![Xoomworks Procurement logo]

Getting Motoring Financial Services Business on the Road to Intelligent Buying

About the Client

The client, a major motoring organisation traditionally provided breakdown services but has expanded into a broad range of financial products, including loans, insurance, mortgages, credit cards, travel currency cards and savings accounts including ISAs.

Highlights

- Rapid implementation of SAP Ariba P2P solution

- Expert advice provided for out-of-scope processes

- Re-engineered Supplier Sourcing and Contract Management delivered in parallel with P2P solution

Challenges

The client needed to implement key controls and processes around its supplier management and Purchase-to-Pay activities. Top of the list was the ability to qualify suppliers with which the organisation shares customer data, to ensure the security of that data. For this reason, the implementation of a new Supplier and Contract Management system would be the first phase of the work to be undertaken.

A third party was engaged to provide a solution for supplier and contract management, using SAP Ariba technology. Whilst a solution was supplied and installed in May 2018, the configuration of the solution and associated processes did not align with the current maturity of the business and was somewhat over-complicated. As a result, users were by-passing the solution and continuing off-system engagement with suppliers, which maintained prior levels of risk and exposure. Suppliers also found the qualification process onerous and this had brought new approvals to a halt.

At this stage the client pressed ahead with an invitation to tender for the development of the downstream Purchase-to-Pay (P2P) components. This would provide it with the ability to control and analyse its spend, whilst also providing a user-friendly buying experience. The goal was to make the right way to buy the easiest way.

![XOOMWORKS ENGAGING PEOPLE logo]

Our Solution

Xoomworks Procurement rapidly put together a bid and attended 'Chemistry' sessions with the client, to further explore requirements and develop the bid. Owing to Xoomworks Procurement's proven capability in this area and its willingness to challenge the client's stated requirements, together with a compelling partnership proposal, it was selected for the work. The client was persuaded by Xoomworks Procurement's approach of working with it to solve business problems. In particular, they appreciated Xoomwork's commitment to embed resources on-site with its own employees throughout the life of the project.

Xoomworks Procurement delivered a comprehensive P2P solution to the client more closely tailored to their journey from unstructured and largely un-managed purchasing spend to a user-friendly but controlled environment. The Ariba-based solution allowed the client to provide a guided buying experience to its employees, incorporating rules to ensure spend was approved in advance of orders being raised. The buying portal created an 'Amazon-like' experience, which will ensure goods and services are purchased from approved suppliers at the right price.

Whilst working on this solution, Xoomworks Procurement was able to bring their experience and expertise to the problems of the Upstream Supplier and Contract Management system. Its advice prompted the client to request a costed statement of work to re-engineer the previously delivered solution. As an example, supplier qualification was taking an average of 90 days to complete, with some suppliers still not on-boarded after 200 days. Inevitably this resulted in buyers by-passing the system in order to source goods and services from vendors who had not completed the qualification process. This proposal included work to simplify rules and processes to make them effective and workable. The changes were tailored to the level appropriate for each supplier, so that only those with whom customer data was to be shared would have to complete all the qualification questionnaires. Xoomworks' proposal was accepted, and the improvements were delivered in parallel with the P2P implementation.
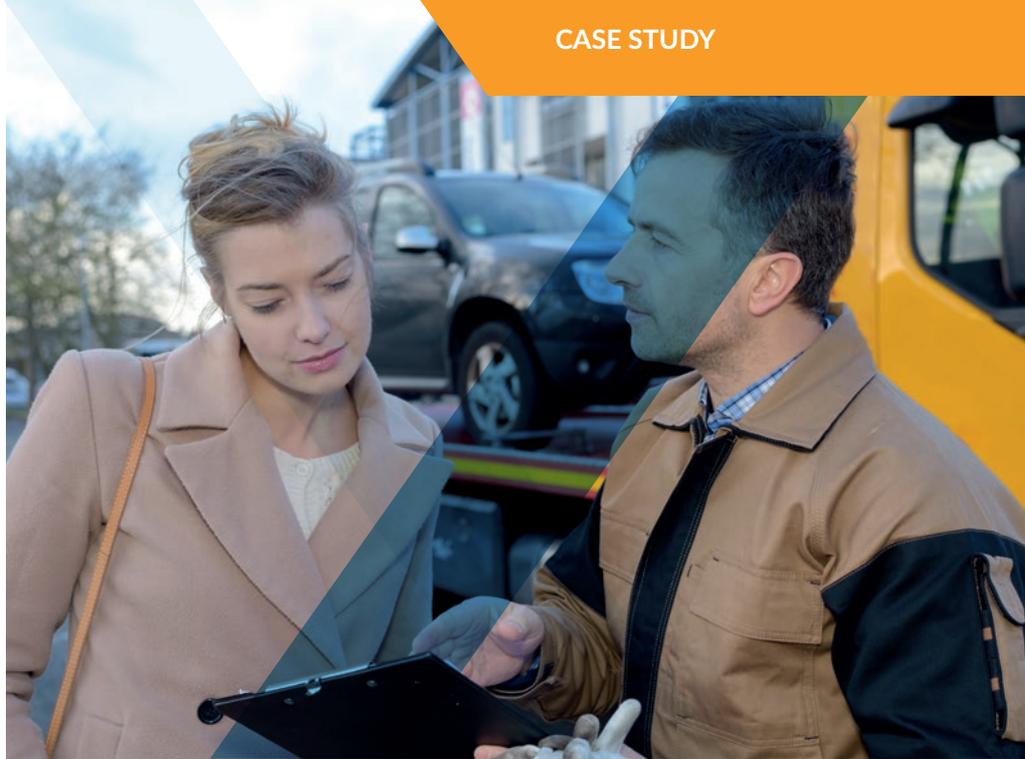
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The Results

The client is at the beginning of a journey that will enable it to take control of its corporate spending. As a result of the implementation of the SAP Ariba Cloud P2P solution, it will start to effectively manage spend, via guided buying, catalogue purchasing and up-front approvals. Introducing automated invoice payment features it will improve cashflow and reduce manual intervention in the P2P process. The route to placing a purchase order is now 6 or 7 clicks, as opposed to five times this complexity in the native SAP application.

The enhancements to the SAP Ariba Supplier Life Cycle and Performance configuration will improve compliance with corporate policies and reduce the incidence of buyers going off-system with the onboarding of new suppliers. This will increase the likelihood that appropriate due diligence will be completed before spend is placed or data shared with suppliers.

Analytics will be available which will show opportunities to rationalise the supplier base and deliver substantial savings to the bottom line.

Results

- ✓ Platform for managed spend implemented
- ✓ Enhanced Supplier Sourcing and Contract Management delivered in parallel
- ✓ Road map established for user-friendly controlled procurement
- ✓ Reduced supplier risk through streamlined qualification process
- ✓ Speed of creating purchase orders enhanced by 5x