noosh

PROJECT AND PROCUREMENT
MANAGEMENT FOR THE REST OF US

EXTENDING ENTERPRISE BUYING AND
SELLING PRIVILEGE TO THE SMB

OVERVIEW

Small- and medium-size business service providers, such as those offering marketing, print, engineering, logistics and other custom business services, are facing a competitive and rapidly growing market. Within this immense growth, there are large opportunities for small- and medium-sized business to expand; encroaching on territories generally controlled by large enterprises. According to the Everest Group, the business service provider market is growing at 12% CAGR and currently stands as a $500 Billion dollar market.

This growth is attributed to the fact that SMB service providers' customers increasingly value smaller service providers for their domain expertise -- they also trust their ability to be flexible and agile -- doing more work at better prices than an enterprise giant. Delivering on this promise requires that these companies not only provide their expertise for new products and services, but also manage the entire supply chain, project management, and pro-curement management processes.

Unfortunately most service providers are not positioned to take advantage of this opportunity. Disparate technologies, which treat client interactions and supplier interactions separately, force a loss of continuity and integration of information required to meet demanding customers' expectations and deliver what each cus-tomer needs.

 Larger service providers have built their successes by using inte-grated project and procurement software to maintain immense continuity and granularity of information on the client-side and using these same systems to manage all their project and procure-ment management functions. To date, SMB players have not had access to this pantheon of software due to immense implementa-tion and upkeep costs associated with these software solutions and instead, use ad hoc systems to manage their businesses.

PROBLEM

Small- and medium-sized businesses, namely service providers, are at a disadvantage in a rapidly expanding market due to inefficiencies in their project and procurement management processes, specifically in their collaboration and customer management capacities.

A recent survey discovered that 73% of service providers polled still use email and spreadsheets to manage their collaboration and procurement processes.

There are frequent quality and customer service problems related to use of email and spreadsheet files. Emails are often misplaced, mis-sent, or never received at all. Excel users frequently encounter issues with version incompatibility between stakeholders, macro incompatibilities, and data discontinuity. Costly mistakes and missed deadlines often occur simply because the most current version of a document is not actually "the most current."

Most business service providers continue to use email and file-sharing as their main CRM systems. Many opportunities are lost simply because of missed communication inherent to email systems. Key information regarding customers and suppliers is often lost in translation or is not effectively indexed for maximum leverage. Critical intellectual property can also be carelessly lost, misused, or worse yet, locked in someone's mind where it is of no use to the company.

Email continues to remain the primary tool for estimation and sourcing. Requesting estimates, comparing estimates, and managing the order and delivery process from multiple suppliers is error-prone and a huge chore due to the lack of integration with other important project tools with no easy way to port data to and from systems. This frequently leads to single sourcing, often resulting in higher prices and sub-par quality.

SOLUTION

To grow their business, service providers need to satisfy the expanding needs of their customers -- adding significant value without a large impacts to their current business processes. Service providers need to earn more trust to handle more work by providing significant value adds.

Expertise:
Due to the current market environment, customers are beginning to focus exclusively on their core competencies. They are outsourcing anything outside of these core competencies to chosen business service providers. To excel in this expertise-focused environment, service providers must display deep domain expertise to earn their larger customers trust and business.
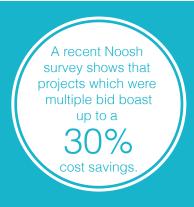
Transparency, visibility, and reporting:
To earn the trust of their customers service providers need to provide transparency and visibility throughout the entire process from project initiation to delivery. Large customers expect high-quality communication and the ability to report and analyze the entire project process from start to finish.

With this solution, service providers can provide answers to commonly difficult questions such as: average quote turn around time, factors contributing to production costs, average throughput, and the current state of the pipeline. Answers which can immediately help establish client confidence and strengthen client-vendor relationships as a trusted advisor.

Ability to customize:
Enterprise customers won't settle for a rigid workflow or product. Instead, they want the service providers to fit into their existing workflows and deliver products that meet the business needs. To succeed in the changing business environment, service providers need a solution that is flexible enough to fit into and integrate with most existing systems.

A recent Noosh survey shows that projects which were multiple bid boast up to a

30%
cost savings.

SOLUTION, CONTINUED

Continuous year to year improvements in quality, cost, and effectiveness:

Customers expect service providers to prove ongoing value by showing continuous improvement year over year. Customers also expect service providers to keep up with the shrinking profit margins and reflect these reductions in their overall costs for services and products. By utilizing a system that helps drive costs down, with a single, reportable record of information, this can easily be proven to a customer.

Better specification and timely delivery:

Better processes to capture customer requirements and specifications sets a service provider up for better product or service quality and more timely delivery. Free form collaboration, while important, needs to lead to convergence on requirements from the customer. It is also important to make jobs and projects easily repeatable with minor adjustment to specifications and compare the relative baselines of each project. A solution which offers "structured" collaboration through customizable, but central, forms and specifications.

CONCLUSION

To compete in the expert economy, service providers need an integrated SaaS platform that combines project and procurement management; allowing you to deliver expert services with greater agility, total transparency, and increased cost effectiveness.

Large enterprises and services providers have historically had exclusive access to these solutions, but with the advent of SaaS project and procurement management platforms, small- and medium-size service providers now have an opportunity to use web-based, integrated platforms; providing similar capabilities as their enterprise software capabilities -- without huge capex investments. With the help of these integrated structured collaboration platforms, small- and medium-size business providers can manage their project and procurement management processes across the supply chain just as efficiently as their larger competitors.

Noosh Group Edition

Noosh Group Edition is a 100% online, fully-integrated project and procurement management solution. It was built for business service providers to bridge the gap between clients, operations, and suppliers by integrating project and procurement management on a single platform from project initiation to delivery.

It gives businesses who deliver custom goods and services greater efficiency, faster response times, total transparency, and increased cost effectiveness.