

Improving spend control and process efficiency under rapid company growth



Northvolt is set out on an extreme growth journey and scaling its business at an unusual pace, putting the daily operations under high pressure to cope with the ever-changing landscape. It was evident for the Supply Chain and Procurement teams that they needed a platform to ensure efficient handling of requisitions and purchase orders and to improve spend under management.

iValua, the leading Spend Management Platform, had earlier been implemented for the Supplier Management and Source-to-Contract processes by Stretch Procurement, so Northvolt's decision to extend the platform to support the operational processes, came naturally.

After merely five months the Procurement solution was launched to the business, and return on investment was achieved within the same year by:

- Reducing average time to create a purchase order (PO)
- Increasing PO coverage and PO quality
- Reducing number of suppliers and increasing negotiation power

Stretch diligently supported us with the implementation of procure-to-order functionality in iValua. Their combination of technical knowledge and deep expertise of procurement processes was a cornerstone in the project. Stretch's ability to coordinate the three involved parties enabled smooth sequencing of tasks, ultimately

enabling the high pace of the implementation. We are happy of the support that been provided before, during and after the project!

Axel Brundin

Senior Manager Supply Chain Excellence & Operations at Northvolt

The journey to success was achieved through careful preparations and planning, strict scope and project management, and most importantly, close collaboration between our consulting team and Northvolt's internal stakeholders.

Our joint focus and primary efforts were to establish the appropriate buying channels for the categories in scope, allowing for easy and efficient ordering by the purchasing community. Similarly, a lean purchasing and approval process was designed to balance the need for control and process efficiency in an optimal way.

Key implementation steps included:

- 1. Use Case Analysis:** A comprehensive review and prioritization of procurement requirements to identify the most critical areas of improvement.
- 2. Custom Configuration:** Tailoring the iValua platform to align with Northvolts business needs and objectives.
- 3. Integrations:** Ensuring a smooth transfer of required data between iValua and ERP.
- 4. Onboarding of suppliers:** Establishing a lean onboarding process, fostering better collaboration with suppliers, and ultimately leading to improved PO quality.

The successful and rapid implementation of iValua's procurement solution has been a significant shift for Northvolt, enabling continuous growth without losing transparency and efficiency within the procurement process. This exemplifies the powerful combination of cutting-edge procurement technology and consulting expertise.

At Stretch Procurement, we are fully committed to guiding organizations on their journey to achieve procurement excellence.

Let us help you elevate your procurement processes and unlock remarkable results!

Contact us at procurement@stretch.se