

BPO

SOURCING SERVICES

ABSTRACT

This white paper explores ProKarma Sourcing Services within the railroad industry. Our methodology is unique to every enterprise adhering to individual best practices. We focus on transparency, policy compliance and vendor evaluation for long-term value ensuring increased returns on investments. Optimized procurement processes enable annual savings of 15-20% year over year.



SAVE AT SOURCE

Enterprises have started focusing on savings at source. A better procurement process with goods/services at industry benchmarked rates with optimal terms and conditions built into the language saves on future costs by up to 15-20% on annual spend. Savings made are incremental and sustain over a longer period.

While most enterprises have a great way of procuring operational essentials, tactical goods/services are often neglected.

ProKarma's expertise and value offering is centered just around that.

We offer procurement life cycle management across 7 categories and 232 sub categories

1. Operations
2. Direct Services including Engineering, Environmental & Mechanical
3. Indirect Services including Facilities
4. Human Resources
5. IT services
6. Telecom Services
7. Materials including Fuel

We serve US, Canadian and Mexican markets.

BEYOND SOURCING

Sourcing at ProKarma is not simply picking the lowest price. It is transparency, policy compliance, vendor evaluation criteria, faster turnaround times, competitive bidding for services and material alike. We also ensure that the suppliers chosen are certified, competent, meet eligibility criteria such as background checks, independent contractor & safety norms and are fully conversant with scope of work, contract terms.

Our focus is to get the scope right the first time around, to avoid subsequent change order/amendment paper work & procedures.

ProKarma provides customers with consultancy services on business continuity & disaster recovery planning, including risk mitigation, to set up sourcing criteria policies.

INTRODUCTION

ProKarma has been providing end-to-end tactical procurement lifecycle management services to fortune 1000 companies in USA since 2005.

The procurement lifecycle management services offered by us cover an entire spectrum of major areas including –

Sourcing services

- Request Management
- Rfx Management
- Sourcing Events
- Auctions
- Bid Analysis, Supplier Selection
- Category Management

Contract life cycle management

- Contract Initiation
- Contract Administration
- Contract Modifications
- Invoice Validation

Spend Analysis

- Data Collection & Dimension Management
- Data Cleansing
- Data Classification
- Reporting & Analysis
- Recommendations & Tracking

Specialized services

- Enterprise help desk & tech support services
- Vendor Sourcing & Supplier Negotiations
- Catalog Building & Administration
- Invoice matching for purchase orders
- Industry Benchmarking & Best Practice Consultancy
- Strategic Sourcing: Subject Matter Expertise

ProKarma's procurement services are offered in both an À la carte model as well as individually packaged services.

TOOL SET

ProKarma has IT experience in designing an end-to-end contract administration system for a major Class I Railroad company in the USA.

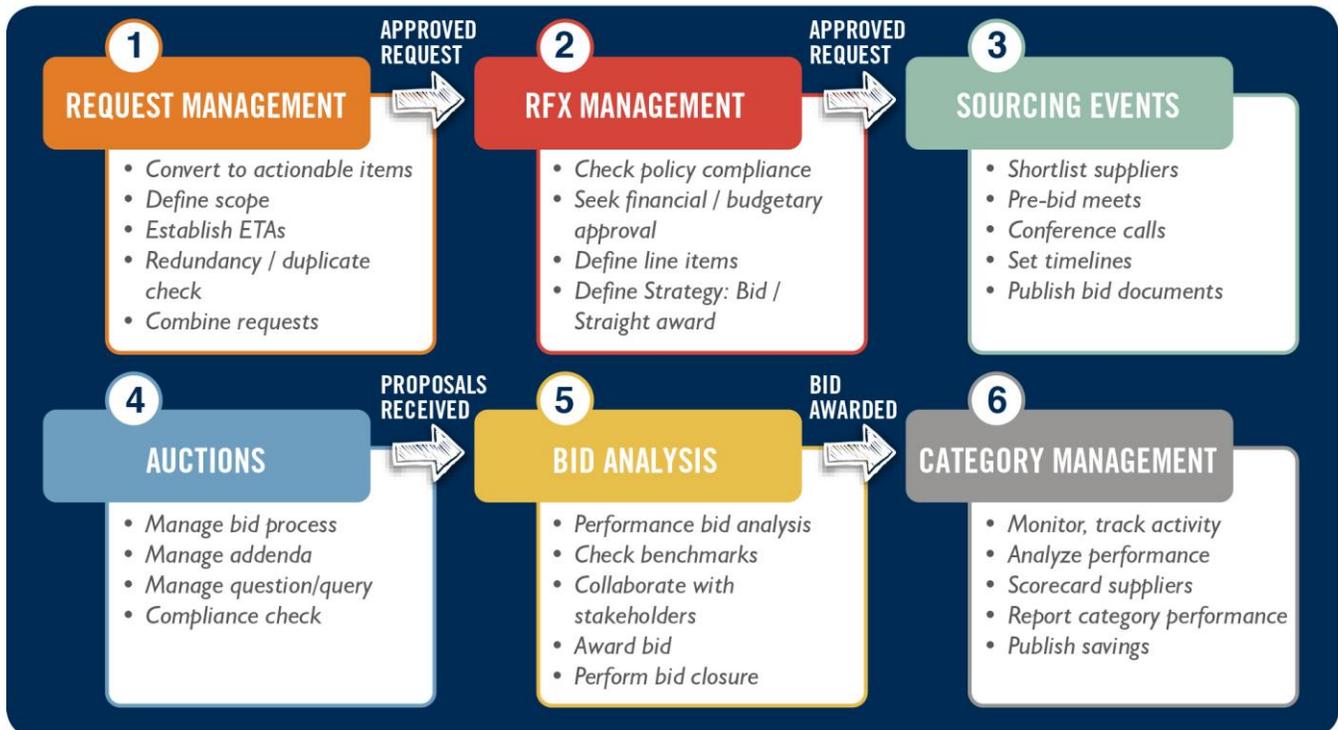
However, as most of our customers have homegrown, licensed software to manage procurement lifecycle including Ariba, SAP among others. Over the past several years, ProKarma’s expertise has been honed in working on customer systems in conjunction with our own proprietary software. In case the customer’s systems do not have necessary advanced tool kits, we bring our proprietary software to the table to augment and complement customer software -

1. ProAdmin: A ProKarma owned & hosted ERP used to manage request Queues, procurement workflows, configuration parameters & catalog management, Pan-American supplier databases, street prices, industry intelligence among others.
2. ProIssue Manager: A ProKarma owned and hosted ticketing system for request management, help desk ticketing, performance tracking, KPI reports among others.

3. ProInvoice: A ProKarma owned and hosted tool kit for purchase order workflow management, 3-way matching of invoices among others.

SOURCE METHODOLOGY

Sourcing procedures can be different based on what is being sourced. Each customer may have their own norms. ProKarma ensures that the customer norms are followed at all times; while making recommendations for best practices at the same time. ProKarma’s best practices would be adopted only with customer buy-in at all stakeholder levels and documented for future ready reference.



TURNAROUND TIMES

While ensuring that process standards & compliance is maintained at all levels, ProKarma's sourcing team works to ensure best possible turnaround times on sourcing requests.

ProKarma's ProAdmin workflow manager system enables us to perform holistic Queue management based on multiple parameters like (a) priority set (b) dollar value impact and (c) complexity of the request. We have built an intelligent "progressive workflow time estimation engine" [PWFE] to ensure the process self-learns at every stage.

RIGHTSOURCING

ProKarma's sourcing team follow a "RightSourcing and Best Fit" approach.

ProKarma's ProAdmin system has intelligent inbuilt "progressive predictive sourcing request engine" [PPSRE] for materials requests and service requests coming in from the stakeholders.

PPSRE allows:

1. Storing favorites by stakeholders
2. Prompt on items often ordered together
3. Category-specific scope documents, supplier limitations and turnaround times.

PROCESS OPTIMIZATION

ProKarma's systems [ProAdmin and ProIssue] monitor, analyze and report on several process Key Performance Indicators including among others -

- Queue Velocity Report
- Throughput
- Request Ageing Report
- Repetitive order report

ProKarma conducts quarterly reviews of process and identifies potential areas for improvement and makes recommendations for increasing efficiencies. The review system is designed as an involved and collaborative process with customer's stakeholders included.