

# Zycus powers procurement performance for **Oil and Gas** industry

**ZYCUS**<sup>™</sup>  
PROCURE PERFORMANCE



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

Global market conditions for oil & gas companies 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 oil & gas industry's unique requirements and challenges.

## PROCUREMENT PERFORMANCE IMPACT

360-degree spend visibility combined with intelligent sourcing gives oil & gas industry procurement teams enormous power to maintain price competitiveness, increase profitability, minimize exposure to risk, accelerate cash flow and capture innovation from a global base of suppliers and contractors. The solutions deliver:

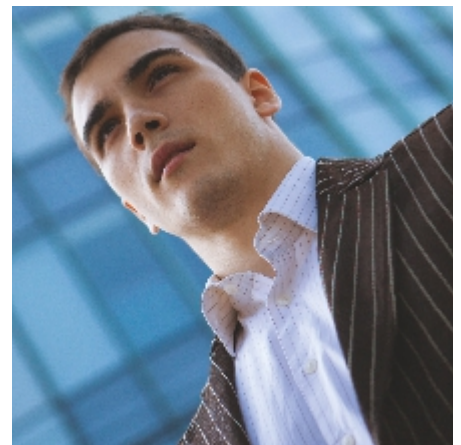
- Detailed insight into both direct and indirect spending
- Timely insight into movements in global commodity prices and cost drivers
- An ability to aggregate data and model total costs on complex subcontracts
- Advanced capabilities for sourcing-decision and contract award optimization

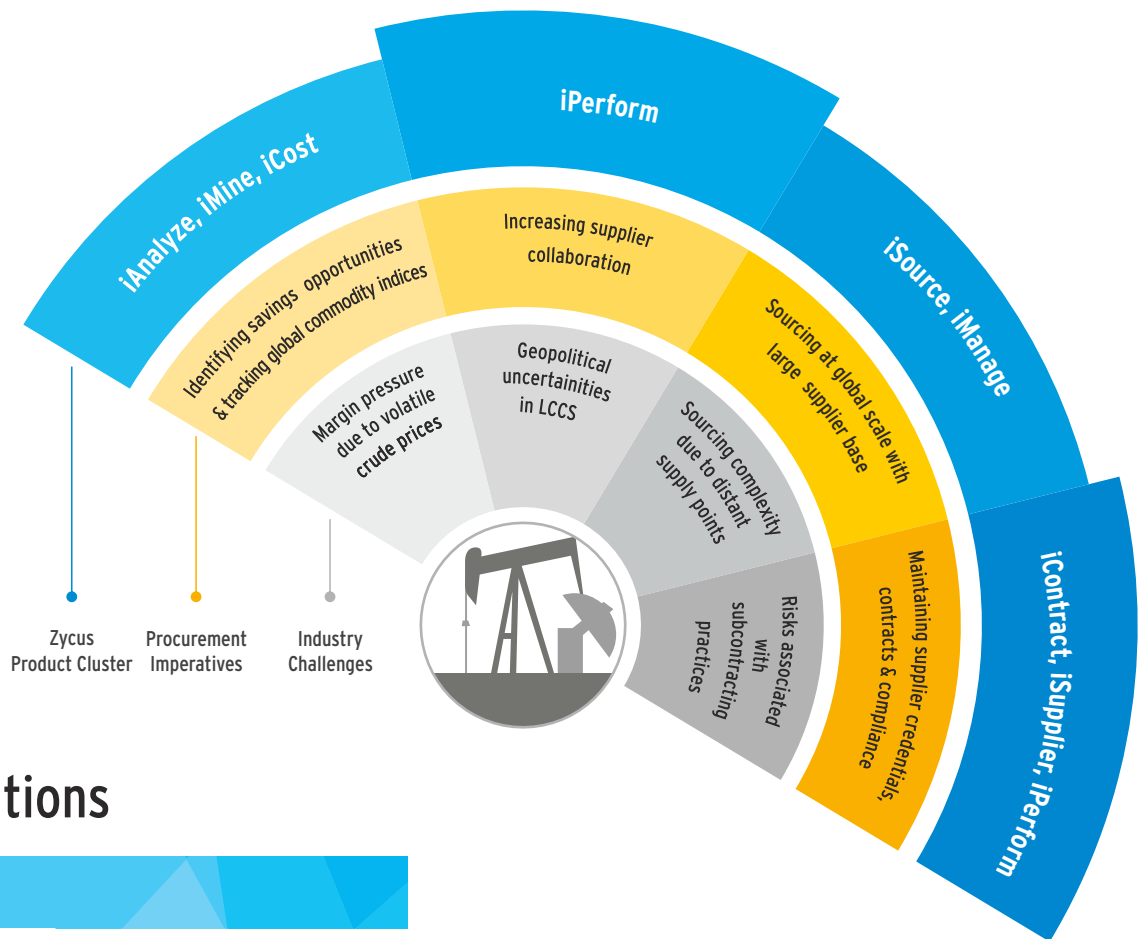
Disciplined and thorough contract and supplier management empowers oil & gas procurement teams to affect such business performance levers as operating costs, plant up-time, return on capital, on-time/on-budget completion of capital projects, regulatory compliance and safety. The solutions also enable oil & gas companies to transition away from traditionally adversarial and risk-shifting supply relationships to controlled collaborations that can permanently remove risks from supply chains. The solutions enable:

- Thorough vetting and rapid onboarding of suppliers and contractors
- Structured performance measurement and management of suppliers, including complex subcontract relationships
- Ongoing monitoring and tight management of compliance to contracts
- Collaboration with suppliers and contractors on continuous performance improvement

## INDUSTRY CHALLENGES

- New oil & gas reserves are becoming more difficult and costly to secure
- Exploration and production endeavors are increasingly cross-cultural, complex and risky
- Commodity prices and availability are volatile
- While margins can be very high at times, they can be razor thin to nonexistent at others





## Zycus Solutions

### Spend Analysis

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

- Perform powerful multidimensional spend reporting, identify cost-savings opportunities in categories such as professional services, freight & transport etc. and gain greater control over noncompliant spending
- Aggregate fragmented, difficult-to-predict MRO spending
- Formulate independent understandings of total cost drivers to optimize decision making in complex subcontract award processes
- Automatically identify and quantify cost-saving opportunities across spend categories such as intercompany spend, transportation, freight etc.

### eSourcing

The Zycus e-Sourcing solution is built for speed, collapsing sourcing cycle times to enable oil & gas 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, iManage) empowers oil & gas companies to:

- Quickly build sourcing events and solicit supplier bids from anywhere in the world
- Analyze complex inputs from suppliers and award business both promptly and optimally
- Employ custom oil & gas sourcing project templates and start-to-finish workflow management for identify & quantify cost-saving opportunities across spend categories such as intercompany spend, logistics, freight etc.



# Zycus Solutions

## Contract Management

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

- Ensure use of proper standard clauses for a wide variety of purchase types (drilling, rig operations etc.)
- Match transactions to contracts to assure utilization and compliance to pricing and other performance terms
- Make sure that contracts are never renewed automatically without proper due diligence
- Ensure that supplier service level agreements (SLAs) are part of contracts to minimize risk in subcontracting activities

## Supplier Management

With its unique blend of supplier information management, performance management and collaborative performance improvement capabilities, the Zycus Supplier Management solution (iSupplier, iPerform) is a perfect fit for the oil & gas industry. The solution enables procurement to:

- Obtain and maintain accurate and timely information around supplier credentials and certifications (for example EH&S standards)
- Employ KPIs (transportation cost per one thousand barrels, production throughput etc.) customized for oil & gas supplier categories
- Enhance supplier development programs by comparing supplier performance on SLAs and other contractual 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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