#### **OT GROUP**

# Top Procurement Challenges when Addressing Tail Spend

#### Poor data visibility

The existing procurement data may be poor, which makes it challenging to prioritise and tackle.

### Procurement fragmented across different systems

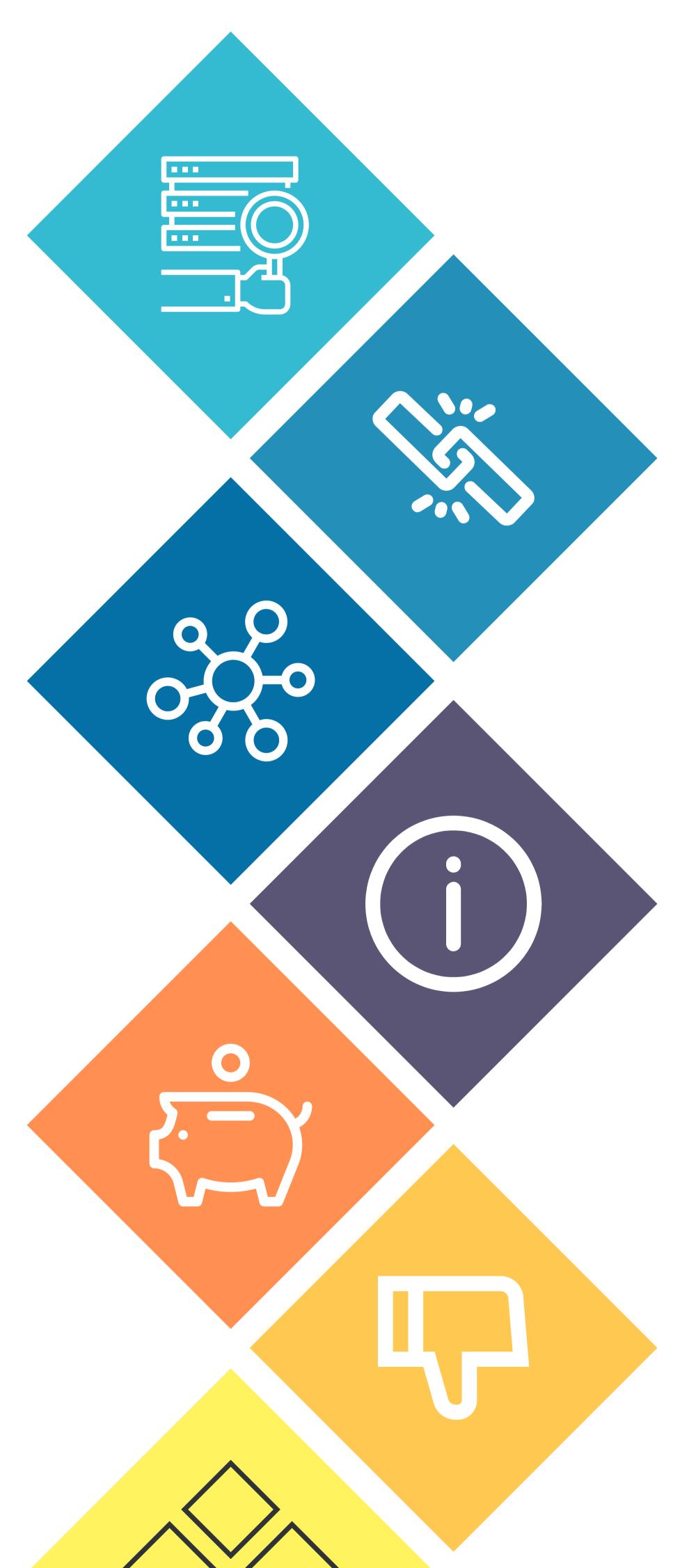
The existing system may be split across different catalogues, systems and teams.

### Seemingly low potential savings

The efficiencies centre on a minority of an organisation's spend and so may be de-prioritised.

### Lack of expertise in the very high number of categories in the tail

Tail spend can include a huge variety of different goods, which is unlikely to fall completely within a single small team.



# Lack of effective controls or skills to address the challenges

Controls may not be in place in channel spending through the appropriate system, and staff may not have the skills or awareness to follow processes.

# Difficulties in keeping supplier information up to date

Supplier information may not be updated in the existing systems.

### Lack of interest from other stakeholders

The necessary stakeholders may not have the same incentives or interest in tackling tail spend.