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*The implementation of Capgemini IBX Business Network's eProcurement technology has helped us achieve significant cost savings on purchased volume.*

**Pascal Gross**  
Project Manager,  
Vorwerk



Vorwerk achieves savings of 10% on purchased volume through procurement transformation

**Capgemini IBX Business Network enables German manufacturer to take control of its indirect spend**

### **Making everyday life easier**

Humans are social creatures. We like to gather in all kinds of groups – from small clubs and online communities to large organizations. Within these groups, we share the things we love – the craziest hobbies, interests, and passions.

### **Overview**

**Customer Name:** Vorwerk

**Industry:** Household goods

**Location:** Germany

**Client Challenges/Business Need:**

Need to consolidate and update procurement function

**Solution at a Glance:** IBX Purchase-to-Pay and IBX Spend Analytics procurement systems

**Results (Benefits):**

- 50% of purchase orders are now automated, saving time and costs
- Greater control and visibility across entire procurement process
- Up to 10% savings on purchased volume

Vorwerk is also a group – one with a million fans and followers worldwide. Vorwerk, a family-owned company, has been supplying the world with the products we need for everyday living since 1883.

Although it was running a successful procurement process, Vorwerk realized that there was significant room for improvement. It was clear that centralizing indirect procurement and implementing new purchasing applications would improve Group-level functioning and result in significant cost savings, improved efficiency, and greater visibility on indirect spend.

### Taking control of indirect spend

An initial investigation within Vorwerk revealed that there was a lack of visibility over indirect procurement. Furthermore, the operational procurement process was inefficient and there was low contract compliance across the Group. While none of these issues represented a major problem for the business, it was obvious that there was an opportunity to achieve significant cost reductions.

Vorwerk wanted to attain Group-wide cost savings by taking control of indirect procurement through a more centralized, more automated, and more efficient process. There was also recognition that enacting a robust and highly efficient eProcurement process would reduce risk within the procurement function.

### Careful selection, careful planning

After thorough research, Vorwerk selected the Capgemini IBX Business Network and cloud-based IBX Purchase-to-Pay due to their high usability and strong integration capabilities with SAP, Vorwerk's existing ERP system. Due to the company's decentralized structure, building an indirect procurement department from the bottom up posed a significant challenge to Vorwerk. The initial goals were to increase visibility, gain control of indirect spend, and increase the level of managed spend. This would require careful change management, company-wide buy-in, and adoption of the system.

Chosen for its integration capability, IBX Purchase-to-Pay was layered on top of the company's existing SAP ERP system in order to reduce costs of implementation and minimize disruption within the organization. The carefully orchestrated implementation began with Germany, the home base of the company, and then continued to Switzerland due to language similarities. The realized benefits were then used to promote buy-in and adoption in other countries as the solution was rolled out across France. The all-new procurement department was created with five category managers located in Germany and one procurement manager per country. The low-value spend that could not be managed as employee self-service orders would be managed locally while high-spend value items or international-level purchases would be routed to the central team for further scrutiny and management.

With cloud-based IBX Purchase-to-Pay, Vorwerk adopted a procurement solution that encourages compliance and adoption through an easy-to-use interface that guides users to preferred products and suppliers. This ease of use also means reduced training and support needs. A flexible, business rules-based approval workflow with spending and approval limits leads to increased transparency and control. All of these features — including high-level automation — provide better oversight and insight into the procurement function, greater efficiency, and increased



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cost savings. In addition to IBX Purchase-to-Pay, Vorwerk adopted cloud-based IBX Spend Analytics, which provides high-level insights into organization-wide spending across multiple ERPs, enabling Vorwerk to make decisions and build strategies based on accurate and reliable spend data.

## A global system with vast benefits

The implementation of IBX Purchase-to-Pay and Spend Analytics and creation of a global indirect procurement department has resulted in significant realized benefits across the organization with higher compliance, greater efficiency, and cost savings.

Currently, 50% of all purchase orders are made through the employee self-service function and are automated, requiring no involvement from the procurement team. Overall, savings as a result of process transformation and implementation of the solution are estimated at 10% on purchased volume. Vorwerk can now focus more of its energy on supplying the world with high-quality household products.

## About the Client

As an internationally successful family enterprise, the Vorwerk Group is a household name to millions of people around the globe. Under the leadership of its owners, the Mittelsten Scheid family, Vorwerk has gradually grown into a global corporate group over the more than 130 years it has been in business. Today, former Managing Partner Dr. Jörg Mittelsten Scheid is Honorary Chairman of the Supervisory Board. A total of 19 members of the Mittelsten Scheid family are connected to the Vorwerk enterprise as shareholders. They all fully support the company's sustainability policy, which is perhaps the true secret of the success of this family enterprise.

[www.corporate.vorwerk.com](http://www.corporate.vorwerk.com)

## Collaborative Experience

Capgemini IBX Business Network and Vorwerk collaborated closely to establish priorities as they implemented a solution. A staggered approach with areas where the most significant cost savings could be achieved was then planned and initiated. The joint team also worked closely to plan the rollout on a country by country basis in order to cope with language barriers and to increase chances of buy-in and adoption.

For more information, please contact us at:

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## About IBX Business Network

The IBX Business Network is part of the Capgemini Group, one of the world's foremost providers of consulting, technology, and outsourcing services. The Group reported 2015 global revenues of EUR 11.9 billion. Together with its clients, Capgemini creates and delivers business, technology, and digital solutions that fit their needs, enabling them to achieve innovation and competitiveness. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Connecting over 350 large buying organizations, 550,000 suppliers and providing services in more than 140 geographies, the IBX Business Network is a Cloud-based e-Procurement platform that optimizes user experience, enables superior spend management, while exacting lower total cost of ownership. A complete ready-to-run procurement service, the IBX Business Network supports the entire closed-loop Source-Purchase-Pay process and results in lower costs and faster ROI, increased spend visibility and transparency, increased control and compliance, and improved supplier quality.

Learn more about us at  
**[www.capgemini.com/ibx](http://www.capgemini.com/ibx)**

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