

Procurement BPO and Transformation Services

The report highlights global procurement
BPO and transformation service trends

Customized report courtesy of:



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Convergence of BPO and digital transformation

To grow and thrive in the digital era, enterprises must redefine the way they operate. In addition to improving enterprises' operational efficiency, BPO services are expected to lay a foundation for enterprises' digital transformation. Digitally transformed procurement can improve the overall efficiency of the service while enhancing customer and user experience.

Analytics is everything

There is exponential growth in the use of analytics across industries and sectors. Procurement operations and BPO are no exceptions. Procurement organizations use analytics to describe, predict or improve business performance. Procurement analytics enables effective data-driven decision-making, which enhances operations.

Sustainability becomes a top priority

Both service providers and enterprise clients focus on incorporating sustainability parameters into their operations. The sustainability sourcing framework improves brand images, revenue opportunities and cost reduction. Sustainability reduces risks and enhances revenue growth while building resilient supplier relationships. Sustainability has become integral to an organization's agenda; end-to-end procurement focus has shifted to delivering high-quality services.

Make upskilling a priority

Functional skills such as supplier relations, category management and negotiation are essential for digitalizing procurement. However, the new digitally transformed workplace, which contains advanced capabilities such as data-driven orientation, high-end analytics and modeling skills that help make better decisions and enhance the user experience, needs the right resources to manage it efficiently. So enterprises should focus on investing in upskilling and training programs.

The keys to procurement BPO and transformation are master data management enforcing consistent, clean data everywhere and change management allowing organizations to work more efficiently over time.

Bruce Guptill, Lead Analyst



Automation is and will continue to be a buzzword

In procurement operations, RPA is a crucial capability. To improve quality at every stage of the production process, enterprises automate tasks that involve decision-making, streamlining workflows and eliminating errors. The study covers service providers' opinions on how critical automation is to the procurement process and how it is expected to be imperative in the future.

Low code/no code becomes a disruptive standard

The trend of low code/no code has become increasingly popular in recent years. With low-code/no-code capabilities, procurement platforms become more attractive to non-IT procurement, finance and supply chain professionals. The capabilities enhance client empowerment and will likely impact providers' value proposition.

Transformation lags behind BPO

The digital transformation of the U.S. public sector procurement will continue to spark interest through 2025. Despite new platforms' capabilities and increasing pressure for improvement, few agencies are ready to truly transform. Through 2025, between one-half and two-thirds of enterprises will begin their transformation using new procurement software platforms, while others will start with limited procurement BPO engagements.

In procurement improvement initiatives, BPO lays the foundation for achievable, cost-effective digital business transformation.

Bruce Guptill, Lead Analyst



This year's Procurement BPO and Transformation Services study covered 26 service providers across four quadrants.

Out of the 26 providers, 15 were recognized as Leaders across regions for multiple quadrants. Three unique providers were identified as Rising Stars for multiple quadrants across regions.

Strengths of Leaders

- **Positioning within the extended procurement — SCM continuum:** BPO integrates services and expertise, including supply chain and operations, finance and accounting and payment practices. This improves collaboration among service areas, enabling rapid and cost-effective procurement.
- **Operational optimization as a mantra:** BPO and transformation engagements typically build on process-focused optimization and digitization based on Six Sigma concepts. Service providers invest in Six Sigma and Black Belt practitioners.
- **Bottom-line engagements with adaptive pricing:** Procurement BPO engagements concentrate on clients' bottom line, profit and loss improvement — an approach well-suited to midmarket clients. This includes pricing models with more gainshare-based engagements and hybrid approaches that can be adapted to clients' business needs.
- **Improved intelligence enabling more predictive analytics:** Procurement data analysis includes category intelligence, contract and pricing terms, labor rates, cross-platform process mining, and the assessment of procurement organization and system maturity, enabling more intelligent data access and utilization.



Common Leaders Identified Across Geographies for Procurement BPO and Transformation Services

Service Provider	BPO Services – Large Accounts	BPO Services – Midmarket	Transformation Consulting Services – Large Accounts	Transformation Consulting Services – Midmarket	BPO Services	Transformation Consulting Services
Accenture	●	●	●	●	●	●
Capgemini	●		●			
CGI					●	●
Corbus		●		●		
Corcentric		●		●		
Deloitte	●		●		●	●
Genpact	●	●	●	●		
GEP	●	●	●	●	●	●
HCLTech	●		●	●		
IBM	●	●	●	●	●	●

● Global

● U.S. Public Sector





Common Leaders Identified Across Geographies for Procurement BPO and Transformation Services

Service Provider	BPO Services – Large Accounts	BPO Services – Midmarket	Transformation Consulting Services – Large Accounts	Transformation Consulting Services – Midmarket	BPO Services	Transformation Consulting Services
Infosys	●	●	●	●	●	●
TCS	●		●			
Tech Mahindra		●		●		
Wipro	●		●			
WNS Denali	●		●			

● Global ● U.S. Public Sector



Rising Stars Across Geographies for Procurement BPO and Transformation Services

Quadrants	 Global	 U.S. Public Sector
BPO Services – Large Accounts	Tech Mahindra	
BPO Services – Midmarket	HCLTech	
BPO Services		HCLTech
Transformation Consulting Services – Large Accounts	Tech Mahindra	
Transformation Consulting Services - Midmarket	WNS Denali	



Who Should Read This

The report is relevant to enterprises evaluating procurement BPO and transformation service providers. It is of value to global midsize and large enterprises, across industries, as well as the U.S. Public Sector.

Procurement professionals should read this report to understand providers' relative positioning and capabilities to plan their strategic capabilities effectively and increase efficiency.

Chief Procurement Officers should read this report to understand the global landscape of procurement BPO service providers and their capabilities to meet market demands.

Chief Technology Officers should read this report to understand the technology landscape in procurement and how technologies are leveraged to improve operational effectiveness.

Digital professionals should read this report to get deep insights into agile, data-driven digital solutions to meet strategic goals and prepare for dynamic market trends and demands.





Further Reading

Further Reading

Global

[BPO Services – Large Accounts](#)

[BPO Services – Midmarket](#)

[Transformation Consulting Services – Large Accounts](#)

[Transformation Consulting Services – Midmarket](#)

U.S. Public Sector

[BPO Services](#)

[Transformation Consulting Services](#)

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She previously worked with a research firm specializing in IoT, cloud, AI and analytics, delivering market intelligence and authoring reports. In various consulting projects, Sneha conducted market research, analyzed data, and collaborated with internal stakeholders to provide deep market insights to the clients.



IPL Product Owner

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Mr. Aase brings extensive experience in the implementation and research of service integration and management of both IT and business processes. With over 35 years of experience, he is highly skilled at analyzing vendor governance trends and methodologies, identifying inefficiencies in current processes, and advising the industry. Jan Erik has experience on all four sides of the sourcing and vendor governance lifecycle - as a client, an industry analyst, a service provider and an advisor.

Now as a partner and global head of ISG Provider Lens™, he is very well positioned to assess and report on the state of the industry and make recommendations for both enterprises and service provider clients.



iSG Provider Lens™

The ISG Provider Lens™ Quadrant research series is the only service provider evaluation of its kind to combine empirical, data-driven research and market analysis with the real-world experience and observations of ISG's global advisory team. Enterprises will find a wealth of detailed data and market analysis to help guide their selection of appropriate sourcing partners, while ISG advisors use the reports to validate their own market knowledge and make recommendations to ISG's enterprise clients. The research currently covers providers offering their services across multiple geographies globally.

For more information about ISG Provider™ Lens research, please visit this [webpage](#).

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Founded in 2006, and based in Stamford, Conn., ISG employs more than 1,600 digital-ready 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 isg-one.com.



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GLOBAL SUMMARY: PROCUREMENT BPO AND TRANSFORMATION SERVICES