



# Transforming the direct purchases of an electronics company

---

[Communications, Media, and Technology](#) / Case study

March 31, 2023

After several years of production optimization, the senior management of a Scandinavian electronics company (total purchase of 500+ million DKK) decided to establish a more strategic approach to the procurement of components and anchor these improvements at the sales stage.

Prokura began by conducting a thorough and factual review of the company's total purchases which helped identify the categories that had the highest savings potential and were the easiest to realize.

Afterward, we conducted a number of strategic sourcing projects in two waves, in cooperation with the company's purchasing team.

- **First wave:** Prokura drove individual projects and the entire strategy while the client's purchasing team focused on learning our analytical tools.
- **Second wave:** the client's purchasing team, now in a much better position, took over management of the overall project.

The result of the change project was a fundamental transformation of corporate purchasing methods. Whereas previously the company was involved in daily firefighting just to get the correct components, the new shift to a more strategic focus led to substantial savings across the direct purchasing categories.

# Results

## **Fundamental transformation through two waves**

## **Substantial savings across the direct categories**

### **About Kearney**

For 100 years, Kearney has been a leading management consulting firm and trusted partner to three-quarters of the Fortune Global 500 and governments around the world. With a presence across more than 40 countries, our people make us who we are. We work impact first, tackling your toughest challenges with original thinking and a commitment to making change happen together. By your side, we deliver—value, results, impact.

For more information, permission to reprint or translate this work, and all other correspondence, please email [insight@kearney.com](mailto:insight@kearney.com). A.T. Kearney Korea LLC is a separate and independent legal entity operating under the Kearney name in Korea. A.T. Kearney operates in India as A.T. Kearney Limited (Branch Office), a branch office of A.T. Kearney Limited, a company organized under the laws of England and Wales.