

## Success Planning Investment

The intensity of the Success Planning process varies with the complexity of your organization and the solutions under consideration. This will range from a data collection and diagnostic effort to a more in-depth process including a two-day onsite workshop. For larger-scale initiatives, you will need participation from your organization's Business and IT Subject Matter Experts to do the following:

- Complete qualitative questionnaire
- Provide a pay file of your organization's spend data
- Prepare for and participate in an onsite workshop
- Co-develop executive-ready presentation and obtain stakeholder buy-in

## Success Planning Overview

Ariba has helped thousands of companies make collaborative commerce work better, because with Ariba, you get much more than just technology ... you get business results. With our unique methodology, we help you not only drive rapid enablement, but full value realization and sustainable results. This begins with our success planning process, which is designed to provide a clearer vision of your desired end state, along with a higher degree of confidence and understanding around what needs to happen to get there.

Our practitioners will partner with you to build a program that is personalized for your business and is focused on your desired business outcomes. Specific activities will depend on the opportunity and may include the following:

- Perform an assessment of your spend data
- Conduct a current state assessment and determine best-in-class maturity
- Identify and prioritize opportunities and program goals
- Articulate your future state vision
- Formulate the set of solutions and related activities to realize your desired business outcomes
- Determine the team and resourcing required to support the program
- Build a comprehensive cost-benefit analysis that will justify the investment
- Develop the roadmap to support the program
- Create an executive-ready business case presentation

## Success Planning Methodology

Ariba will lead you through the Success Planning effort. We will partner with you to gather your company's data and better understand your organization. We will run your data through our diagnostic model to estimate the benefits your company can expect to realize based on Ariba and third party analyst benchmarks, and package these results in a Business Case format. Our team is comprised of practitioners and experienced Ariba personnel who can speak from personal experience to determine the right solution and help you understand what it will take to be successful.

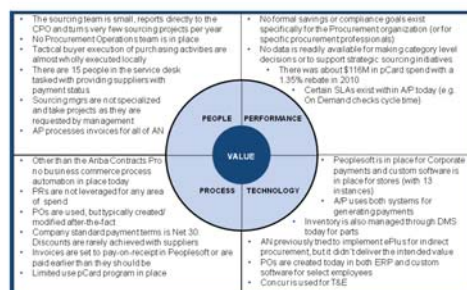
## Success Planning Deliverables

The resulting deliverables from the Success Planning effort will be reflective of your business and prescriptive of the program required to position your business for maximum success and realization of expected benefits.

Here is a sampling of the type of deliverables that you can expect from the Success Planning effort.

- Current State Assessment

Ariba will perform an assessment of the opportunity, which includes a quantitative-based diagnostic coupled with stakeholder interviews. The deliverables from this assessment will summarize both the quantitative and qualitative analyses performed. Additionally, they will highlight the areas for performance improvement based on Ariba's best practices.



Example Current Landscape Summary

100 suppliers make up 80% of spend (≈\$1.1M); 157 suppliers make up 80% of invoices (≈35 invoices)

	Pay File: Comprehensive	Pay File: <90 Days To Pay
<b>Data Set Characteristics</b>	Pay Date Range: 1/1/10 – 12/31/10 • ~\$1B in spend • ~50,000 invoices • ~2,500 suppliers	Pay Date Range: 1/1/10 – 12/31/10 • ~\$888 M (88% of total spend) • ~45,000 invoices (89% of total invoices) • ~2,300 suppliers
<b>Average Days to Pay (weighted by invoices)</b>	40	28
<b>Average Days to Pay (weighted by spend)</b>	38	23
<b>Payment Timeliness</b>	• ~\$120 M in spend early/on-time (12% of total spend) • ~5,000 invoices early/on-time (10% of total invoices) • 250 suppliers paid early/on-time	• ~\$120M in spend early/on-time (13% of total spend) • ~7,100 early/on-time (15% of total invoices) • 285 suppliers paid early/on-time

Notes: 1. credits were removed from the file 2. data appears to have employee expense reports included

Example Performance Analysis

## About Ariba, Inc.

Ariba, Inc. is the leading provider of collaborative business commerce solutions. Ariba combines industry-leading technology with the world's largest web-based trading community to help companies discover, connect and collaborate with a global network of partners – all in a cloud-based environment. Using the Ariba® Commerce Cloud, businesses of all sizes can buy, sell and manage cash more efficiently and effectively. Over 500,000 companies around the globe use the Ariba Commerce Cloud to simplify inter-enterprise commerce and enhance results. Why not join them? To get on the path to Better Commerce visit: [www.ariba.com/commercecloud/](http://www.ariba.com/commercecloud/)

### • Cost / Benefit Analysis

Based on the set of solutions required to act upon opportunities identified to realize your desired business outcomes, Ariba will partner with you to build a detailed cost-benefit analysis that will justify your investment in the program.

Value Lever (20)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
Cost Reduction	\$1.95	\$12.43	\$20.90	\$30.17	\$40.55
Spent Compliance	\$0.75	\$0.74	\$10.10	\$27.61	\$37.04
Process Improvement	\$1.26	\$14.46	\$20.06	\$40.96	\$61.26
Error Reduction	\$0.09	\$7.99	\$10.62	\$25.24	\$33.86
Cash Management	\$0.13	\$1.40	\$3.04	\$4.61	\$6.19
<b>TOTAL BENEFIT</b>	<b>\$4.76</b>	<b>\$46.48</b>	<b>\$93.69</b>	<b>\$141.30</b>	<b>\$188.50</b>
Total Software Investment	\$0.00	\$1.16	\$1.34	\$1.34	\$1.34
Total Services Investment	\$1.64	\$0	\$0	\$0	\$0
Total 3 <sup>rd</sup> Party Investment	\$0.95	\$0.95	\$0.95	\$0.95	\$0.95
Total Customer Internal Investment	\$0.09	\$0.74	\$0.74	\$0.74	\$0.74
<b>TOTAL EST. INVESTMENT</b>	<b>\$4.14</b>	<b>\$2.95</b>	<b>\$3.03</b>	<b>\$3.03</b>	<b>\$3.03</b>
<b>NET BENEFIT</b>	<b>\$0.62</b>	<b>\$43.24</b>	<b>\$90.66</b>	<b>\$138.27</b>	<b>\$185.47</b>

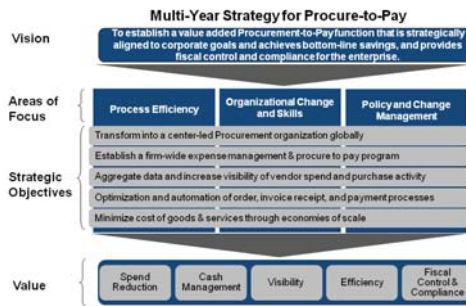
Example Overall Program Cost/Benefit Analysis

Cost	Year 1	Year 2	Year 3	Year 4	Year 5	PPF	Comment
Subscription fees-Ariba (SaaS) suite	400	400	600	600	600	2,000	Subscription fee-Ariba (SaaS) suite
Professional services fee	1,200	80	80	80	80	1,520	Included the Ariba suite design for a national service Procurement and PPF Function (log-procure, track, as well as receipt site and two fulfillment, and wire one optimization. The costs for PPF Shared Services are the assumed internal resource costs for development and steady state support from Client for the PPF program.
Maintenance fees	-	-	-	-	-	-	Included in solution fee
Hardware expenses	-	-	-	-	-	-	Included in solution fee
Disaster recovery	-	-	-	-	-	-	Included in solution fee
Internal IT staff/costs	-	-	-	-	-	-	Included in solution fee
Change management	-	-	-	-	-	-	Included in program fees
Training	-	-	-	-	-	-	Included in solution fee
Application management	-	-	-	-	-	-	Included in solution fee
Network connectivity fees	-	-	-	-	-	-	Included in solution fee
Retailer auditor fee	-	-	-	-	-	-	Included in solution fee
Supplier portal maintenance	-	-	-	-	-	-	Included in program fees
Supplier enablement costs	-	-	-	-	-	-	Included in solution fee
Internal support for enablement	-	-	-	-	-	-	Included in program fees
Supplier help desk support team	-	-	-	-	-	-	Included in solution fee
Internal help desk support team	-	-	-	-	-	-	Included in solution fee
Calllog, enablement and refreshes	-	-	-	-	-	-	Included in solution fee
<b>Total Cost of Ownership (TCO)</b>	<b>2,400</b>	<b>1,160</b>	<b>1,300</b>	<b>1,320</b>	<b>1,320</b>	<b>7,600</b>	

Example Total Cost of Ownership

### • Success Plan

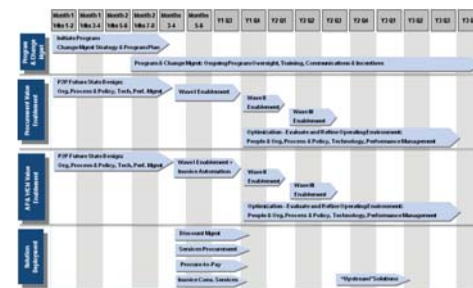
As the culmination of the Success Planning effort, your Success Plan is the package of deliverables that outline the program along with the path to get to your desired end state.



Example Multi-Year Strategy



Example Program Details



Example Program Roadmap



Example Team Structure

## About Our Business Commerce Enablement Services

After many years of helping thousands of companies achieve better, more collaborative commerce, Ariba is uniquely positioned to help you do the same. First, we'll help you quickly identify, enable, and realize value through a custom-tailored business commerce program—prescribed by our domain expertise, world-class analytics, and considerable insight into what buyers and sellers need to facilitate collaboration. Then, working closely with your stakeholders, we'll provide best-practice guidance on integrating your business processes and optimizing your trading partner relationships, driving toward full utilization and adoption of your solution.

**In short, you get much more than technology from Ariba. You get business results.**

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