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# Ariba® and SAP®: The hybrid cloud approach
## Finding balance with Deloitte



As business and IT leaders discover the benefits of Ariba®, the go-to cloud solution for sourcing and procurement within SAP's suite of products, they are grappling with a new set of questions about their technology strategy and implementation. At the heart of the issue is the balance between a cloud-based approach and the on-premise investments that companies have made through the years–and are understandably reluctant to set aside. That's why many companies today are pursuing a hybrid cloud approach that draws on the strengths of both Ariba and existing SAP assets.

### Three core issues
There are essentially three issues that companies address as they pursue an Ariba-based hybrid cloud strategy. First, how do you reconcile implementation timelines for cloud and on-premise solutions? This is a purely operational issue–IT leaders need to determine how to efficiently manage a project that encompasses both.

Second, leaders know they need to be prepared to solve integration issues, from both transactional and data model perspectives. This touches on technical and business process aspects.

Finally, there's the question of value delivery. How do leaders orchestrate the deployment of these solutions to generate the most value? This is essentially a strategy issue. For example, Ariba's shorter implementation timelines could allow the company to self-fund the rest of the project, not to mention get a head start on data issues. All of which requires thoughtful planning at the strategy level before the initiative gets underway.

The good news is that Deloitte has already helped clients address all of these issues – and we can help you.

### How Deloitte can help
The benefits that the Ariba cloud-based solutions can bring to organizations and supplier relationships are real and demonstrated. While it takes considerable technical know-how to realize these benefits, a deep understanding of the underlying business reality is even more important. Deloitte excels in both areas. We are widely recognized for our ability to bring real business insight to every engagement, and we bring our long history with both Ariba and SAP solutions. In practical terms, that means we are frequently able to help clients define and implement their cloud-based sourcing and procurement capabilities quickly – and get on the fast track to realizing benefits.

Here are a few of the services we offer:

- Solution road map and strategy in order to minimize rework or redundant investments
- Procurement transformation and organizational strategy/roadmap development
- SAP and Ariba end-to-end implementations management and delivery
- SAP and Ariba landscape, integration, security, and architecture design
- Hybrid implementation approaches, methodology, project plans, and timelines
- Experienced resources trained with both Ariba and SAP modules, including integration of the two
- Stand-alone rapid implementations of Ariba cloud

## Bottom-line benefits

Deloitte's SAP and Ariba cloud hybrid implementation methodology can help our clients:

- Minimize risk to the broader SAP program
- Enable quick wins and more immediate savings through strategic sourcing events such as auctions and RFPs
- Reduce IT application and infrastructure support costs related to procurement applications
- Manage the lifecycle of contracts with a consolidated repository
- Streamline and provide greater visibility into the purchasing process
- Obtain greater granularity and broader visibility on spend
- Reduce repetitive manual labor and risk of error through increased automation and self-service transactional processing
- Enable procurement and operations resources to focus less on transactional processing and more on strategic analytics and operational drivers

## How to get more value from the Ariba Suite

We've already helped companies around the world use a hybrid cloud approach to realize the benefits of the Ariba suite along with legacy SAP investments. Here are a few lessons we've learned along the way:

### Rethink your operating model

Cloud-based capabilities like those introduced by Ariba typically go beyond what was conceivable when the organization's operating models were established. Forcing Ariba into an existing operating model may not allow you to reap the full benefits of the solution. Consider defining a new operating model for procurement that allows you to take full advantage of these powerful new capabilities.

### Plan for your people

Cloud-based capabilities tend to introduce a new (and welcome) way of doing business. As with virtually anything new in business, it can take awhile for people to become comfortable with these capabilities–much less use them to their full advantage. Conducting an organizational assessment in light of the move to an Ariba hybrid cloud approach, as well as designing new job roles and revising existing ones, can help make for a smoother transition. Ongoing training and change management can also be instrumental.

### Lean on built-in regulatory and compliance controls

Compliance and other regulatory requirements are only becoming more important, particularly as cloud-based solutions draw more scrutiny. Avoid the temptation to alter or customize the native flow of processes and workflows embedded in the solutions themselves–both cloud-based and on-premise solutions come with many regulatory controls and compliance levers built in.

### Get good at governance

A global master data governance policy can help resolve many important data-quality issues preventing organizations from obtaining visibility on spend, and do so in a way that can be used for sourcing projects. Different business units and functions should understand how procurement data is defined, putting governance policies in place that address how procurement master data is created and changed. A global master data governance policy can also help improve data integrity and quality.

## Related offerings

- Ariba Sourcing and Ariba Contract Management
- Ariba's procurement software solutions
- Ariba Invoice Management
- Ariba's Working Capital Management solutions
- Ariba Network
- Fieldglass for Contingent Workforce
- Concur for Travel & Expenses

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