Benefits

Visibility
- Creates a shared plan of upcoming sourcing activities to be executed
- Helps determine if necessary resources are available for upcoming projects
- Allows companies to quantitatively measure the delivered value of their sourcing activities
- Shows tracking to savings goals and warns when those goals are at risk
- Allows continuous updates of values as sourcing contracts are executed
- Captures historical data to help in planning future sourcing initiatives

Flexibility
- Flexibility in the way savings initiatives are tracked
- Multidimension breakdown of savings by time period, region, department, supplier, and spend type
- Configurable allocation by month or user-defined period
- Streamlining the way savings initiatives are conceived, approved, and executed
- Validation tolerance allows threshold to be set for variance between totals and line-level detail

Security
- Controlled document access, versioning, publishing, and approving control capability

Implementing an online sourcing solution can play a significant role in achieving program goals, yet many companies still struggle in driving the usage of their tools and associated processes to realize the full benefit. To further complicate the matter, it has proven a challenge for many to fully measure and report on the benefits being produced by their sourcing initiatives.

We have worked extensively with our customers to help them accelerate the adoption of their technology and drive results. Developing a pipeline of events to be executed has proven to be one of the most significant factors in driving sourcing activities. By defining a set of events and assigning the necessary resources, companies help ensure that the tools are being used and the desired levels of throughput and spend under management are being achieved.

Timely and accurate visibility into existing savings initiatives, flexibility in the way savings initiatives are tracked, and streamlining the way savings initiatives are conceived, approved, and executed are critical for tracking savings initiatives. An effective solution must be able to:
- Track current transactions and histories associated with individual savings initiatives and use that information as a template for future initiatives
- Warehouse all transactional data to create reports and analyze savings
- Effectively capture and share savings insights across stakeholders using a collaborative team workspace
- Provide warnings when at risk of not meeting savings goals

The savings and pipeline tracking add-on for the SAP® Ariba® Sourcing solution achieves these capabilities by combining the strengths of SAP Ariba Sourcing’s workflow and reporting to create a unique platform – helping companies establish a pipeline of savings activities and measure the impact of their sourcing programs.

How It Works
To begin the process, SAP Ariba Sourcing allows all customers to create projects in the system in a “planned” state with estimated start and end dates. This can be done for both online and offline projects to get the full picture of upcoming sourcing activities. By assigning people to the project, it becomes easy to assess resource needs for upcoming projects. For maximum flexibility, resources can be designated as internal, SAP Ariba, or other, in order to represent the full extent of execution support.

By adding the optional savings and pipeline tracking capability, users can then monitor the entire lifecycle of each savings initiative, capturing multiple spend and savings data points to quickly generate reports that help organizations evaluate how they are tracking to their sourcing goals. Companies can track estimated, negotiated, implemented, and actual spend and savings for each savings initiative. Information can be broken out by month, region, department, or supplier, allowing for complete tracking flexibility. Users may easily add specialized fields, like whether savings is attributed to a minority-owned supplier, using powerful configuration tools, and report on all captured information using the analytical reporting engine.

The multidimensional breakdown of data allows users to generate reports from several predefined templates. This solution is fully configurable and allows users to define custom logic for allocating savings and establishing validation tolerances. Additionally, the platform provides document control and versioning, as well as workflow and approval capabilities.
About SAP® Ariba® Solutions

SAP® Ariba® solutions support the marketplace for modern business, creating frictionless exchanges between millions of buyers and suppliers across the entire source-to-pay process. Our market-leading solutions enable companies to simplify collaboration with their trading partners, make smarter business decisions, and extend their collaborative business processes with an open technology platform. More than two million companies use SAP Ariba solutions to connect and collaborate around nearly US$1 trillion in commerce on an annual basis. To learn more about SAP Ariba solutions and the transformation they are driving, visit www.ariba.com.

Multidimensional Breakdown of Data

Users can easily manipulate predefined reports that cover the entire range of spend and savings-relevant information including an executive overview of savings, spend and savings detailed data, implemented and actual spend and savings data, and savings allocation details listed by savings initiative name and supplier. Moreover, users can easily manipulate reports to slice and dice through the entire available data model, easily creating their own insights into the company’s spend profile.

Documentation Version Control and Approval Workflow

Documentation for savings initiatives is stored in a single area and controlled by versioning, locking, and check in/out functionality. Document reviews and approvals are possible at the individual document level, or the overall phase level.

Integration with SAP Ariba Sourcing

The savings and pipeline tracking add-on can be used to monitor ongoing activities within sourcing events. The savings and pipeline tracking integration feature directly pulls in bid information and negotiated savings from associated sourcing projects. Manual entry gives users the flexibility to incorporate offline event information to help ensure comprehensive reporting on all savings.

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