



ARIBA®

An SAP Company

Ariba Network Seller Enablement is a PROGRAM, not a project

Session 2



BUY



SELL



MANAGE CASH

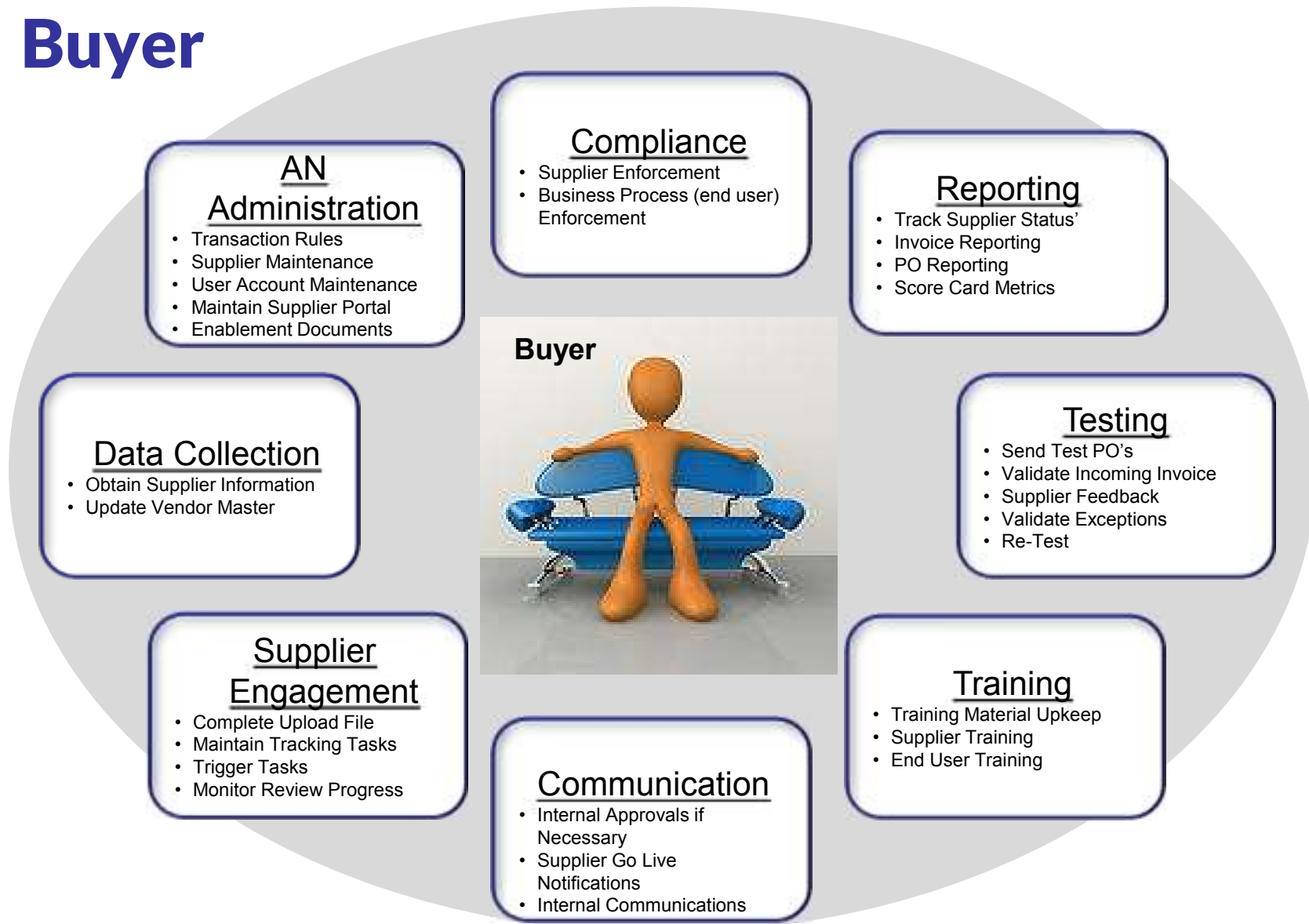
Elements for consideration in a successful Supplier Enablement Program

Resources

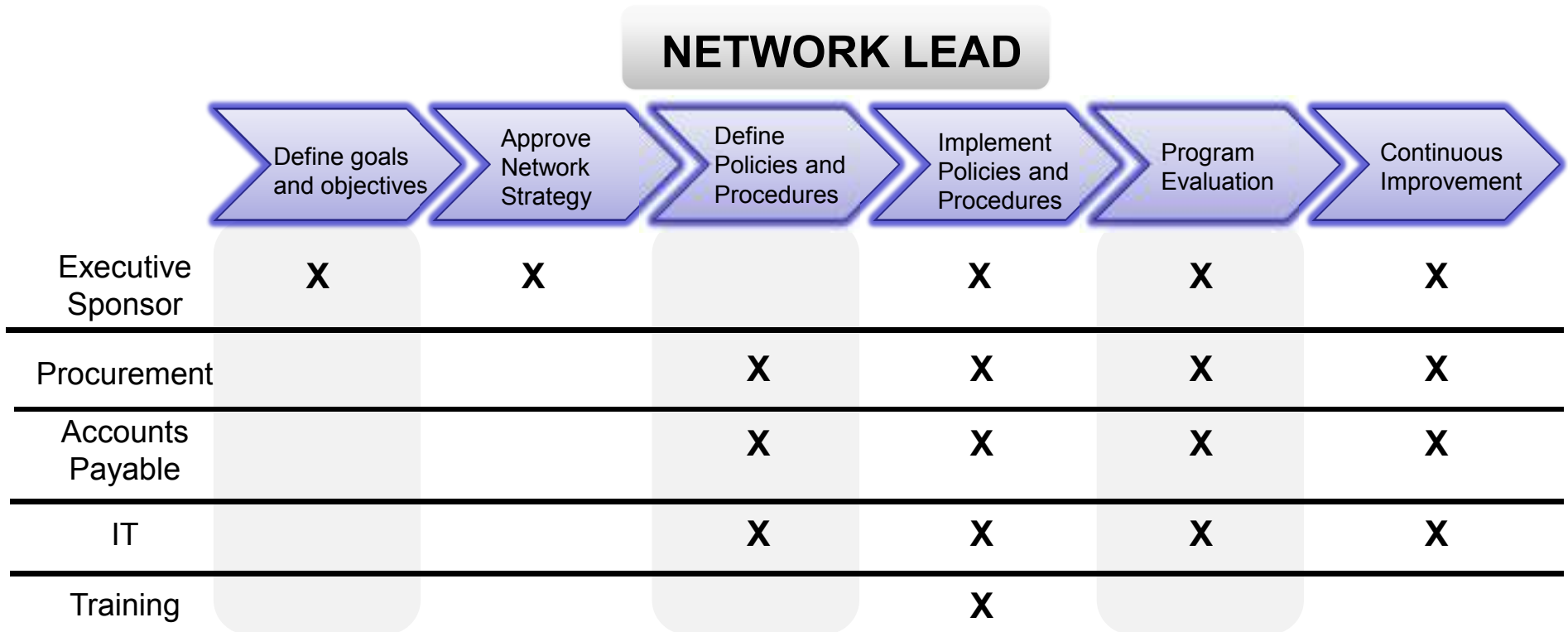
Stakeholder Management

Program Cadence

Resources: Critical Program Elements for a Buyer



Resources: What are the key coordination points for your Network Lead?



Selecting your Network Lead is a critical aspect of Network Adoption Success.

Resources: What should the Network Lead expect from the various departments?

Executive Sponsor

- Approve the goals and objectives
- Assist in gaining access, buy-in, and support to Procurement/AP/IT/Training as the program progresses
- Market the successes of the program internally

*Procurement

- Define and implement seller escalation process
- Define and implement seller testing process
- Define and implement seller “go live” process
- New vendor addition process
- Maintain rule changes and log ins

*Accounts Payable

- Coordinate vendor master data collection
- Define and implement seller escalation process
- Update Vendor Master Records
- Collect W-9 as appropriate

IT

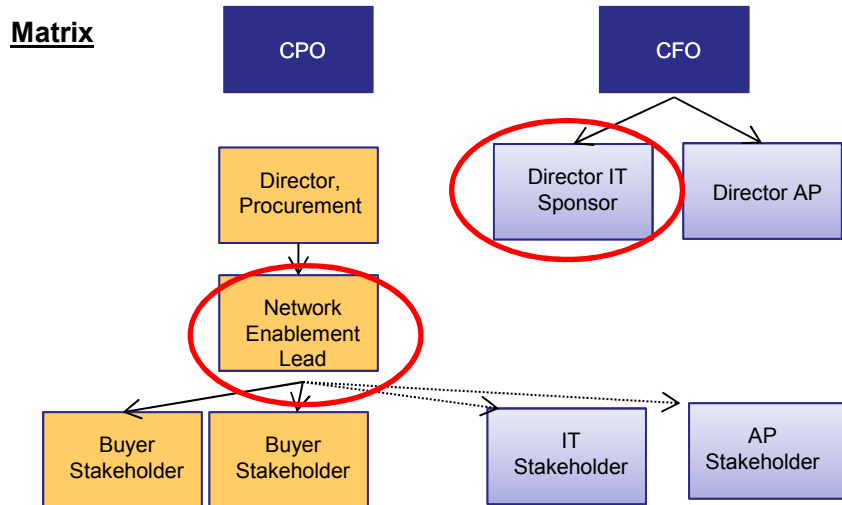
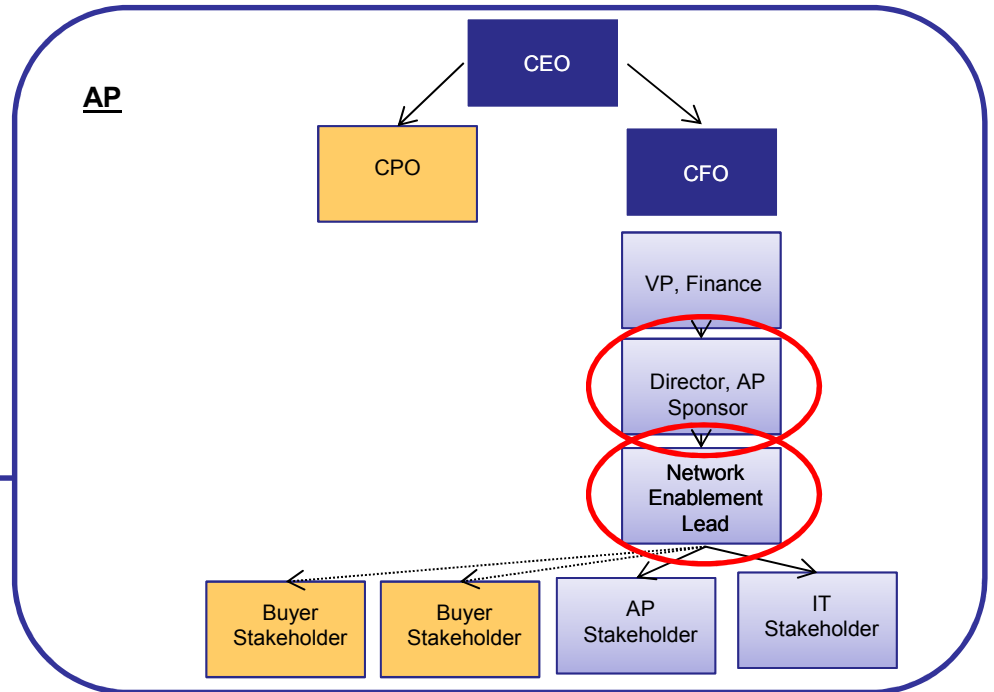
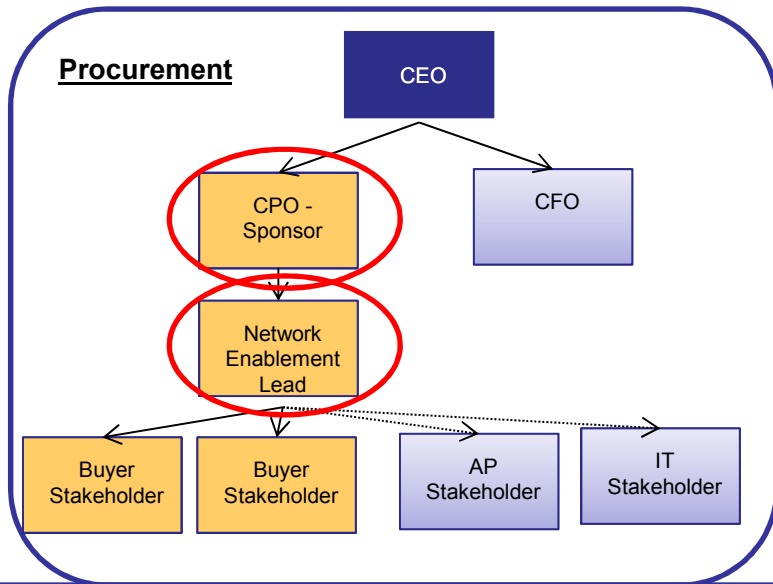
- Support collection of vendor master data
- Troubleshoot during seller testing process
- Implement seller “go live” process

**Depending on your organization, Strategic Sourcing, Tax, and Legal will need to support some aspects of these responsibilities.*

Resources: What skills and competencies are required for the Network Lead?

- **Ability to influence others**
- **Project Management Skills**
- **Problem solving skills**
- **Facilitation skills**
- **Expert level understanding of business systems specific to internal business processes**

Example buyer team organizational charts



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Stakeholder Management

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Purpose of Buyer Stakeholder Session

- **Customer's often embark on a Collaborative Commerce journey without fully understanding why and without key internal support.**
- **The purpose of a Buyer Stakeholder Session is to share the following with key stakeholders:**
 - ◆ Here's what you bought - Solution Overview
 - ◆ Here's why you bought it - Corporate Agenda
 - ◆ Here's your corporate stance - Compliance Policy
 - ◆ Here's your responsibility
- **The goal is to conclude the session with:**
 - ◆ Awareness of the Flight Plan and stakeholder acceptance
 - ◆ Understanding and support of the Compliance policy
 - ◆ Expectation of support for supplier escalations

Logistics of a Stakeholder Sessions

- **Who?**

- ◆ Procurement representative
- ◆ AP representative
- ◆ IT representative
- ◆ Training representative

- **When?**

- ◆ Just before campaigning to the sellers will begin
- ◆ Ongoing throughout the program

Example agenda for a Buyer Stakeholder Session

- **Introductions** Executive Sponsor/CEx
- **Corporate Initiative** Executive Sponsor
- **Ariba Network Overview** CEx
- **Compliance Policy Overview** CEx
- **Key Stakeholder Expectations** Executive Sponsor
- **Seller Value Proposition Overview** SE Lead/NG
- **Lunch/Break**
- **Electronic Invoicing Demo** SE Lead/NG
- **Hands-on Training activity** SE Lead/NG
- **Q&A** CEx/Executive Sponsor

About this Project - Example

- **Includes all Spend categories with the exception of:**
 - ◆ Government
 - ◆ Charities
 - ◆ Utilities
 - ◆ Freight
- **Includes all divisions with the exception of Charter Services**
- **Will result in the automation of our PO and Invoice processes as well as increase spend under Catalog management. These processes will complement our current Sourcing and Contracting practices.**
- **Go-Live is scheduled for June, 2012**

Corporate Goals for Collaborative Commerce - Example

Within 18 months:

- **95% addressable Spend under Management**
- **Less than 25% of supplier transactions via paper**
- **Invoice-to-Pay cycle time at 60 days for 95% of invoices**
- **75% reduction in inbound supplier calls to AP**
- **Improved contract compliance and 50% improvement on realization of contractual volume discounts**
- **25% improvement on realization of payment term discounts**

Corporate Compliance Policy - Example

During this process we can expect:

- **30% of suppliers will require Buyer follow-up at some point in the process**
- **70% of suppliers will enable within 4 months**
- **50% of suppliers will transact within 6 months of enablement**

Diligence and timeliness of response will improve our enablement results.

We will hold suppliers accountable for program compliance.

Your Role in Our Success

- **Confirm current and immediate future business with targeted suppliers on Flight Plan.**
- **Discuss the initiative and Corporate Compliance policy with suppliers.**
- **Distribute POs via the Ariba Network only.**
- **Do not circumvent the electronic invoicing process.**
- **Ensure that all new contracts include the Collaborative Commerce clause.**
- **Ensure that you are using the updated RFX templates that include our Collaborative Commerce expectation.**
- **Follow-up promptly to any escalations from Network Lead.**

Your Role in Our Success

Know where to go for questions and escalations:

- Non-Compliance
- New Supplier Setup

Jane Doe - Buyer Supplier Enablement; jdoe@buyer.com

- Supplier Questions

Buyer Supplier Enablement team; einvoicing@buyer.com

- Ariba Enablement/SMP Questions:

SE Lead/NG name; buyerenablement@ariba.com

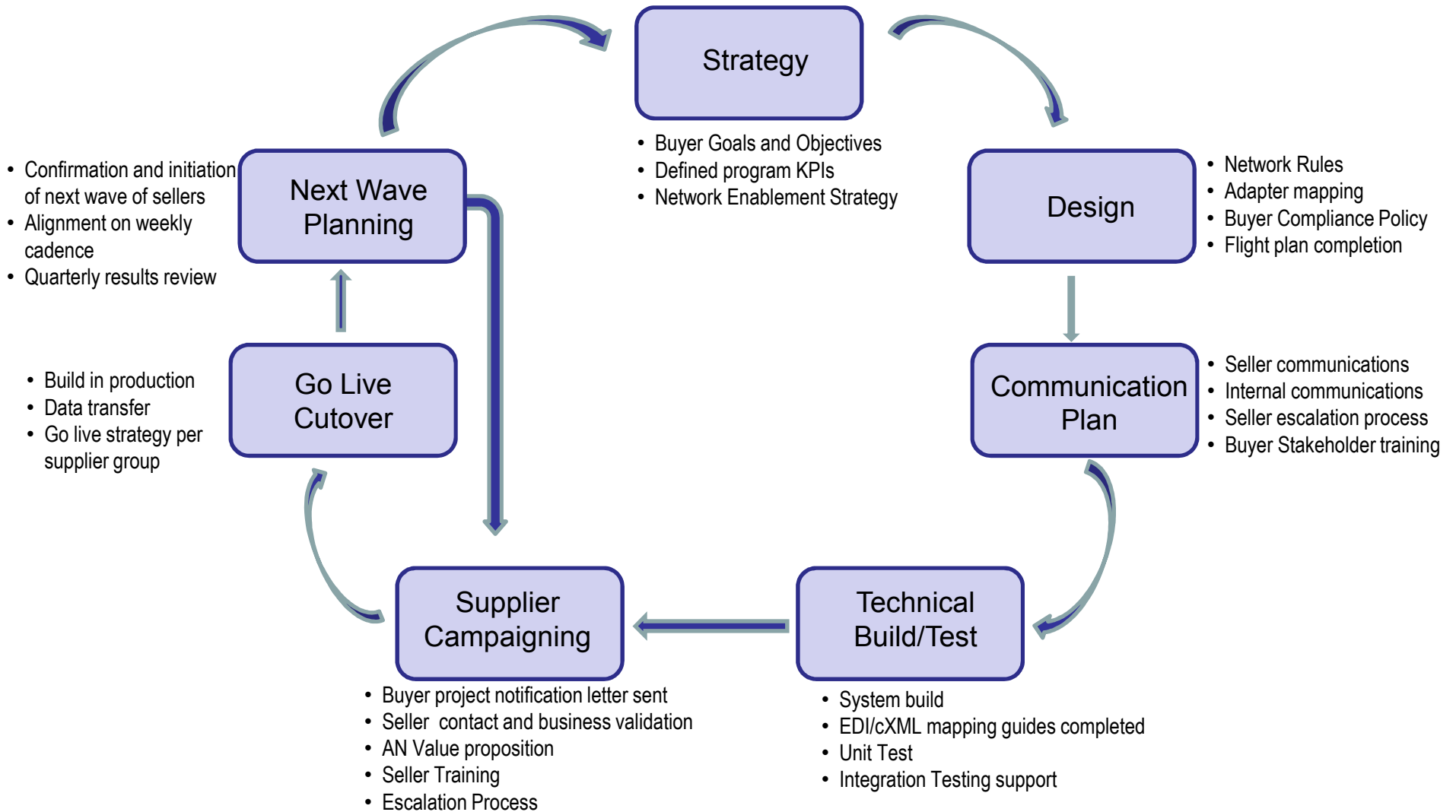
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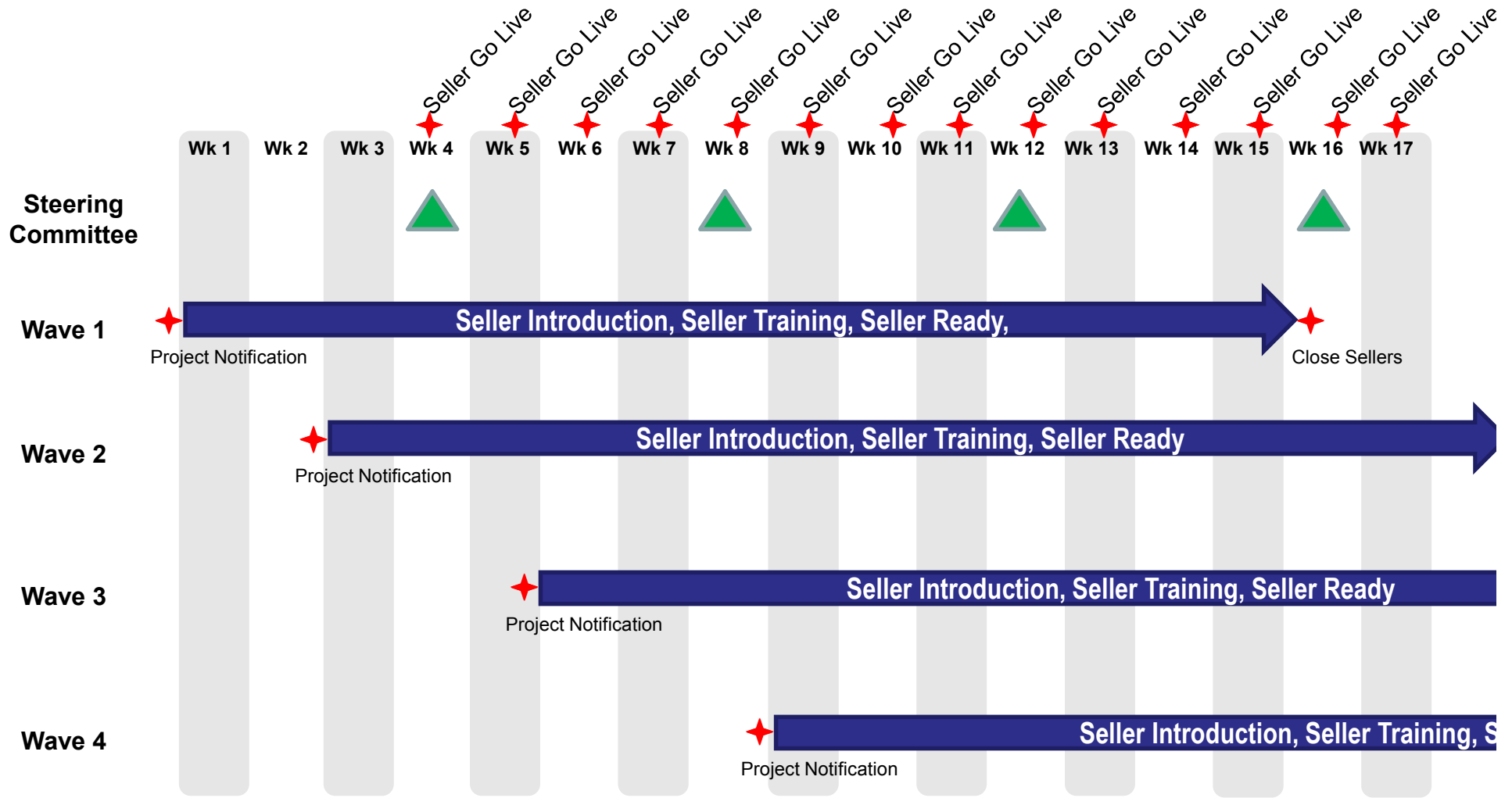
Stakeholders

Program Cadence

Supplier Enablement Framework



Example Adoption Timeline



Communication is key

- **Communicate with your suppliers**
- **Communicate with your employees**
- **Communicate with leadership teams**
- **The message has 3 points :**
 - ◆ “We are changing the way we do business”
 - ◆ “This change is not an “exercise” or “short-term project”. This program represents fundamental change to our business and is not temporary i.e.; we will not return to a paper based process after our Ariba Network deployment.
 - ◆ Every employee and supplier , regardless of role, is expected to understand how they are impacted and do their part to ensure the success of the program .

Questions?