

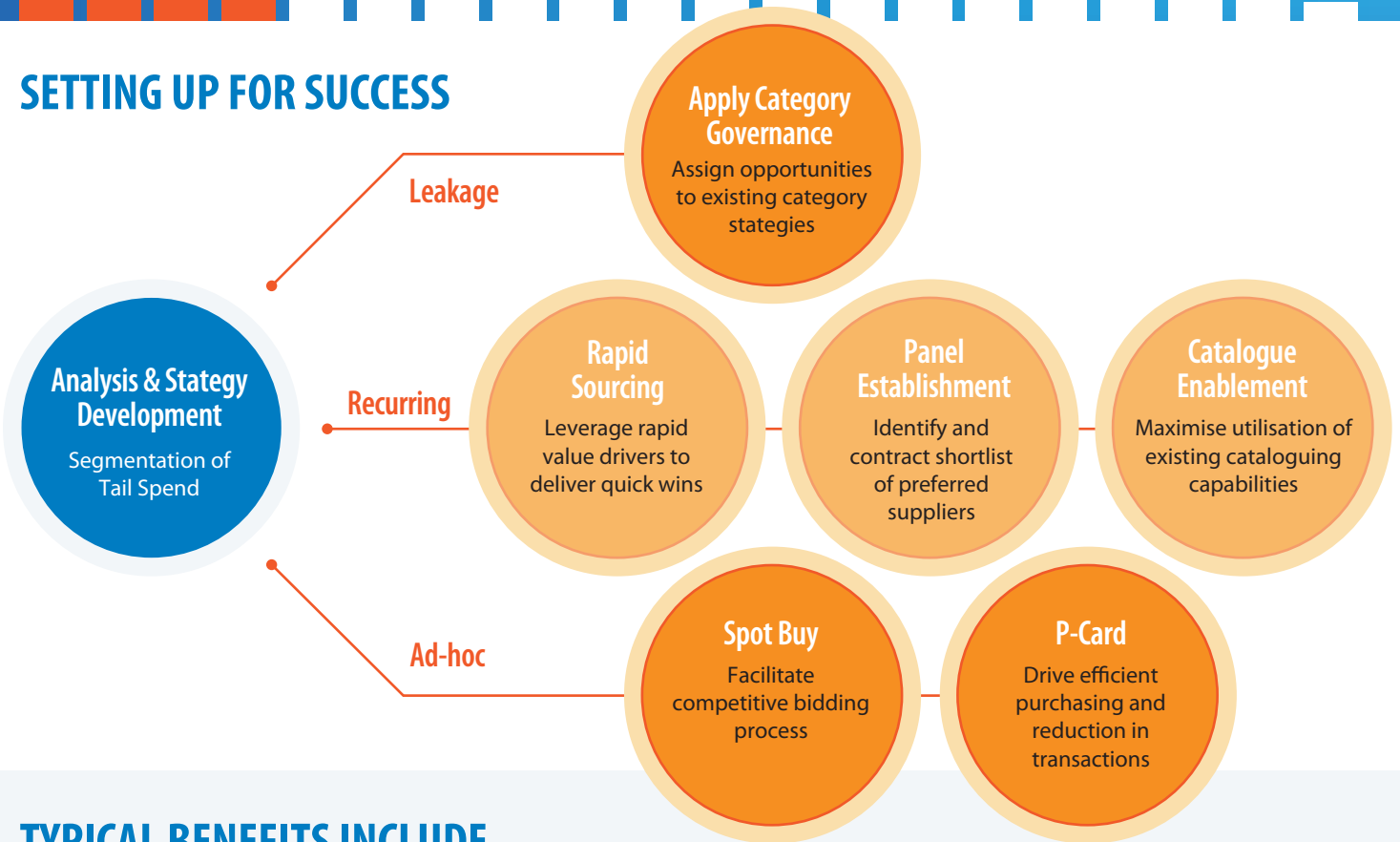
HOW DO I CONTROL MY TAIL SPEND?

Tough economic conditions means looking for fresh hunting grounds in cost reduction and control. Most organisations have already applied rigorous strategic sourcing techniques to the majority of their spend, this means turning their attention to the tail spend.

WHAT IS TAIL SPEND? The unmanaged or 'lightly' managed spend, typically **20%** of the total spend with the following characteristics:



SETTING UP FOR SUCCESS



TYPICAL BENEFITS INCLUDE

Savings



6-20% through competitive bids, direct negotiations, compliance to contract.

Control



Enhanced visibility and procurement reach, increased spend under new and existing contractual arrangements.

Efficiency



Guided buying, reduction in low value/ one-off suppliers, reduction in process steps, cycle times and transactions.