



Business Process Outsourcing
Accenture Supply Chain
BPO Services

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accenture

High performance. Delivered.

A global leader in driving high performance through supply chain management outsourcing

• Consulting • Technology • Outsourcing

Accenture is helping today's leading companies meet their supply chain challenges

For today's multinational companies looking to achieve high performance through an effective and efficient supply chain, Accenture offers its Supply Chain Business Process Outsourcing (BPO) Services.

- 20 years of business process outsourcing experience
- Supply chain experience across all geographies and industries
- One of the world's largest and most successful supply chain management groups, with 15,000 experienced consultants
- More than 40,000 people dedicated to outsourcing delivery
- Ongoing, fast access to specialized research, knowledge and innovation
- A global delivery network on 5 continents

- Global presence in 47 countries The industry acknowledges Accenture's market-leading position:

- For the second consecutive year, Accenture has been named number 1 in the Global Outsourcing 100 list by the International Association of Outsourcing (2008, 2009).¹

- Accenture has been ranked number 2 in the IT Services category of FORTUNE magazine's list of America's Most Admired Companies (2009).²

- For the third straight year, Accenture was identified as one of the top 20 highest performing tech companies in BusinessWeek's Info Tech 100 (2008).³

We have the global reach and scale to help you achieve high performance through supply chain management outsourcing—delivering a more standardized, effective, flexible and cost-efficient supply chain.

Accenture: A pioneer in supply chain management outsourcing

Across almost every industry, economic and marketplace change and volatility have focused increasing attention on the performance of organizations' supply chains.

Accenture research has found that the supply chain can account for between 50 percent and 70 percent of a manufacturer's total costs of doing business and has tremendous impact on customer service and sales. An overwhelming number of executives surveyed believe that supply chains are core to their business success and that the importance of supply chain management as a business function is growing.

Faced with fluctuations in demand, technology complexity and the difficulty of attracting and retaining top supply chain management talent, however, many executives have grown frustrated by their inability to manage their supply chains' predictably and to take out unnecessary costs. Consequently, forward-thinking

leaders are now taking the next logical step in improving the performance and cost management of their supply chains: outsourcing specific supply chain management operations to Accenture.

An industry pioneer

With more than twenty years of experience in both IT and business process outsourcing, and a demonstrated ability and track record of delivering measurable improvements in business performance through supply chain consulting, Accenture is one of the pioneers of supply chain management outsourcing.

Beginning with groundbreaking contracts at industry-leading companies in sectors such as petroleum, high-technology and retailing, Accenture now helps to manage and operate supply chain management functions for approximately 20 world-class companies and organizations across a range of geographies and industries.

Comprehensive services

Accenture offers a comprehensive range of outsourcing services across all dimensions of a company's supply chain (see Figure 1):

- Demand management
- Supply management
- Transportation management
- Materials management
- Production management
- Green supply chain
- Financial supply chain
- Demand/Supply Collaboration

BPO Services can also be seamlessly bundled with Accenture Procurement BPO Services and Supply Chain Application hosting to provide an end-to-end supply chain service, helping companies gain a high degree of control over spending and achieve deep sourcing savings.

Figure 1: Accenture offers a comprehensive range of supply chain management services across all dimensions of a company's supply chain

Demand Management	Supply Management	Transportation Management	Materials Management
<ul style="list-style-type: none"> • Forecasting • Forecasting Analytics • Demand Planning • Promotions Management 	<ul style="list-style-type: none"> • Supply Planning & Parametric Optimization • Spare Parts Planning • Retail Inventory Planning and Replenishment Services • Reverse Logistics / Returns Management 	<ul style="list-style-type: none"> • Transportation Management • Load Building & Optimization • Carrier Management • 4PL Operations 	<ul style="list-style-type: none"> • Material Optimization (Daily, Weekly, Monthly, etc) • Inventory Optimization • Direct Material Acquisition
Production Management	Green Supply Chain	Financial Supply Chain	Demand/Supply Collaboration
<ul style="list-style-type: none"> • Mid-Term Capacity Planning • Long-term Capacity Planning • Production Scheduling & Optimization 	<ul style="list-style-type: none"> • Green Supply Chain Certification • Carbon Footprinting • Supply Chain Sustainability • Extended Producer Responsibility Management 	<ul style="list-style-type: none"> • Global Tax Optimization • Supply Chain Risk Management • International Trade Optimization 	<ul style="list-style-type: none"> • Custom Collaboration • CPFR • Trading Partner Collaboration • VMI Enablement • Buyer-Seller Integration • Engineering to Supply Chain Collaboration

The capabilities to drive key benefits

Accenture provides important capabilities that are the driving force behind the success of supply chain management outsourcing:

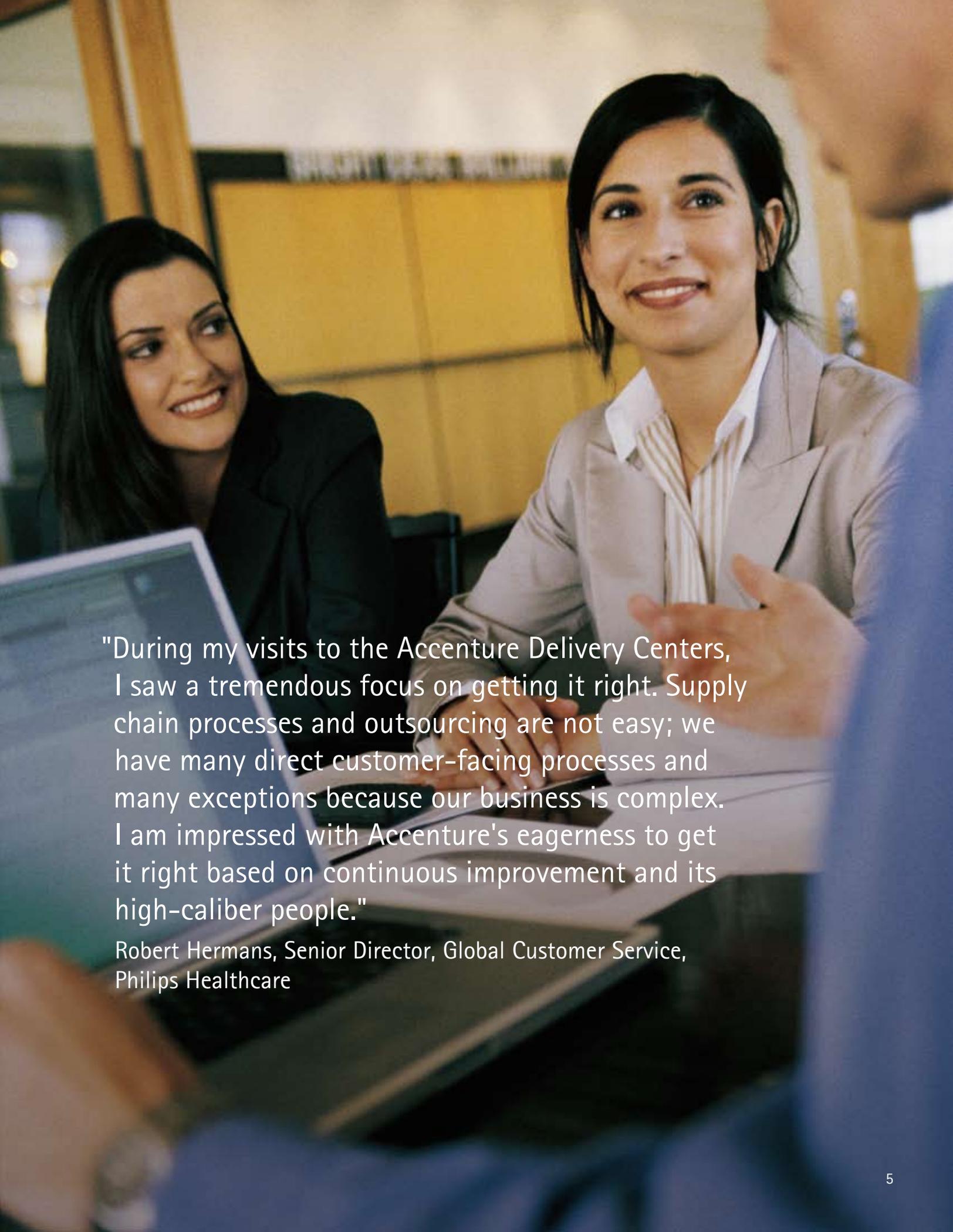
- Ability to take on core supply chain management competencies
- Single point of accountability
- Rigorous staff selection, on-boarding and training

For example, a high-tech retailer increased product availability 13 percent to 93 percent, while achieving a \$36 million improvement in working capital, by working with Accenture. On the other side of the globe, a leading Japanese high-tech manufacturer has reduced supply chain management costs by 25 percent—almost US\$4

billion—while simultaneously reducing stockouts from 9.4 percent to 2.1 percent.

Companies are realizing several critically important benefits by leveraging Accenture's supply chain management outsourcing:

- Improved process and operational performance
- Low investment and faster time to value
- Better flexibility to respond to fluctuations in demand
- Faster access to leading solutions and innovations
- Access to analytics tools and methods that deliver operational excellence and continuous improvement



"During my visits to the Accenture Delivery Centers, I saw a tremendous focus on getting it right. Supply chain processes and outsourcing are not easy; we have many direct customer-facing processes and many exceptions because our business is complex. I am impressed with Accenture's eagerness to get it right based on continuous improvement and its high-caliber people."

Robert Hermans, Senior Director, Global Customer Service,
Philips Healthcare

What are the advantages of outsourcing supply chain management?

Perhaps the most important change in supply chain management over the last half-decade has been the extension of industrialized and standardized outsourcing services into the realm of supply chain management—a development pioneered by Accenture.

Accenture has made it possible for organizations to leverage our skills, experience and research to rapidly access key supply chain management capabilities. The result is a deep, long-term supply chain management collaboration between Accenture and a company's internal resources.

Accenture Supply Chain BPO Services is already helping companies address some of their most critical challenges:

Managing operational complexity

Today's supply chains are exceedingly complex, especially for a global enterprise with multiple operating companies. Many companies lag when it comes to their forecast and

demand management capabilities. As a result, they have excess inventory leading to excessive costs, and their service levels are lower than desired. They also suffer from an inability to adapt quickly enough to changes in supply chain demand, and from poorly defined and inconsistent processes. In the end, these deficiencies can lead to difficulties in scaling for growth.

Supply chain management outsourcing brings increased rigor to operations management. Consider the case of a major entertainment company working to create a super-efficient supply chain in an industry in the midst of a major transformation from analog to digital formats. As it sought to operate more effectively in this temporary hybrid situation between business models, the company elected to outsource portions of supply chain operations to Accenture rather than invest in costly, time-consuming capability building to operate in an overly fluid business environment.

Implementing complex technology and systems

Effectively managing and operating a supply chain during volatile times is technology intensive, and most companies are concerned about generating adequate returns on their investments in advanced planning tools. Supply chain information systems can be expensive to operate, maintain and enhance, and the software can be difficult to design and maintain. Insufficient implementation experience can create delays and negatively affect the performance of the business.

As a leading technology company and systems integrator, Accenture brings greater predictability and lower risk to supply chain-related technology implementations. One European high-tech company spent two years and millions of euros trying unsuccessfully to implement the technologies to enable a new spare parts operation. By relying instead on Accenture as an

The benefits of supply chain outsourcing

- Accenture brings rigorous analytical skills and techniques to operations that are often managed by intuition and "gut feel."
- Operational savings can be realized by improving process performance and optimizing staffing profiles.
- Companies can realize additional value through increased process performance, which can improve the entire client supply chain management organization.
- Accenture focuses investments and resources on companies core competencies to help improve speed and efficiency. We also bring capabilities in areas such as analytics.
- Instead of having to manage multiple departments and vendors, companies gain a single point of accountability through Accenture.
- Outsourcing helps to create an integrated, global supply chain management organization, replacing functional or regional silos, with improved decision making capabilities.
- Companies can decrease their operational workload, reduce seasonal staff shortages and enhance process compliance.
- Companies gain access to world-class technology faster and cheaper.

outsourcing partner, the company was able to quickly implement the spare parts capabilities it needed.

Acquiring and retaining top talent

Attracting, developing and retaining employees with the skills needed to manage a complex supply chain is a big challenge for most organizations. Employee turnover in supply chain management organizations is sometimes high, often due to uncertain career paths in supply chain management. Increasing labor and benefits costs strain many companies' operating budgets.

One US specialty retailer decided to focus their talent within core supply chain planning competencies and use Accenture to run their new forecasting function. By outsourcing that function to Accenture, the company now has a steady source of experience and knowledge in this area.

By providing deep skills and market-tested solutions in operations, technology and organizational management, the business case for outsourcing supply chain management to Accenture is compelling.

Why Accenture for supply chain management outsourcing?

Accenture combines extensive outsourcing experience with deep supply chain consulting capabilities. We have more than 20 years of business process outsourcing experience and more than 40,000 professionals worldwide dedicated to outsourcing delivery through our global delivery network located on five continents.

Here are some of the reasons that Accenture Supply Chain BPO Services is differentiated in the marketplace:

Operational rigor

At Accenture, operational excellence is how we improve our own operational performance as well as the total performance of our clients' supply chains. Built on Six Sigma and Lean supply chain disciplines, our operational excellence methodology aligns processes, tools, people and business strategies to drive improved business results. These technical and process disciplines enable us to make supply chain management outcomes

consistent and predictable across multiple industries and geographies.

Innovation

Accenture is a global market leader in supply chain management outsourcing. Our ongoing research program into the role of supply chain in achieving high performance enables us to continuously infuse the latest industry breakthroughs into our solutions and services. Indeed, we have created patented innovations in our supply chain management BPO operations. Our focus on innovation in operations helps us maintain our market-leading position.

Commitment to our clients' success

Accenture understands that the decision to outsource supply chain management functions is never made lightly. In every contract, large or small, we are focused not just on our success but on the success of the joint client-Accenture supply chain management operations. We cannot

succeed alone. This fact drives us toward a deep commitment to our clients' supply chain management performance, often in areas and ways that go beyond clients' expectations.

Deep analytics skills

A key Accenture differentiator is our focus on analytics to improve decision making. We believe fully in the use of advanced analytics in operations, and that their use improves our performance and that of our clients. Accenture is a leading provider of information management and analytics tools and solutions. Our pricing analysis tools and our proprietary methodologies enable rigorous performance measurement and continuous improvement.

Many of our clients depend on Accenture's deep analytics capabilities. For example, one high-tech retailer now leverages an offshore Accenture forecasting team to deliver statistical forecasts for the company's retail stores. Accenture is responsible for



forecast optimization and working alongside the retailer, managed to reduce its average inventory holding from approximately \$68 million to \$32 million through better demand planning, range management and product lifecycle management.

For a major global resources company, our analytics capabilities have helped deliver a sustained six percent improvement in forecast accuracy, equating to \$13 million in working capital savings annually.

Insights from our supply chain consulting practice

Our supply chain management group is one of the world's largest and most successful supply chain consulting practice, with 15,000 consultants experienced across all geographies and industries.

Accenture Supply Chain BPO Services and our supply chain management consulting teams work hand in hand, providing our clients with outstanding

operational support as well as access to the strategists and teams that have made Accenture a global leader in supply chain management consulting. In the end, clients of Accenture gain the best of both worlds: a cost-focused operational collaborator with access to advanced ideas across industries and around the world.

Industry experience and geographic reach

Accenture Supply Chain BPO Services has experience across a wide variety of industries including:

- Consumer goods
- Energy and chemicals
- High-tech manufacturing
- Media and entertainment
- Retail
- Telecommunications

We deliver services to clients in all key regions including North America, Europe and Asia-Pacific.

Respect throughout the industry

The industry acknowledges Accenture's market-leading position as an outsourcing and IT services provider:

- For the second consecutive year, Accenture has been named number 1 in the Global Outsourcing 100 by the International Association of Outsourcing Professionals (2008, 2009).
- For the third straight year, Accenture was identified as one of the top 20 highest performing tech companies in BusinessWeek's Info Tech 100 (2008).
- Accenture has received Outsourcing Excellence Awards for five consecutive years: Best First Steps—with Southwest Water (2009); Most Strategic Partnership—with Microsoft (2008); Best European Union Partnership—with Thomas Cook (2007); Best Partnership—with BT (2006); Best Partnership Government—with Qinetiq (2005).

Contact us

For more information on how Accenture can help you achieve high performance through a more effective and cost-efficient supply chain, please contact Accenture Supply Chain BPO Services at asc@accenture.com.



Reference:

1. <http://www.outsourcingprofessional.org/content/23/152/1858/>
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About Accenture

Accenture is a global management consulting, technology services and outsourcing company, with more than 176,000 people serving clients in more than 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. The company generated net revenues of US\$21.58 billion for the fiscal year ended Aug. 31, 2009. Its home page is www.accenture.com.