

Zycus powers procurement performance
for **Energy & Utilities** industry

ZYCUS[™]
PROCURE PERFORMANCE



Make procurement **the key element** of business performance

Global market conditions for energy utilities could not be more demanding. But if the challenges are numerous, so are the opportunities for procurement and supply management teams to affect business performance in positive ways. Zycus is here to help. We offer customized solutions that are highly attuned to the energy utility industry's unique requirements and challenges.

PROCUREMENT PERFORMANCE IMPACT

360-degree spend visibility combined with intelligent sourcing can be used to control operating costs, enable prompt discovery of innovative new suppliers and ensure that new utility revenue streams are built for profitability. The solutions can deliver:

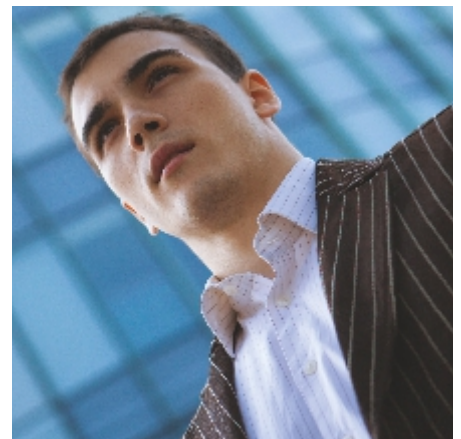
- Aggregation and normalization of spending data from multiple, fragmented systems for detailed and comprehensive visibility into both direct and indirect spending
- Timely insight into market movements for key cost drivers
- Abilities to rapidly build and execute competitive sourcing events for everything from commodity items to complex mission-critical technology investments
- Structured sourcing optimization and decision making

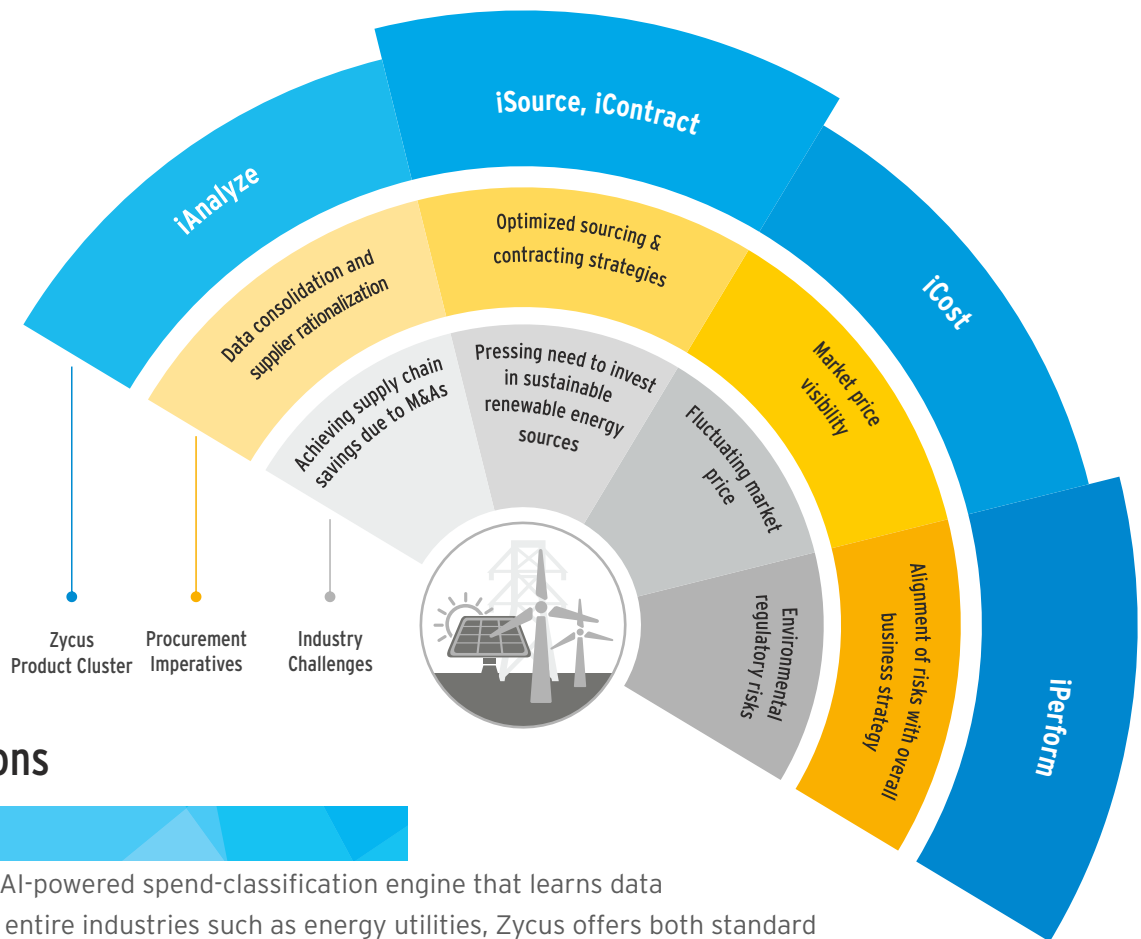
Disciplined and thorough supplier and contract management can empower utility procurement teams to deliver exceptionally high and consistent levels of supplier performance and compliance in support of lean and responsive plant and equipment maintenance, high utilization and yield. The solutions deliver comprehensive capabilities for:

- Thoroughly vetting and rapidly onboarding new suppliers
- Configuring unique performance metrics (KPIs) in support of Service Level Agreements (SLAs) across a wide variety of direct and indirect spending categories
- Monitoring and managing supplier compliance to both performance specifications and commercial terms in contracts
- Collaborating with suppliers on continuous performance improvement

INDUSTRY CHALLENGES

- Due to a strong recent wave of merger & acquisition activity, there are multiple behind-the-scenes systems and process integration challenges
- Political and social pressures to reduce carbon emissions are intensifying
- The industry is undergoing multiple transitions that affect physical infrastructure, for example from fossil fuels to renewable energy; from unilateral generation, transmission and distribution to two-way or distributed generation; from imprecise metering to smart metering/smart management technologies
- Utility companies are reinventing themselves to be more consumer oriented, engaging with customers and offering new services and products aimed at making energy consumption more efficient
- Fast-growing popularity of electric cars is raising questions around utilities' abilities to meet resulting demand patterns and spikes





Zycus Solutions

Spend Analysis

With its patented AI-powered spend-classification engine that learns data idiosyncrasies for entire industries such as energy utilities, Zycus offers both standard and custom spend taxonomies that can be leveraged to accelerate analysis and drive spend classification accuracy across all categories to 90% and beyond. The complete Zycus Spend Analysis solution (iAnalyze, iCost, iMine) empowers utility companies to:

- Perform powerful multidimensional spend reporting, identify cost-savings opportunities and gain greater control over noncompliant spending
- Identify more opportunities for placing fragmented MRO and large indirect services categories under management by procurement
- Track spending in context of global commodity pricing intelligence to inform category sourcing strategies and formulate independent understandings of total cost drivers in complex subcontract award processes
- Automatically identify and quantify cost-savings opportunities across spend categories such as MRO and engineering services, IT and professional services etc.

eSourcing

The Zycus e-Sourcing solution is built for speed, collapsing sourcing cycle times to enable energy utility companies to take full advantage of favorable commodity market conditions as they arise and drive to true market pricing using live e-auctions. Capable of modeling competitive sourcing events for everything from simple commodities to highly complex major subcontracts, the Zycus e-Sourcing solution (iSource) enables utility companies to:

- Quickly build competitive sourcing events and solicit supplier bids (even with limited choice of suppliers) from anywhere in the world even on relatively small and/or infrequent buys without adding significant time and cost to the sourcing process
- Maintain transparency in sourcing and awarding deal in the case of both global scale and localized sourcing
- Analyze complex inputs from suppliers and award business both promptly and optimally

Zycus Solutions

Supplier Management

The Zycus Supplier Performance Management solution (iPerform) enables procurement to:

- Proactively measure supplier performance and risk (financial, operational and reputational)
- Employ KPIs customized for energy utility supplier categories
- Enhance supplier development programs by comparing supplier performance on SLAs and other contractual obligations

Contract Management

The Zycus Contract Management solution (iContract) minimizes risk exposure in contracts and empowers procurement organizations to:

- Ensure use of proper standard clauses and important SLAs for a wide variety of purchase types (for example transmission transformers, power generation etc.)
- Match transactions to contracts to ensure utilization and compliance to pricing and other performance terms
- Make sure that contracts are never renewed automatically without proper due diligence
- Ensure supplier service level agreements (SLAs) are part of contracts to minimize risk in subcontracting activities
- Reduce supply chain risk by providing a centralized repository for all enterprise contracts and obligations

ABOUT ZYCUS

At Zycus we are 100% dedicated to positioning procurement at the heart of business performance. With our spirit of innovation and a passion to help procurement create even greater business advantages, we have evolved our portfolio to a full suite of Procurement Performance Solutions - Spend Analysis, eSourcing, Contract Management, Supplier Management, Financial Savings Management, and Procure-to-Pay.

We believe our deep, detailed procurement expertise and a sharp focus on being responsive to our customers has reflected in us being positioned as a 'Leader' in the '2013 Gartner Magic Quadrant' for Strategic Sourcing Application Suites. We continue to see each customer as a partner in innovation and no client is too small to deserve our attention.

We are a 600+ company with a physical presence in virtually every major region of the globe. With more than 200 solution deployments among Global 1000 clients, we search the world continually for procurement practices proven to drive competitive business performance. We incorporate these practices into easy-to-use solutions that give procurement teams the power to get moving quickly - from any point of departure - and to continue innovating and pushing business and procurement performance to new heights.

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