


Deloitte

Services Procurement

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Deloitte

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- ▶ 44,000 U.S. Employees
- ▶ 1,200 Unique Requisitioners per Quarter
- ▶ Managed Spend of \$1 Billion
- ▶ Ariba Spend of \$95.4 Million
- ▶ FY10
 - ▶ 1,100 Contracts in ACW
 - ▶ 48, 500 Ariba Purchase Orders
 - 142 Temporary Labor
 - 16 IT Contract Labor
 - ▶ 53 Suppliers



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Ariba Implementation History and Timeline

- ▶ 2001 – Replaced paper requisitions and email approvals
 - ▶ Buyer & eForms
 - IT Hardware & Peripherals & Software
 - Office Equipment
 - Office Supplies – centralized the order process
- ▶ 2002 – 2005 - Increased total spend managed, enabled suppliers and categories
 - Business Cards & Stationery
 - Promotional Items
 - Furniture & High Density Files
- ▶ 2006 - Continued growth of managed spend, suppliers and categories. Implemented additional modules
 - ▶ Addition of Contracts, Contract Compliance, Sourcing, Services Procurement modules
 - Flowers
 - Real Estate Services: Architects, Project Managers, Construction Managers
- ▶ 2008 - 2009 - Continued growth of Services spend and leverage Ariba capabilities to new Business units
 - ▶ Addition of Invoice module
 - Temporary Labor and IT Contract Labor Services
 - Video Conferencing Equipment
 - ▶ India leverages Contracts & Sourcing
 - ▶ Enterprise Applications Group leverages Contracts
- ▶ 2010 – Increased enabled suppliers in all categories
 - ▶ 9R1 upgrade
 - ▶ Enable offshore IT Contractor Labor Services

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Services Procurement Implementation & Benefits

Temporary Labor Services (May 2008):

- Establishes foundation for consistent process efficiencies for all Services categories.
- Entire US within Scope
- Sourced Commodity to Establish Preferred Program – Four Suppliers
- Introduction to Electronic Invoicing – Time Sheet Flip to Invoice and PO Flip to Invoice
- Internal Controls Purchasing Policy Adjustment – Introduction of New Ariba Users
- Post Collaboration Approval of Cost Center Owner

Information Technology Contract Labor Services (September 2009)

- Small User Base – Hermitage roll-out only
- Sourced Commodity to Establish Preferred Program
 - ▶ Eight US Based Suppliers
 - ▶ Review enablement for Off Shore Suppliers
- Introduced Quick Enablement for ad hoc skill set & ad hoc suppliers
- Pre-Collaboration Approval of Cost Center Owner
- Offshore Suppliers enabled (September 2010)

Overall Services Procurement Benefits

- Paperless Requisition Process & Automated Approval Flows
- Time Sheet initiated by Contractor & Automated Approval Flows
- Invoice automated by Time Sheet Approval – Time Sheet Flip
- Expense Invoices automated by PO Flip – Automated Approval Flows
- Cost Center Owners – now see the entire cost of assignment up front!

WOW it will cost me that much!!!

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Services Procurement Implementation & Benefits

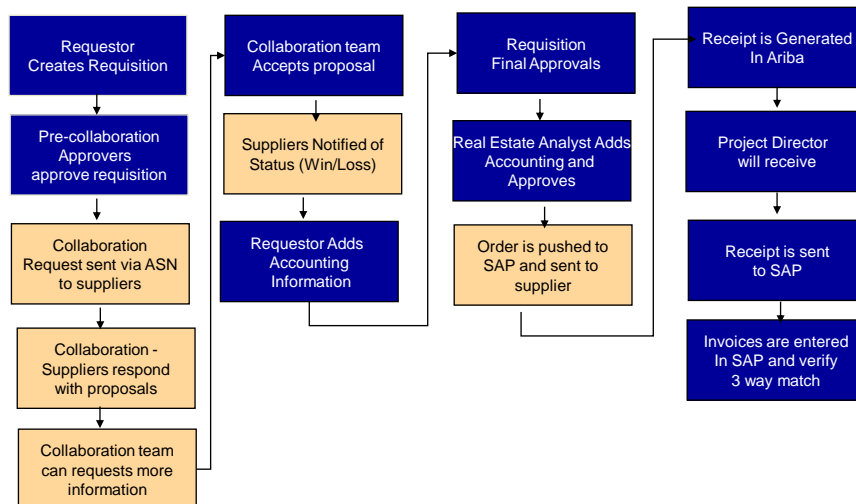
Real Estate Services (December 2006)

- Small User Base – Workplace Services Group “but” Impacts Capital Projects firm-wide
 - Scope Included Development to Allow Future Local Office Purchases
- Architects and Project Managers (Time and Fee Based catalog items)
 - Principal, Senior, Junior, Admin/Staff, Other and Reimbursement Expenses
- Construction Managers (Fee Based)
- Thirteen Suppliers
- Permission Based Catalog
- Requisition Limited to One Category
- Approval Flow Directed by:
 - Capital Project
 - Local Office Purchase
- Allow Change Orders
- Restrict Split Accounting
- Time or Fee Base Determines Receiving by Count or Amount



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Real Estate Services Request Process



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Challenges/Lessons Learned

- ▶ Category Management teams need to take some ownership
 - It is still your category even when enabled in Ariba
- ▶ Reorganization of Business Stakeholders!
- ▶ Stakeholders/Users need to be held accountable
- ▶ Organize Work Shops
 - Stakeholders need to commit to attending
- ▶ Communication ,Communication ,Communication – it is never enough
- ▶ Mandate Training (did I really type that!)
- ▶ Other competing initiatives and availability of resources impacted scope and timeline
- ▶ Difficult to identify new Ariba Approvers for new purchasing policy TL/ITL Services
- ▶ Manage pipeline priorities
- ▶ The expansion team wants soup to nuts – leadership wanted quick hit
- ▶ On-Boarding Process remains confusing
 - Improved with ITL but not fully automated
- ▶ Reports – What does the Category Manager need to manage category in Ariba?

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Projects on the horizon

- ▶ Electronic Invoicing:
 - Electronic invoice without PO
 - Non-PO Invoice eForm
 - Suppliers beyond the Pilot
- ▶ Supplier Enablement
 - Additional Categories in Buyer
 - Aggressively add New Suppliers in Buyer (catalog & ad-hoc)
- ▶ **Expansion of the Services Procurement category:**
 - **Learning and Development**
 - ▶ Facilitators
 - ▶ Off Shelf Product
 - ▶ Design and Development Services
 - **Legal Staff Augmentation**
 - **Print Services**
 - **Real Estate Services**
 - **Recruiting**
- ▶ Ariba Analysis
- ▶ Ariba Buyer – India serving India

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