

MANAGE

Ariba Supplier Information Management On Demand



Locating the best suppliers and negotiating the best agreements are a good start. But, ensuring spend management success and having full visibility into supply risk requires companies to constantly discover, assess, and on board new supply partners, ensure their information is accurate and up-to-date, and continuously measure and improve supplier performance.

WHY ARIBA SUPPLIER INFORMATION MANAGEMENT

Spend management requires working with existing suppliers, identifying new sources of supply, and evaluating the supply base. Poor management and coordination of information across the spend management life cycle is a challenge for both buyers and suppliers.

Visibility to Supplier Information Fuels "Savings"

According to AMR Research, management of supplier information places a costly and massive time drain on all functions that are engaged with suppliers—costing companies up to \$1,000 per supplier annually to manage their supplier information across the enterprise. However, when information, enabled by technology, becomes visible across the organization, costs per supplier quickly dwindle to below \$150 per supplier. Multiply that number times the thousands or hundreds of thousands of suppliers in an organization you have, and the potential for huge returns is obvious.

A variety of business trends are driving the need for Supplier Information Management, including:

- Executive Mandates to Reduce Supplier Risks
- Increased Outsourcing
- Regulatory Oversight
- Unstable Supply Markets

In a recent survey conducted by Ariba, CPOs of leading enterprises recently identified supply-related issues as one of the top three areas of focus in 2009. Two-thirds of the same companies expect supply risk to increase over the next three years.

But there are a number of challenges that may be encountered in taking on this effort:

- Large numbers of suppliers ('000s) can make supplier aggregation efforts cumbersome and limit coverage
- Fragmented supplier data across multiple disconnected purchasing systems
- Labor-intensive data gathering and rudimentary analysis tools that are not scalable
- Lack of a single "owner" and standardized processes to drive supplier on-boarding and performance management and be accountable for results
- Shortage of manpower/resources to run an SPM program on top of all the other strategic initiatives

As companies confront these new realities that affect their extended enterprise:

- There is renewed pressure to improve how to diagnose and manage risk
- Access to a consolidated and comprehensive view of supplier information becomes all the more critical to monitor supplier performance
- A requirement for predictive supplier intelligence to identify suppliers at risk



Needless to say, all these situations contribute to the overall inaccuracy of supplier intelligence and highlight the significance of a holistic solution to collaboratively manage suppliers.

Ariba Supplier Information Management helps overcome these challenges and stay on top of your supplier relationships and improve collaboration.

Ariba Supplier Information Management enables companies to quickly identify and assess new sources of supply, rapidly on board approved suppliers, and gain a 360-degree view of supplier information and performance. It also includes capabilities required to drive continuous corrective actions and improvements across your supply chain. And Ariba's global consultants and expertise offer best-practices and templates to ensure proper supplier selection, measurement, and risk and performance management.

ARIBA EXPERTISE DRIVES SUPPLIER INFORMATION MANAGEMENT SUCCESS

Ariba's best-practice process, based on Ariba's deep spend and supplier management experience, comes standard with the solution—enabling you to start off with a robust foundation on which to build an optimal Supplier Information Management program. For companies wishing to develop a custom supplier on-boarding and enablement processes designed uniquely to their needs, Ariba offers Supplier Management Services Consulting to help define and build a tailored process for each organization. Our consultants also help to design surveys, scorecards and KPI measures that align with individual supply markets.

KEY FEATURES

- Single location for suppliers to register and collaborate with buying organizations
- Process management, collaboration and workflow support for the complete Supplier Management Lifecycle
- Supplier portal with centralized information certificates, and profile management
- Out-of-box reports with 360-degree supplier information and comparative performance views
- Supplier document repository enables easy document collaboration, sharing, and management with version control, comment capability and an audit trail
- Approval workflow and supplier on-boarding process by category/geography/supplier
- Access to Supplier Network Discovery to discover new sources of supply

- Back end/vendor master integration
- Provides a single supplier repository to leverage across all spend management modules and 3rd party systems

EXPERTISE

- Global Supplier Expertise and Discovery
- Supply Risk Assessment Services
- Supplier Information Enrichment Services – Diversity, Green, CSR, Risk/Financial Information
- Best Practice Center
- Best Practice Profile Setup
- Process/Workflow Setup
- Online Buyer and Supplier Training
- Product and Technical Support
- Integration Services

CONTACT ARIBA NOW

Given the ever-increasing risk of doing business in an unstable economy, the time for automating the supplier on-boarding process as well to get a 360-degree view of supplier information and performance is now. And the right tools and expertise are critical for success. Whether you are interested in establishing a common supplier registration process or a global supplier information repository supported by a common process backbone to improve supplier collaboration providing additional visibility in both Sourcing and Spend Management process, Ariba can help. Best-in-class organizations have realized that supplier development strategies can improve quality and performance by 20 percent; increase time-to-market cycles 10–20 percent; reduce new product costs by 18 percent; and reduce errors, mitigate risk and improve performance. Contact Ariba today to learn more.

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.

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