



Targeting Procurement BPO Services: CFO and CPO Perspectives of the Indirect Procurement Function

Market Analysis
Report Abstract

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Who Is This Report For?

This report on “CFO and CPO Perspectives of the Indirect Procurement Function” is designed for:

- Sourcing managers investigating sourcing developments in indirect procurement
- Marketing, sales and business managers developing strategies to target service opportunities within the BPO market
- Financial analysts specializing in the support services sector.

Scope of the Report

The report identifies and analyzes:

- Attitudes towards the current and future roles of procurement among finance and procurement professionals
- The current business benefits achieved from procurement and those benefits sought from procurement
- The current organizational structure, process, and category scope of the procurement function
- The ways in which procurement needs to develop within the organization
- Perceptions of the role of procurement outsourcing

The study also assesses:

- The current role and influence of the procurement function
- The desired future role and responsibilities of the procurement function
- Perceptions of inhibitors to the achievement of procurement goals
- The current business value delivered by the procurement function and satisfaction with the procurement function
- The current business value delivered by, and satisfaction with, the procurement function
- The procurement improvement initiatives planned by organizations
- Perceptions of the role, applicability and potential scope of procurement outsourcing
- Current and planned use of procurement outsourcing.



Key Findings & Highlights

The study finds some significant differences in perception between CFOs and CPOs about the effectiveness of the indirect procurement function, but overall under half of executives are highly satisfied with the current management of indirect spend in their organizations. In order to increase this level of satisfaction, indirect procurement departments should evaluate ways of:

- Enhancing their roles as strategic business partners
- Increasing their coverage of indirect purchases
- Enhancing their own processes, in terms of speed, cost-effectiveness, and ease of use by requisitioners

The report posits that the indirect procurement functions needs to

- Enhance its role as strategic business partner
- Increase its coverage of indirect spend
- Enhance its processes and cost-effectiveness

In addition, organizations should evaluate indirect procurement outsourcing as a means of supporting these goals and to facilitate process transformation. The ability to enhance indirect procurement's relationship with business units will increasingly be a critical success factor for outsourcing vendors

The report finds that 17% of organizations currently undertake some form of indirect procurement outsourcing, and 40% of these organizations intend to expand the scope of activities outsourced.

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Report Length

254 pages, consisting of 11 chapters and hundreds of data charts

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