig 3: The Diamond Ring Maturity Framework

This diamond ring framework now powers the analysis and recommendations Infosis Portland provides to new engagements. It is inherently adaptable as it responds to the contemporary business environment

characterised by clients seeking to navigate a changing world.

Throughout history, humans have demonstrated remarkable adaptability.

In the face of uncertainty and constant change, this same survival instinct is increasingly driving business decisions.

*\*Names have been altered to preserve the identities of the people involved.*

## About Infosis Portland

Infosis Portland is a subsidiary of Infosis BPM Ltd., a part of Infosis Ltd. Its mission is to improve the efficiency and effectiveness of its clients' procurement and supply chain activities. We achieve this by providing thought leadership, specialist subject matter expertise, a global delivery model, and best-in-class technology solutions. By increasing the value delivered and improving the of procurement and supply chain operations, our clients are able to achieve more for less.



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