

Valio Case Study Savings Lifecycle

"Sievo has had a tremendous impact on how our sourcing organization works today. It has been a key building block in creating a systematic management and follow-up process for our performance and it has vastly increased the credibility of all our reporting towards business stakeholders, finance and top management."



JORMA RUIKKA Vice-President, Procurement

VALIO Helsinki, Finland Dairy 25,000+ employees www.valio.fi

01. Starting point

Objective

To enable sourcing function development in Valio by providing one solution for managing all spend and performance data as well as other essential information

Challenges

- → Lack of visibility and access to purchasing data and information, which greatly slowed down sourcing and category managers in implementing new ideas
- → Top management was missing credible figures and visibility on how the sourcing organization actually performed

02. Sievo solution

There existed a clear drive and need to take the way of organization operated to a new level, but the existing inforomation systems didn't really support the envisioned new way of working.

The Sievo solution was quickly adopted by the sourcing organization and became the main source for data and information for sourcing and category managers.

Sievo works as a single source of data and information for our sourcing and category managers relieving them from many routine tasks and thus enabling them to focus on the essentials of sourcing work.

03. Benefits

- → Recognition of several new savings opportunities and internal development needs
- → Tracking of realized savings and performance against market
- → Better leverage for souring and category managers time

"Sievo has definitely enabled us to grow as a sourcing organization to a new level. Sievo's extensive experience in procurement and sourcing complements their technology capabilities very well as they have been able to deliver a solution that is highly usable and solves real life business problems for us without the usual misalignment between technology and business needs that I have witnessed in several other IT projects."

— JORMA RUIKKA

04. Solution & Roll Out

- → Data integration from three different source system (SAP, Oracle and Axapta)
- → Establishment of key performance indicators for sourcing
- → Flexible and easy extension of the system as new needs arise

The first phase of the roll-out was carried out in 4 months and included implementation of spend visibility for all Finnish spend and profitability tracking for direct materials and packaging. The second phase of the roll-out extended the scope by including purchasing data from Estonia. It also included setting up of market price measurement for direct materials and packaging and setting up of compliance measurement and contract management based on SAP contract data.



ABOUT VALIO

Valio is a company owned by Finnish dairy farmers that secures milk production in Finland and the vitality of the nation's countryside by processing milk into tasty products that promote well-being.

In addition to its 15 production plants in Finland, Valio also has significant operations in Estonia, Belgium, Sweden and Russia. Sievo is a leading procurement analytics SaaS-based solution company that provides spend visibility, but also goes way beyond that. We help our clients identify opportunities, translate these opportunities into projects, embed created value into budgets and ensure that savings truly hit the bottom line. We speak the language of procurement and also translate numbers into the financial view.

Our solution is used by thousands of users in best-in-class procurement organizations, such as Deutsche Telekom, ISS and Kellogg's. With our clients, we don't stop at backward-looking reporting but deliver more by creating forward-looking forecasts and comprehensive analytics. We combine internal information with external data sources. With Sievo, human input and machine learning technologies are integrated together. In short, we translate procurement data into dollars.

Since our founding in 2003, we have experienced rapid, profitable and self-financed growth. Currently we employ more than 100 professionals and have offices in Europe and US.

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