How Does Cloud-Based Sourcing Save Time and Improve Visibility for Companies and Suppliers?

Running a shared-services center to manage procurement for 80 group companies in Germany

As Europe’s largest telecommunications provider, Deutsche Telekom AG depends on suppliers for its indirect spend for IT services, network equipment, marketing, and logistics. To manage this across group companies, it runs a multifunctional shared-services center. But with thousands of suppliers not connected to any kind of electronic sourcing system, the center struggled with inefficient e-mail- and paper-based processes. To streamline and standardize sourcing processes, improve data quality, and increase visibility, Deutsche Telekom needed an integrated sourcing platform within its ERP environment and global supplier network.
Deutsche Telekom makes work easier for suppliers and its sourcing team while reducing procure-to-pay processing time by 50%.

With Ariba® Network and the SAP® Ariba Discovery, SAP Ariba Sourcing, and SAP Ariba Supplier Lifecycle and Performance solutions, Deutsche Telekom AG is benefiting from:

• Major efficiency and data quality improvements through automated processes and data transfers, as well as the introduction of e-documents for purchase orders (POs) and invoices – especially for accounts payable
• The ability to source requests using SAP Ariba Discovery, thereby improving negotiation capabilities
• Automatic triggering of sourcing events based on shopping carts in the SAP Supplier Relationship Management (SAP SRM) application and the automatic transfer of sourcing data back to SAP SRM to create POs
• Increased supplier satisfaction thanks to time savings and increased status visibility through Ariba Network
• Greater spend visibility through centralized service data, making it possible to track and report on targets with a given supplier and see where more resources may be needed
• The potential to bring thousands of global suppliers onto Ariba Network using the supplier enablement service
• A break-even point that is on track to be reached in three years through the cost efficiency of cloud systems, the retirement of multiple legacy systems, and the resulting efficiency gains
• Experience, knowledge, and support of the SAP Ariba services team

“SAP Ariba solutions make it easy for us to communicate with suppliers. This results in the efficiency that our customers expect.”

Henning Icken, Project Manager for SAP Ariba Solution Implementations, Deutsche Telekom AG

Deutsche Telekom AG
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Industry
Telecommunications
Employees
216,000
Revenue
€75.66 billion

Featured Solutions and Services
Ariba Network, SAP Ariba Discovery, SAP Ariba Sourcing, and SAP Ariba Supplier Lifecycle and Performance