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Ariba® Spend Visibility

Pinpoint where the money is going

At any given moment, does your organization know how much it is spending? Advanced finance organizations have worked hard to develop that capability— but that is only part of the picture. While it is useful to have a current snapshot of spending, *knowing exactly how that money is being spent can have an even bigger impact on decision-making.*

Advances in spend analytics technologies have made it possible to develop a more refined and detailed view of organizational spending patterns—well beyond simply measuring how much is being spent. That is where Deloitte Consulting LLP—leveraging technology from Ariba, an SAP company— can develop the full picture.

IT'S ALL CONNECTED

Within organizations today, a wider variety of constituents are now enabled to make their own spending decisions, often in nontraditional ways. And the data picture gets murkier with each added layer of complexity.

Visibility across the enterprise

Today's spending environment is marked by complexity. Different business units and other internal organizations use disparate systems to track and manage their spending. A wider variety of constituents within an organization are now enabled to make their own spending decisions, often in nontraditional ways. Underneath it all, the data picture gets murkier with each added layer of complexity—spend-related data is kept in multiple systems, is compiled in different formats, and is difficult to access in a timely manner.

Against this backdrop, the Ariba® Spend Visibility functionality can be instrumental in developing a "single source of truth" on spending—by using an enterprisewide approach to gathering and analyzing data. Perhaps best of all, using Ariba® technology does not require a bottom-up transformation of an organization's spend management systems, since it provides the ability to work with a wide variety of finance systems and data types.

How Deloitte can help

Ariba® Spend Visibility capabilities are most powerful when deployed with a full understanding of the broader business and technology context in which they will be operating. This is where Deloitte leads, as we are widely recognized for our ability to bring real business insight to every engagement, as well as our experience with both Ariba® and SAP® solutions. We are also recognized as a global leader in business analytics and helping organizations make better informed decisions. In practical terms, that means we are able to help clients define and implement Ariba® Spend Visibility capabilities—and get on the fast track to realizing potential benefits.

Here are a few of the spend analytics capabilities and features we can help clients realize:

- A predefined procurement dashboard view that includes metrics for spending processes and sub-processes
- Detailed, industry-specific sourcing and procurement benchmarks to compare key performance indicators
- Critical perspective on how and where to incorporate advanced analytics, as well as perspective on how analytics insight can influence key "value driver" activities within the organization
- Experience in building end-user-friendly technologies, such as mobile, and how to incorporate those technologies into your spend analytics process
- A business-process-improvement framework to help you reach strategic goals and deliver operational metrics
- Insight into how to build or revise master data governance structures to align with industry standards and leading practices
- A plan for assessing the readiness for change within the organization, managing change, communicating change-related activities, and developing training activities to drive and sustain adoption
- Comprehensive project-management execution, including project templates and other management tools, such as test scenarios, to help accelerate the transition to Ariba® Spend Visibility and a more holistic view of your spending data
- Detailed strategies and approaches to realize savings in supplier negotiations
- Independent compliance testing, including an informal process audit that takes into account discount activity, cash-flow strategies, and supplier performance

THE BIG IDEA

Ariba® Spend Visibility functionality can be instrumental in developing a "single source of truth" on spending—by using an enterprisewide approach to gathering and analyzing data.

Potential bottom-line benefits

With Ariba® Spend Visibility and Deloitte's extensive experience in sourcing and procurement, as well as deploying Ariba® solutions, organizations can begin to realize potential benefits that can enable them to transform insights into actions. The ability to develop a more comprehensive view of spending activity and then to analyze the data to spot trends could enable organizations to:

- Enhance sourcing decisions, potentially leading to greater and accelerated savings
- Identify opportunities for more favorable contract terms and conditions, as well as fewer expedite fees and late-payment fees
- Determine risk factors associated with the diversity of your supplier pool
- Save time and labor regularly spent on the gathering and processing of spending data
- Reduce maverick spending by applying tools and governance for tracking and reporting on procurement compliance objectives
- Identify new sources of addressable spend that should be sourced

Getting started

Getting better insights into your spend data requires an investment, but the payoff can help produce potential bottom-line benefits that can make the investment worth it. If your organization wants to bolster the bottom line through smarter spend analytics, Deloitte can help. We have extensive, hands-on experience with Ariba® technology, and we know what it takes—from strategy to implementation—to blend Ariba® Spend Visibility into your operational and IT environments.

For more information, please contact:

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HOW TO CREATE MORE VALUE WITH SPEND ANALYTICS

The Deloitte methodology for deploying Ariba® Spend Visibility involves discovering spend-related data within an organization, cleansing and enriching that data to make it more meaningful, and presenting the enriched data alongside data visualization tools in a simple yet powerful dashboard format.

The process can seem daunting, but procurement leaders can take simple steps to help improve spend-data-related activities within their organization—to make the transition to Ariba® Spend Visibility easier and to help ensure they use it wisely once deployed.

Choose the right technology for the long term
Many technology offerings exist in the market today that overlap the realms of spend analytics and business intelligence. Do your homework. In choosing a solutions, consider your immediate needs as well as your long-term needs when it comes to spend analytics. Spend analytics is a long-term commitment, so choose partners that will be around for the long haul.

Know where you stand
Where possible, benchmark your spending trends against similar organizations or against others in your industry. Do you have a monitoring and managing process to continually maintain and evaluate your enriched data? Are you leading or lagging when it comes to spending, to categorization of spend data, and to profitability? Knowing where you stand can help you determine your spend analytics priorities going forward.

Focus on process and governance
Make sure that you have consistent processes and a governance model in place to generate and sustain accurate data. And make sure the data you are generating provides the right level of detail for the improved spending decisions you want to make. The level of detail should help ensure that you can trust the data and that you can act on the data effectively.