

CARGEAS Insurance chooses TAS extendERP based on Oracle Cloud for the collaborative management of Procurement processes.

CARGEAS has chosen TAS Group as its partner to manage their procurement demand in a single integrated process based on the concept of Extended Enterprise.



Towards a centralised Governance of Purchases

At the beginning of 2016 CARGEAS started a process of reorganisation of the company Procurement functions with the aim of centralising the governance of all the purchases in a single Office, which until then were distributed among different departments of the company. The aim of the Management was to create a structure that would add value to the Company by implementing:

1. A strategy to reduce total purchase costs
2. Improvement of procurement lead times and their reliability
3. Collaboration between the various company departments involved in the purchasing process
4. Innovative policies of selection and management of suppliers with a view to improving the service

5. Risk mitigation with Risk Management operations
6. A responsibility function on the Governance of Outsourcing contracts.

CARGEAS also needed to track business procurement processes without burdening the internal information sharing procedures and approval processes.





"We needed a solution that would let us govern the main purchasing processes centrally and in a short space of time. "- says Davide Aiello, Cargeas Head Buyer -" With TAS Group we did not choose to design an ideal solution to be build brick by brick from scratch, we instead identified the priority aspects to be addressed and, thanks to the modular nature of the platform, we concentrated on them in the development project. This approach enabled us to optimise 80% of our processes within four months, equipping ourselves with an innovative Supplier Portal that manages all the aspects of Procurement".



The choice of TAS Group to implement the Supplier Portal

The new centralised procurement structure needed to equip itself with Governance tools that would allow in a short timeframe to meet the objectives of efficiency and enhancement of the processes agreed with the Management.

The main features and benefits expected from the introduction of these tools were:

- The management of the Supplier Registry, with the capability to trace the access methods and the applicable categories (merchandise, outsourcing, core suppliers) thus facilitating the purchase marketing activities
- The ability to track the maintenance activity of the Registry, through regular assessment initiatives
- The opportunity to regularly evaluate the supplier's performance (vendor rating)
- The opportunity to share reports on the activities

carried out and the results obtained

- The opportunity to trace, in a transparent way, all the RFPs and their assignment criteria
- The opportunity to integrate suppliers' personal data directly on the general accounting software
- The opportunity to integrate the management of orders and invoices.

The choice of TAS Group as a partner to develop these governance tools for the Procurement process was dictated on the one hand by their renowned expertise (TAS group being already a supplier of CARGEAS in the ERP field), and on the other by the innovative footprint expressed by TAS extendERP based on Oracle Cloud, a modular and modern solution that can be implemented in incremental steps, fully capable to adapt and incorporate any future development of the extended enterprise concept.



“We have chosen an instrument whose innovative nature consists of collaboration, meaning both an external collaboration with the supplier and an internal sharing between the various company departments. This allows us to manage in a transparent way the relationship with the supplier by clearly communicating the rules implemented by the organisation, especially in critical activities such as the engagement of suppliers in the management of tenders, for which previously the criteria were shared with much greater difficulty.” - continues Davide Aiello, Head Buyer at CARGEAS - “The supplier portal also allows us to communicate more effectively within the Company by involving all the departments involved in the procurement process thanks to the traceability and the real time sharing of the activities”.

The “Extended” Supplier Portal

The Supplier Portal implemented by TAS Group on the Oracle Cloud platform within the elapsed period of four months, supports the main processes defined as critical by CARGEAS.

Registration of the supplier:

this provides a channel of communication to be created with the supplier in order to verify eligibility, enter it on the Register, classify it with respect to the proper product category and according to defined business classifications, receive personal and contact information and conduct questionnaires to provide the Company with the initial qualification of the supplier, the assessments and the regular evaluation. It also allows the RFPs to be prepared, sent to the supplier and managed.

Supplier qualification process:

this allows the identification and insertion into the system of supplier assessment

areas (adequacy, evaluation questionnaires, conflicts of interest, safety aspects, risk assessment, legality rating, financial rating, AML, anti-terrorism..) and the relative data to be analysed. The evaluation questionnaires involve both the supplier itself for the self-assessment questions and the Cargeas departments for the “internal” questions. Only after all the identified areas have been positively evaluated, the supplier becomes a valid entry in the Registry.

Negotiation process related to the publication of an RFP:

this enables a list to be drawn up of persons to be involved in the RFP, with the possibility of limiting the actions on the

negotiation process.

It also allows internal evaluation requirements to be defined, assigning maximum scores ascribable by the evaluator and “weights” for the requirements in the final evaluation, details of the economic demand to be structured, suppliers to be involved in an RFP to be researched selecting them according to the product category and / or the results of the qualifications considered to be essential by the company, and the tenders received from suppliers to be compared for the final assignment.

Management of the supplier relationship:

this enables regular checks, vendor rating and purchase marketing.

“The solution we have implemented for CARGEAS works according to the principles of the extended enterprise, namely extending the boundaries of the company outwards, at the same time making it clearer where the company process ends and the supplier’s begins.. “- adds Giuseppe Franzini, SVP Director xtdERP of TAS Group-” The processes meet and merge into what we would call a “non-place” known as the Internet,

where the data and information relevant to the process players lose their characteristic of ownership, acquiring the quality of being sharable to the benefit of the community made up of the company and its counterparties. This opening up to a common space allows the supplier to be more involved and become more proactive in dealings with the company and at the same time optimises internal processes and streamlines the management of each step in the procurement cycle”.



Main benefits achieved

1. Optimisation of the single phases of a procurement process with consequent cost reduction
2. Transparency of the company rules and policies inside and outside the company
3. Real-time traceability of the activities related to the procurement process
4. Proactive collaboration with suppliers and general improvement of the service

CARGEAS is a Non-Life Insurance Company, jointly owned by BNP Paribas Cardif (50% -1 share) and Ageas (50% +1 share). It has specialised in providing insurance solutions tailored to the needs of banking customers for over twenty-five years and is one of the major players in the Italian

Bank Insurance market. Cargeas offers private customers policies covering health, housing and cars, and provides financing and complete solutions tailored to corporate customers. In 2016 CARGEAS achieved premium income of Euro 227 million and recorded a pre-tax profit of Euro 44 million.

www.cargeas.it



TAS Group delivers software solutions for electronic money, payment systems, capital markets and extended enterprise. Our offices span 7 countries but our secure solutions manage financial transactions worldwide. We strive to simplify the way private enterprise, public sector, commercial and central banks

interact with their customers, stakeholders and technology systems. Our highly experienced team of business analysts and software engineers are focused on rethinking, reimagining and revolutionizing commercial business processes for digital and mobile integration. As an Oracle Gold Partner, for

over 4 years TAS has specialised in particular on the supply of Oracle applications. TAS is able to support its customers in an innovative and professional way in the realisation of complete projects for the development of business processes and the efficiency of business and information systems.

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