



**\*ISG** Provider Lens™

2021

U.S. Public Sector Procurement  
Optimization and Management  
– BPO, Transformation, and  
Software Platforms

imagine your future®

ISG (Information Services Group) (NASDAQ: III) is a leading global technology research and advisory firm. A trusted business partner to more than 700 clients, including 75 of the top 100 enterprises in the world, ISG is committed to helping corporations, public sector organizations, and service and technology providers achieve operational excellence and faster growth. The firm specializes in digital transformation services, including automation, cloud and data analytics; sourcing advisory; managed governance and risk services; network carrier services; technology strategy and operations design; change management; market intelligence and technology research and analysis. Founded in 2006 and based in Stamford, Conn., ISG employs more than 1,300 professionals operating in more than 20 countries — a global team known for its innovative thinking, market influence, deep industry and technology expertise, and world-class research and analytical capabilities based on the industry's most comprehensive marketplace data. For more information, visit [www.isg-one.com](http://www.isg-one.com).



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# Definition

This study focuses on procurement BPO services, transformation consulting services and software platforms that address and satisfy the unique environments and needs of U.S. Public Sector organizations (for example, state and municipal governments, education, public health agencies).

When properly implemented and effectively used, modern procurement services and software platforms enable improved efficiency, foster business agility, reduce the negative impacts of supply chain disruption, and subsequently reduce operational and strategic business costs.

Providers offer the best-tailored solutions help make informed, forward-looking procurement decisions by centralizing standardized procurement and purchasing environments and activity, providing clear visibility into both and enabling real-time analysis of related data. These solutions also accelerate operational improvement through automation, integration, streamlining, and management of procurement functions and operations within the organization and with suppliers outside the organization.

The ISG Public Sector Provider Lens™ research studies examine, explain and provide guidance on the business software platforms, solutions, tools, services and providers that can help improve how public sector organizations operate, and enable digital transformation.

This ISG Provider Lens™ study offers the following to procurement decision-makers in U.S. Public Sector organizations:

- Insights into the scope of capabilities and improvements that are available
- A view of leading providers, rising stars, and contenders offering these services and software platforms
- Differentiated positioning of providers by segments
- Transparency on the strengths and weaknesses of relevant providers

This study serves as an important decision-making basis for positioning, key relationships, and go-to-market considerations. ISG advisors and enterprise clients also use information from these reports to evaluate their current solutions, provider relationships, and potential new engagements.

# Quadrants Research

The ISG Provider Lens™ study on the topic 'U.S. Public Sector Procurement Optimization and Management – BPO, Transformation, and Software Platforms' will contain the following three quadrants:



Source: ISG 2021

# Procurement Optimization and Transformation Software Platforms

Procurement software platforms and their associated tools help integrate key functions into a single, centralized system, while enabling secure, reliable and extendable capabilities that are applied and adapted as business changes. Competitive solutions provide visibility and help analyze the entire process via a common user experience (UX). They provide deeper insights into standardized procurement functions, data and policies within and across multiple functional organizations.

Eligibility and evaluation criteria include the following:

- Cloud strategy and portfolio
- Data and solution integration and extensibility capabilities and approaches
- Offerings and support for core functionalities:
  - Procurement requisition (PR)-to-purchase order (PO) processing
  - Analytics, including advanced technologies such as predictive analytics, machine learning and artificial intelligence (AI)
  - Sourcing (RFx enablement and management)
  - Supplier/vendor relationship management
  - Contract management
  - Real-time insights/budgeting support
- Data management and reporting capabilities:
  - Adaptable/configurable dashboarding
  - Master data management capabilities and delivery
  - Process management and governance
  - Security and governance
- Transformation enablement and future-proofing capabilities:
  - Extensibility enablement and support
  - Support for emerging standards
  - Provider market presence and influence
  - Next-generation automation and optimization

## Procurement BPO Services

The outsourcing of procurement operations through business process outsourcing (BPO) services has been ongoing in commercial environments for years. Given the changes and disruptions in regulatory, economic, social, labor, and technological environments, ISG has been witnessing a growing interest in procurement BPO among all types of U.S. public sector entities, from state government agencies through local school districts.

Eligibility and evaluation criteria for these quadrants include:

- Tactical procurement optimization
  - Core procurement capabilities linked to current business objectives
  - Improvement of current procurement efficiencies
- Strategic procurement enablement
  - Procurement strategy development and execution
  - Roadmap development and adaptation
- Business disruption minimization
- Strategic sourcing
- Category management
- Supplier management
- Demand and specification management
- Operational purchasing including bid/spot buy management
- Catalog management
- Procurement management scope
- Technology and support capabilities and offerings
- Help/buy desk capabilities and offerings
- Procurement tools and technologies, including analytics, purchase requisition to purchase order, sourcing, supplier relationship management, contract management, intelligent automation such as robotic process automation (RPA), cognitive and AI
- Accounts payable processing support

## Procurement Transformation Consulting Services

The next step beyond procurement BPO involves digitally transforming procurement to enable ongoing innovation and optimization to continually deliver efficiencies, transparency and security beyond current organizational, operational and technological possibilities. While many organizations will not be able to completely transform in the near future, they should prepare to function as an integral component of 21st-century public services. This transformation requires growing and extensive expertise in transformation models, strategic consulting, technologies, tools, software and services. This quadrant examines providers of these services and their relative suitability to address current and emerging public sector agency needs.

Eligibility and evaluation criteria for these quadrants include:

- Future procurement positioning, planning and enablement
  - Roadmap development and adaptation
  - Procurement strategy development
  - Procurement strategy execution
- Stakeholder engagement approaches
- Organizational design and change management
- Process optimization and management capability
- Cognitive procurement enablement
- RPA strategy, implementation and optimization approaches
- Natural language processing (NLP) and machine learning integration across the source-to-pay cycle
- Next-generation metrics and policies support
- Advanced analytics offerings and capability
- Training offerings and capability

# Quadrants by Region

U.S. public sector procurement optimization and management – BPO, transformation, and software platforms	
Procurement Optimization and Transformation Software Platforms	✓
Procurement BPO Services	✓
Procurement Transformation Consulting Services	✓

# Schedule

The research phase for this study will occur between **November 2021 and December 2021**, during which the survey, evaluation, analysis and validation will take place. The results will be presented to the media in **March 2022**.

<b>Milestones</b>	<b>Beginning</b>	<b>End</b>
Survey phase	November 3, 2021	December 1, 2021
Sneak previews	February 2, 2022	
Press release	March 31, 2022	

## Access to Online Portal

You can view/download the questionnaire from [here](#) using the credentials you have already created or refer to instructions provided in the invitation email to generate a new password. We look forward to your participation!

## Research Production Disclaimer:

ISG collects data for the purposes of writing research and creating provider/vendor profiles. The profiles and supporting data are used by ISG advisors to make recommendations and inform their clients of the experience and qualifications of any applicable provider/vendor for outsourcing the work identified by clients. This data is collected as part of the ISG FutureSource process and the Candidate Provider Qualification (CPQ) process. ISG may choose to only utilize this collected data pertaining to certain countries or regions for the education and purposes of its advisors and not produce ISG Provider Lens™ reports. These decisions will be made based on the level and completeness of the information received directly from providers/vendors and the availability of experienced analysts for those countries or regions. Submitted information may also be used for individual research projects or for briefing notes that will be written by the lead analysts.

# ISG Star of Excellence™ – Call for nominations.

The Star of Excellence is an independent recognition of excellent service delivery based on the concept of “Voice of the Customer.” The Star of Excellence is a program, designed by ISG, to collect client feedback about service providers’ success in demonstrating the highest standards of client service excellence and customer centricity.

The global survey is all about services that are associated with IPL studies. In consequence, all ISG Analysts will be continuously provided with information on the customer experience of all relevant service providers. This information comes on top of existing first-hand advisor feedback that IPL leverages in context of its practitioner-led consulting approach.

Providers are invited to [nominate](#) their clients to participate. Once the nomination has been submitted, ISG sends out a mail confirmation to both sides. It is self-evident that ISG anonymizes all customer data and does not share it with third parties.

It is our vision that the Star of Excellence will be recognized as the leading industry recognition for client service excellence and serve as the benchmark for measuring client sentiments.

To ensure your selected clients complete the feedback for your nominated engagement please use the Client nomination section on the Star of Excellence [website](#).

We have set up an email where you can direct any questions or provide comments. This email will be checked daily, please allow up to 24 hours for a reply. Here is the email address: [ISG.star@isg-one.com](mailto:ISG.star@isg-one.com)

# List of companies under consideration for participation:

**Are you in the list or do you see your company as relevant provider that is missing in the list?** Then feel free to contact us to ensure your active participation in the research phase.

Accenture	Genpact	Procurify
Bain & Company	GEP	Prokuria
Bellwether	HCL	Promena
Capgemini	Hexaware	Proxima Group
CGI	IBM	PwC
Cognizant	Infosys	SAP Ariba/Fieldglass
Conduent	Insight Sourcing	TCS
Coupa	iValua	Tech Mahindra
Deloitte	JAEGGER	Tradeshift
Deltek	KPMG	Tradogram
DXC Technology	Oracle	Wax Digital
Esker	Proactis	Wipro
EXL	Procura Consulting	WNS
Fraxion	ProcurePort	

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## Do you need any further information?

If you have any questions, please contact us at [isglens@isg-one.com](mailto:isglens@isg-one.com).