Procurement Outsourcing (PO) – Service Provider Compendium 2021

September 2021: Complimentary Abstract / Table of Contents

EGR-2021-22-CA-4657

Our research offerings

This report is included in the following research program(s):
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- ▶ Pricing-as-a-Service
- ▶ Process Mining
- ▶ Procurement
- ▶ Recruitment Process Outsourcing
- ▶ Rewards & Recognition
- ▶ Service Optimization Technologies
- ▶ Supply Chain Management (SCM) Services
- ▶ Talent Excellence GBS
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custom research capabilities

Benchmarking

Contract assessment

Peer analysis

Market intelligence

Tracking: service providers, locations, risk, technologies

Locations: costs, skills, sustainability, portfolios

Contents

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Contents

Our research methodology is based on four pillars of strength to produce actionable and insightful research for the industry

01
Robust definitions and frameworks

Procurement pyramid, multi-process PO definition, Total Value Equation (TVE), PEAK Matrix®, market maturity

02
Primary sources of information

Annual contractual and operational RFIs, service provider briefings and buyer interviews, web-based surveys

03
Diverse set of market touchpoints

Ongoing interactions across key stakeholders, input from a mix of perspectives and interests, supports both data analysis and thought leadership

04
Fact-based research

Data-driven analysis with expert perspectives, trend-analysis across market adoption, contracting, and service providers

Proprietary contractual database of over 1600 PO contracts (updated annually)

Year-round tracking of 19+ PO service providers

Large repository of existing research in PO

Over 30 years of experience advising clients on strategic IT, business services, engineering services, and sourcing

Executive-level relationships with buyers, service providers, technology providers, and industry associations

This report is based on multiple key sources of proprietary information

- Everest Group's proprietary database of 1,600+ PO contracts (updated annually)
- The database tracks the following elements of each multi-process PO contract:
  - Buyer details including industry, size, and signing region
  - Contract details including Total Contract Value (TCV), Annualized Contract Value (ACV), term, start date, managed spend, and pricing structure
  - Scope including coverage of buyer geography, process, and category
  - Technology including core procurement technology, service provider's add-on tools (if any), ownership, and maintenance
  - Global sourcing including delivery locations and level of offshoring

- Everest Group's **proprietary database of operational capability** of **19+ PO service providers** (updated annually)
- The database tracks the following for each service provider:
  - Revenue, managed spend, and number of FTEs
  - Number of clients
  - Revenue split by geography, region, and industry
  - PO service suite
  - Location and size of delivery centers
  - Technology solutions developed

- **Service provider briefings**
  - Vision and strategy
  - Annual performance and future outlook
  - Key strengths and improvement areas
  - Emerging areas of investment

- **Buyer reference interviews, ongoing buyer surveys, and interactions**
  - Everest Group's executive interviews and data collected from various buyers
  - The data contains detailed buyer perspectives about PO contracts, specifically on:
    - Drivers for adopting PO and assessment of service providers' performance
    - The level of buyer satisfaction and the underlying reasons

Service providers assessed

Note: **The source of all content is Everest Group unless otherwise specified**

Confidentiality: Everest Group takes its confidentiality pledge very seriously. Any contract-specific information collected will only be presented back to the industry in an aggregated fashion

Background and scope of the research

With more than a year into the COVID-19 pandemic, businesses expect the procurement function to drive business outcomes such as risk management, innovation, working capital optimization, and spend visibility in addition to its more traditional cost-saving responsibilities. PO service providers have played a significant role in helping enterprises maintain business continuity of procurement operations and overcome challenges associated with COVID-19-related disruptions. They continue to strengthen their domain expertise and digital capabilities to offer a wide range of solutions to address specific client requirements. They are increasingly becoming strategic partners for companies by helping them transform their procurement operations and driving adoption of advanced digital technologies such as advanced analytics and RPA by leveraging in-house capabilities, partnership ecosystem, and targeted investments.

The PO provider landscape consists of a spectrum of providers including specialist providers, pure-play procurement and SCM-focused providers, broad-based BPS providers, and IT and BPS providers. In this research, we present an assessment of 19 PO service providers featured on the Procurement Outsourcing (PO) services PEAK Matrix®. The assessment is based on Everest Group's annual RFI process for calendar year 2021, interactions with leading procurement service providers, client reference checks, and an ongoing analysis of the PO services market.

In this research, we analyze the global PO service provider landscape and assess 19 PO service providers. We focus on:

- Procurement Outsourcing (PO) services PEAK Matrix® 2021
- Service provider capability assessment
- Observations and comments on individual service providers
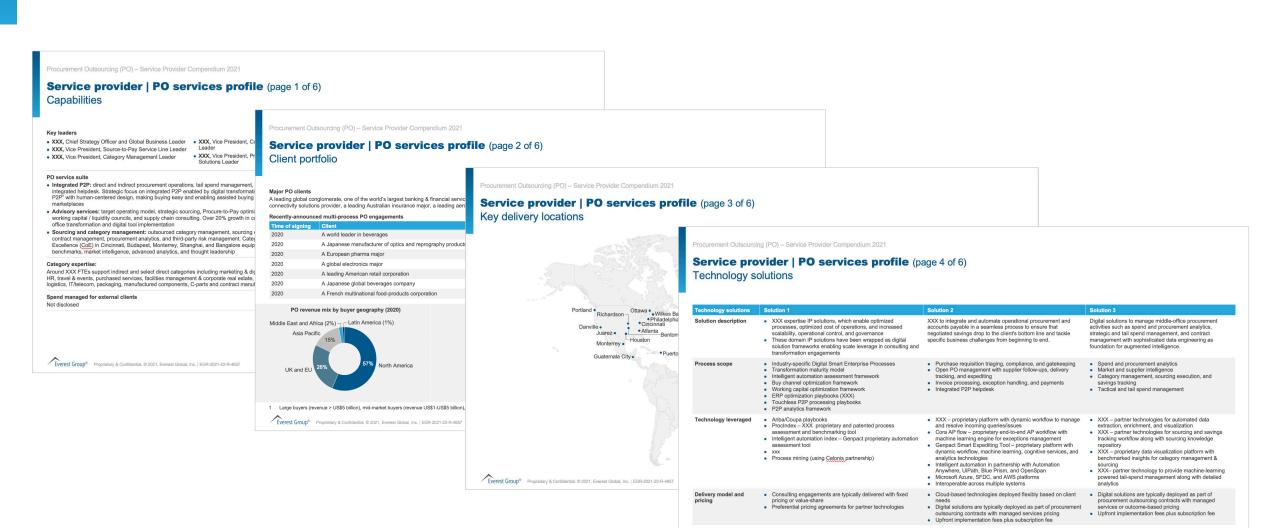- Service provider landscape

Scope of this report:

Geography
Global

Service providers
19

Services
Procurement

The study provides detailed view of 19 PO service providers offerings & capabilities as well as key strengths & limitations; below are snapshots to illustrate the depth of report

Research calendar
Procurement Outsourcing (PO)

Flagship PO reports	Release date
Procurement Outsourcing (PO) – Service Provider Landscape with Services PEAK Matrix® Assessment 2020	June 2020
Procurement Outsourcing (PO) Service Provider Profile Compendium 2020	September 2020
Supply Chain Management (SCM) BPO State of the Market Report 2020: COVID-19, A Wake-up Call for SCM	October 2020
Elevating Procurement's Role in the Next Normal Through Digital Enablement – Procurement Outsourcing (PO) State of the Market Report 2021	December 2020
Procurement Outsourcing (PO) – Service Provider Landscape with Services PEAK Matrix® Assessment 2021	August 2021
Procurement Outsourcing (PO) – Service Provider Compendium 2021	**September 2021**
Procurement Outsourcing (PO) State of the Market Report 2021	Q4 2021
Supply Chain Management (SCM) BPS PEAK Matrix® Assessment 2021	Q4 2021

Thematic PO reports	Release date
Unlocking Digital Category Management	March 2020
Weaving a Customer-centric Supply Chain Through Effective After-sales Services	July 2020
Future-proofing Supply Chain Management: Building Resilience and Agility through Digital Transformation	December 2020
Business Process Services (BPS) 4.0: Heralding the Start of a New Era	February 2021
Getting Your Business in Order through Integrated Order Management	July 2021
Driving Sustainable Cost Reductions Through Digital Transformation	Q3 2021
Enterprise Risk Management in the Post-COVID World	Q4 2021
Procurement Outsourcing (PO), Supply Chain Management (SCM) Buyer report	Q4 2021

Note: For a list of all of our published PO reports, please refer to our website page.

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