

A collage of several skyscrapers with glass facades, viewed from a low angle looking up. The buildings are arranged in a staggered, overlapping pattern, creating a sense of depth and architectural complexity. The colors range from cool blues and greys to warmer yellows and oranges.

***ISG** Provider Lens™

2021

Procurement BPO and
Transformation Services

imagine your future®

ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the top 100 enterprises in the world, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006 and based in Stamford, Conn., ISG employs more than 1,300 professionals operating in more than 20 countries — a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit www.isg-one.com.



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Definition

For years, procurement organizations and operations have been transitioning from supply management and overseeing transactional activity to more holistic participation within the business. However, as business struggles to adapt to still-developing, post-COVID organizational, labor and economic realities, procurement (as a function and as an organization) is under increasing pressure to improve – and to do so at a faster pace – while enabling transition to more integrative, digitally agile business environments.

Many enterprises address this need through engagement with providers of procurement business process outsourcing (BPO) and digital transformation services. Such an approach enables optimization (and, ideally, future proofing) of enterprise procurement, while minimizing direct enterprise investment in new software, infrastructure, tools and skills.

This ISG Provider Lens™ study looks at services providers in two ways — provision of procurement BPO that enables more efficient and sustainable procurement functionality and operation, and provision of services that transform existing procurement organizations and operations into future-ready, digitally agile status that enables substantially improved value to the enterprise.

This ISG Provider Lens™ study offers procurement decision-makers the following:

- Global and market-specific insights regarding Leaders, Rising Stars and contenders in procurement business process and digital transformation outsourcing
- Differentiated positioning of providers by segments
- Transparency on the strengths and weaknesses of relevant providers

This study serves as an important decision-making basis for positioning, key relationships and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current vendor relationships and potential new engagements.

Quadrants Research

The ISG Provider Lens™ study on the topic 'Procurement BPO and Transformation Services' will contain the following quadrants:

Procurement BPO and Transformation Services - Global			
Procurement BPO Services – Large Enterprises	Procurement BPO Services – Mid-sized Enterprises	Procurement Digital Transformation Services – Large Enterprises	Procurement Digital Transformation Services – Mid-sized Enterprises

Source: ISG 2021

Procurement BPO and Transformation Services - Australia, Singapore & Malaysia	
Procurement BPO Services	Procurement Digital Transformation Services

Source: ISG 2021

Procurement BPO Services

BPO continues to grow in use and in value. The outsourcing of transactional procurement has been ongoing for years. However, more recently, the outsourcing of strategic procurement activities such as supplier selection, contract negotiation or specification management has become increasingly common. Outsourcing procurement can help enterprises streamline operations and reduce costs while enabling business transformation that may not have been feasible when keeping procurement in-house.

Eligibility and evaluation criteria for these quadrants include:

- Tactical procurement optimization
 - Core procurement capabilities linked to current business objectives
 - Improvement of current procurement efficiencies
- Strategic procurement enablement
 - Procurement strategy development and execution
 - Roadmap development and adaptation
- Business disruption minimization
- Strategic sourcing
- Category management
- Supplier management
- Demand and specification management
- Operational purchasing, including bid/spot buy management
- Catalog management
- Procurement management scope
- Technology and support capabilities and offerings
- Help/buy desk capabilities and offerings
- Procurement tools and technologies (analytics, req-to-po, sourcing, supplier relationship management, contract management, and intelligent automation such as RPA, cognitive and AI)
- Accounts payable processing support

Mid-sized enterprises face very similar challenges as large firms but tend to require different concentrations of capabilities. Mid-sized firms typically have fewer resources available and smaller budgets, and often have relatively less-complex procurement environments. But they also tend to be more agile in business, and more aggressive in adopting and adapting emerging technologies and solutions. And midsized firms also tend to look for solutions enabling a different scale and pace of economic growth than larger firms do. So while our core evaluation criteria remain the same as for large enterprises, ISG also looks at the relative importance of scale, concentration, cost-effectiveness, and adaptability of services offered for midsized firms.

Procurement Digital Transformation Services

Recent and ongoing global disruption of business organizations, relationships and supply chains have made digital transformation more of a requirement than a goal. Procurement leaders and organizations are seen as critical to an enterprise's ability to foresee, minimize and take advantage of market change and disruption and, therefore, are increasingly seen as candidates for digital transformation. Also, given the scope and nature of disruption, the ability to continue to adapt in more ways and enable a "procurement of the future" environment will be critical. To do so requires ever-improving, ever-expanding expertise in transformation models, strategic consulting, technologies, and tools, software, and services.

Eligibility and evaluation criteria for these quadrants include:

- "Future procurement" positioning, planning and enablement
 - Roadmap development and adaptation
 - Procurement strategy development
 - Procurement strategy execution
- Stakeholder engagement approaches
- Organizational design and change management
- Process optimization and management capability
- Cognitive procurement enablement
- RPA strategy, implementation and optimization approaches
- Natural language processing (NLP) and machine learning integration across the source-to-pay cycle
- Next-generation metrics and policies support
- Advanced analytics offerings and capability
- Training offerings and capability

As with Procurement BPO Services, mid-sized enterprises face very similar challenges as large firms, but tend to require different concentrations of capabilities. Mid-sized firms typically have fewer resources available and smaller budgets, and often have relatively less-complex Procurement environments. But they also tend to be more agile in business, and more aggressive in adopting and adapting emerging technologies and solutions. And mid-sized firms also tend to look for solutions enabling a different scale and pace of economic growth than larger firms do. So while our core evaluation criteria remain the same as for large enterprises, ISG also looks at the relative importance of scale, concentration, cost-effectiveness, and adaptability of services offered for mid-sized firms.

Quadrants by Region

Quadrant	Global	Australia	Singapore & Malaysia
Procurement BPO Services		✓	✓
Procurement Digital Transformation Services		✓	✓
Procurement BPO Services – Large Enterprises	✓		
Procurement Digital Transformation Services – Large Enterprises	✓		
Procurement BPO Services – Mid-sized Enterprises	✓		
Procurement Digital Transformation Services – Mid-sized Enterprises	✓		

Schedule

The research phase for this study will occur between **November 2021 and December 2021**, during which survey, evaluation, analysis and validation will take place. The results will be presented to the media in **March 2022**.

Milestones	Beginning	End
Survey phase	November 3, 2021	December 1, 2021
Sneak previews	February 2, 2022	
Press release	March 31, 2022	

Access to Online Portal

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

Research Production Disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

ISG Star of Excellence™ – Call for nominations.

The Star of Excellence is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.” The Star of Excellence is a program, designed by ISG, to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement please use the Client nomination section on the Star of Excellence [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply. Here is the email address: ISG.star@isg-one.com

List of companies under consideration for participation:

Are you on the list or do you see your company as a relevant provider that is missing in the list? Then feel free to contact us to ensure your active participation in the research phase.

1source	Deloitte	NTT Data
4C Associates	DSSI LLC	Pollen Consulting Group
Accenture	DXC Technology	Procura Consulting
ADR International	Efficio Consulting	Procure4
Aquanima	Elixirr	Promena
Alvarez and Marsal	EXL	Proxima Group
ArcBlue	Genpact	PwC
Bain & Company	GEP Smart	Stefanini
Baringa	Hexaware	Stennant Consulting
Capgemini	HCL	Sutherland
CGI Group	IBM	Synovos
ChainIQ	Infosys	Tech Mahindra
Cognizant	Insight Sourcing Group	TCS
Conduent	IQ BackOffice	Vendigital
Converga	KPMG	Wipro
Corbus	Management Options	WNS
Corcentric	My Biz Procurement	

Contacts for this study



Shahid Bhatti
Principal Consultant, Americas



Deepraj Emmanuel
Director, Asia



Bruce Guptill
Global Lead Analyst



Phil Hassey
Lead Analyst, Australia,
Singapore & Malaysia



Venkatesh B
Research Specialist



Abhilash M V
Project Manager

Do you need any further information?

If you have any questions, please contact us at isglens@isg-one.com.