

HOW TO IMPROVE THE PROCUREMENT PROCESS THROUGH SUPPLIER COLLABORATION WITH SAP® Ariba®

ABOUT OUR CLIENT

Our client has been working in the energy sector for decades and today is one of the main power operators in Europe, being present in 7 countries with highly efficient power plants.



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EXECUTIVE SUMMARY

As a part of a company-wide initiative that aims to completely digitize the business processes, our client sought to **boost their supplier collaboration and achieve further procurement process improvement** with a new platform for supplier performance management.

After evaluating other innovative procurement solutions, our client selected **SAP® Ariba® Supplier Information and Performance Management** (SIPM) as their new supplier collaboration tool. Leveraging this new tool, the company has provided its suppliers a new communication channel, where they can easily share information and exchange relevant documents with the procurement department. The new solution has also streamlined and improved quality of supplier master data, thanks to supplier self-maintenance of data in the Ariba platform.



THE CHALLENGE

Our client launched a program for **renewing the procure to pay cycle**, with the goal of satisfying the following common needs shared by the company's Procurement, Administration and ICT functions:

- ▶ **Streamline the procurement processes**, focusing on the supplier master data management processes;
- ▶ Increase the suppliers' **master data reliability**;
- ▶ **Improve the collaboration** and sharing of information between suppliers, allowing an easier exchange of relevant documents (i.e. DURC).

With these goals in mind, our client sought a new, integrated solution that would allow the upstream integration with suppliers ensuring the alignment of processes and data, while providing a new efficient communication channel to all stakeholders.



THE SOLUTION

After careful evaluation of innovative procurement solutions on the market, our client selected SAP Ariba Supplier Information and Performance Management (SIPM) as their new **supplier collaboration platform** to allow suppliers and partners to easily share the relevant information and data.

Being a cloud solution (and therefore, limited in terms of customization), the company **remodeled its business processes** in alignment with SAP Ariba best practices to maximize the use of the solution functionalities. However, some custom enhancements were developed to fully satisfy our client's business requirements. These **custom enhancements** were developed at the interface level between SAP systems, which ensures our client's Ariba solution is sustainable for all product updates without the need for maintenance intervention.

The solution was deployed using a **wave approach** with progressive onboarding of suppliers and partners, ensuring a smooth adoption of the solution and allowing the company to spread out the onboarding efforts over a manageable period.



HOW THE SOLUTION HELPED

Thanks to the implementation of SAP Ariba Supplier Information and Performance Management, our client has achieved the procurement process improvement it originally sought:

- ▶ **Suppliers have an efficient communication channel** where they can easily exchange documents and share all the information that can be relevant at any stage of the procurement process;
- ▶ **A common, streamlined supplier master data management process** thanks to a valid, robust suppliers' master data registry for the entire organization;
- ▶ **Improved supplier master data quality**, thanks to suppliers' ability to self-maintain their master data in Ariba, which then reflects automatically into the company's ERP and other systems.



ABOUT THE AUTHOR

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ELISABETTA MICELI

Energy&Utilities Senior Client Manager

As Client Executive at Techedge, Elisabetta coordinates digital transformation projects for global clients in the Oil sector. By leveraging her profound knowledge of the industry's specific needs and her competences on vertical solutions for the Energy sector, she supervises her clients' initiatives making sure that the best solution is delivered on time and with maximum effectiveness.

Elisabetta started her career in IT in 1995, working on the first SAP projects in Italy and acquiring over the years solid competences of the SAP ecosystem. Since 2000 she has been mainly focusing on SAP solutions for the Oil Industry, managing several complex projects for multinational clients to help them simplify and streamline their business processes through value-added solutions, tailored to meet the industry's specific challenges.



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