

## Avaya Inc.

*Avaya delivers communications equipment and software that integrates voice and data services to customers including large corporations and government agencies.*



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Joe Siciliano  
Senior Manager of Procurement

### **Maximizing Spend Across Commodities**

The company is currently undergoing a strategic breakthrough in indirect procurement where it is looking at its total spend and identifying ways to work within each commodity to maximize spend and achieve a better return on investment.

An Ariba® customer since 2000, Avaya currently uses Ariba Buyer™ and has plans to implement Ariba Sourcing™, Ariba Analysis™, Ariba Invoice™ and the Ariba Contract solutions in the near future. The procurement team is also looking into implementing Ariba Services, such as a temporary labor program, to drive additional savings to its bottom line.

### **Addressing Widespread Maverick Spend**

Things weren't always so smooth for the procurement team at Avaya. Subsequent to branching off from Lucent Technologies, Avaya did not have a tool in place for purchasing. After considering several vendors, the team determined that Ariba would best meet their spend management needs.

Once Ariba Buyer was put into place, however, the company experienced a significant challenge with 80 percent maverick spending. In order to overcome this hurdle, the team drove to a change management model—which included an executive-level mandate—to ensure compliance and appropriate use of the tool.

Today, the company has only a 20 percent instance of maverick spend with goals of identifying how to use that spend more effectively. The Avaya procurement organization uses Ariba Buyer—which is generally available to 17,000 Avaya employees today—to purchase most commodities, primarily telecom, software and hardware.



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"Ariba has always been ahead of Avaya in terms of what solutions or programs we need," said Siciliano. "What we do in our team is to try to keep pace with the changes Ariba makes to take advantage of their knowledge and experience."

### **Overcoming Spend Management Challenges**

As with most organizations, spend visibility has been a challenge for Avaya. "We hope and expect that by implementing the entire Ariba solutions suite, we will achieve enhanced visibility in order to share the spend information with internal users to creatively increase return on investment," said Siciliano.

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Change management continues to be an ongoing challenge for Avaya as well. Even though they have made tremendous strides with their percentage of maverick spending, ensuring compliance and company-wide usage of the Ariba tools is an ongoing journey that Avaya is taking with Ariba to ensure continued improvements.

Siciliano believes that understanding the tools that one uses in a spend management program is critical to success. But he also strongly recommends setting the processes and changing the environment and attitudes of the employees as well. Having the right tools and the change management processes in place are critical to success.

### **About Avaya**

*Avaya Inc. designs, builds and manages communications networks for more than one million businesses worldwide, including over 90 percent of the FORTUNE 500®. Focused on businesses large to small, Avaya is a world leader in secure and reliable Internet Protocol telephony systems and communications software applications and services.*

*Driving the convergence of voice and data communications with business applications—and distinguished by comprehensive worldwide services—Avaya helps customers*

*leverage existing and new networks to achieve superior business results. For more information visit the Avaya Web site: <http://www.avaya.com>.*

### **About Ariba**

*Ariba, Inc. is the leading provider of spend management solutions to help companies realize rapid and sustainable bottom line results. Successful companies around the world in every industry use Ariba Spend Management software and services. Ariba can be contacted in the U.S. at 1.650.390.1000 or at [www.ariba.com](http://www.ariba.com).*