

CUSTOMER SUCCESS STORY

KK Wind Solutions streamline their direct materials sourcing process

Introduction

KK Wind Solutions is a Denmark-based leader in manufacturing electro-mechanical systems for wind turbines. The sourcing events managed by the company's Global Sourcing team include raw materials, direct/component materials, and indirect materials.

Steffen Dencker is Senior Director of Sourcing Excellence in KK Wind Solution's Global Sourcing organization. For his team of 30+, Steffen was seeking new technology that would enable them to build stronger data foundations and reduce manual work, all while securing strong results for the business.



90% in direct spend category - plus some indirect	+400 direct suppliers across those items
+10,000 active items indirect	~ 2000-2500 RFQs annually

The Challenge

Historically, the company's Global Sourcing function had run all tenders for direct material bids through Microsoft Excel. But as the global wind turbine industry gained momentum and the company expanded operations, Steffen and his team were looking to implement a modern sourcing solution that would bring KK Wind Solutions "into a new future".

"My aim has always been to think scalable, and build solutions where the same amount of people can handle large amounts of tasks in a smart way"

- Steffen Dencker, Senior Director of Sourcing Excellence, KK Wind Solutions

The original setup in Microsoft Excel for handling direct material bids had been highly inefficient and lacked transparency. In seeking out a new sourcing solution, there were some key challenges to address and overcome:



AN OVER-RELIANCE ON SPREADSHEETS

KK Wind Solution's Global Sourcing function was relying on manually maintained RFP/RFQ templates created in Excel for their processes. This meant spreadsheets were being continually modified and updated as individuals used the ones they needed.



LACK OF DATA CENTRALIZATION AND TRANSPARENCY

Employees were responsible for sending their own emails and conducting phone calls with suppliers. As all communications were siloed into individuals' inboxes there was a lack of process transparency and many negotiations were being conducted offline.



INCONSISTENCIES IN SUPPLIER NEGOTIATION RECORDS

With no centralized platform for storing information or showing their activity level, inconsistencies in data records were occurring, and it proved difficult for employees to accurately report on negotiations and processes to C-Suite.

The Solution - Keelvar Sourcing Optimizer

The key to improving sourcing outcomes is having the right technology solution to support business requirements and goals. In researching sourcing software options on the market, it was critical for KK Wind Solutions to find one that could integrate seamlessly with Microsoft Suite and would encourage widespread adoption by not requiring employees with specialist skills to use it effectively. The best fit was found to be Keelvar's Sourcing Optimizer.

“Keelvar is a very user-friendly, simple system, with a lot of powerful things integrated into one solution.”

- Steffen Dencker, Senior Director of Sourcing Excellence, KK Wind Solutions

In addition to ease-of-use features, Keelvar's best-of-breed tool provided Global Sourcing with:

A CENTRALIZED DATA PLATFORM: This allows more sourcing to be centrally managed, digitized, tracked, analyzed, and enables teams to be more productive. By having the same data and format for RFPs every time, repeatable sourcing processes become quicker and easier.

TRANSPARENT SOURCING PROCESSES: With greater sourcing process visibility, supplier communications, engagement and management can be simplified and streamlined while more accurate awards reports can be shared with stakeholders and key decision-makers.

DATA-DRIVEN DECISION MAKING: Instead of manually cleaning complex data, monitoring bid status, and analyzing bids by hand, teams can be more strategic in making supplier award decisions based on total value, not simply on the lowest bid. This in turn reduces risk, affords teams more power in award decisions and ultimately leads to a more rapid conclusion of a tender process.

The Results

“The success is the data transparency, and the structured way of the process”

- Steffen Dencker, Senior Director of Sourcing Excellence, KK Wind Solutions

With KK Wind Solution's new process set up in Keelvar, the Global Sourcing can be ready for negotiating with suppliers “in just a few clicks”. To date, the company has experienced strong improvements in their processes and reporting:

STRUCTURED & SCALABLE SOURCING PROCESSES

Building Global Sourcing's full eco-system utilizing Microsoft Power Platform and Keelvar together means the company has a scalable solution that can support its growth for many years to come.

IMPROVED SUPPLIER NEGOTIATIONS & AWARD DECISIONS

Using Keelvar's solution, Global Sourcing has seen increased efficiency and effectiveness to support sourcing excellence. Thanks to the tool's “traffic light” feedback, suppliers are automatically kept current on where their bids rank.

DATA TRANSPARENCY & ACCURATE REPORTING

Today, all system data is centralized and transparent to everyone on the line in KK Wind Solutions who need access to such information, and Global Sourcing is able to monitor progress and performance in real-time. As a result, real-time data is now the key metric to measure the productivity and performance of supplier negotiations.

KEELVAR

If you would like to learn more about how your business can move beyond standard e-sourcing and first-generation sourcing optimization tools, speak to the Keelvar team today about a custom demo using your own data. Contact us for pricing and a demo: www.keelvar.com

About Keelvar

Founded in 2012, Keelvar is moving procurement forward with our best-in-breed SaaS software for intelligent sourcing optimization and automation, designed for easy adoption, scale, and productivity. Our customers are global, blue-chip corporations and mid-sized companies using our solutions across transportation, direct materials, indirect goods and services, and packaging categories.