

Day-by-Day Action Plan for Cost-Effective Indirect Procurement

DAY	TASK	OWNER	TIME REQUIRED	DETAILS WITH DATA POINTS
1-3	Assess Current Indirect Procurement	Procurement Manager	3 days	Review existing procurement practices for indirect categories. According to McKinsey, companies can save up to 25% in indirect spending through better vendor management and process efficiency.
4-6	Define Cost-Saving Objectives	Project Manager	3 days	Set measurable cost-saving goals specific to indirect procurement, such as reducing expenditure by 20% in key categories like IT and professional services.
7-9	Select Appropriate S2P Software	IT Manager	3 days	Choose S2P tools that offer robust features for managing indirect spending, such as integrated marketplace and spend analytics. Deloitte highlights that advanced analytics can lead to a 10-15% reduction in costs.
10-12	Customize Software for Indirect Categories	IT Team	3 days	Tailor the software to handle the specific nuances of indirect procurement, such as managing recurring expenses and services contracts. KPMG finds customization key to achieving up to 50% efficiency improvements in procurement operations.
13-15	Train Staff on Indirect Procurement Features	Training Coordinator	3 days	Conduct training sessions focusing on the peculiarities of indirect procurement within the chosen S2P system. Effective training is linked to a 70% higher chance of project success, as noted by Accenture.
16-18	Implement Strategic Sourcing for Indirect Goods	Sourcing Manager	3 days	Apply strategic sourcing principles using analytics to optimize supplier selection and reduce costs in non-core categories, which can save 15-20% per Bain & Company.
19-21	Streamline Indirect Procurement Processes	Procurement Team	3 days	Automate requisition, approval, and purchase order processes to cut down on administrative overhead and improve cycle times, potentially reducing process costs by up to 30% (PWC).
22-24	Integrate Contract Management for Services	Contracts Manager	3 days	Focus on managing service contracts effectively; poor management can lead to a 9% revenue loss annually in indirect spending (Capgemini).
25-27	Optimize Expense Management and Payments	Finance Manager	3 days	Implement tools for better expense management and dynamic discounting, aiming to cut indirect costs by 2-5% (Ernst & Young).
28-30	Review, Feedback, and Plan Further Optimizations	Project Manager	3 days	Review the implementation, collect feedback, and adjust strategies. Regular optimization can prevent the 25% failure rate in