



Electronic Procurement

Creating Buyer/Supplier Collaboration Through
Procure-to-Pay Solutions

Q3 2013

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BirchStreet Systems
Coupa
SciQuest

The Evolution of Procurement
Procurement and AP Collaboration
Key Drivers of Electronic Procurement
The eProcurement Universe
Electronic Procurement Models
Solution Providers

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Introduction

The role of procurement has changed dramatically in the past few years, as companies aim to gain tighter control over supplier performance to increase efficiencies and maximize growth and profits. Organizations have shifted from decentralized to centralized models to tighten controls, standardize processes, and provide the needed negotiating power with vendors. Savvy organizations are responding to these demands by leveraging integrated electronic procurement tools to support key procurement processes. These organizations are garnering results by effectively managing and collaborating with their supplier base, meeting and exceeding savings targets, strictly enforcing contract compliance and streamlining the overall procurement process.

More companies are now adopting electronic procurement (eProcurement) automation solutions as the advantages of these tools become more evident. eProcurement tools enable purchasing systems to control costs and risks, while connecting with suppliers near and far. Organizations can automate all or part of the Procure-to-Pay (P2P) process to gain the following advantages:

- » Control over all goods and services purchased
- » Instant access to live pricing, suppliers and contracted products
- » Reduced costs by leveraging volume
- » Improved visibility of spend, transparency and interoperability
- » Improved management information across all areas of purchasing
- » Improved collaboration with suppliers
- » Negotiated vendor savings that impact the bottom line
- » Time to engage in more strategic activities
- » Faster procurement of goods and services
- » Reduction in paper and duplicate records

eProcurement solutions infuse best practices across the procurement lifecycle that span online requisitions, catalogs, supplier punch outs, electronic purchase order delivery, contract tracking, compliance management, and procurement management; all of which will be covered in this report.

Electronic procurement is finally coming of age. While many organizations have automated portions of their supply chain and accounts payable, purchasing processes are still undermanaged. PayStream Advisors most recent research indicates that 58 percent of organizations are seeking additional information to manage both their direct and indirect spend. This market analysis report is targeted to those organizations seeking information regarding electronic procurement solutions.

Executive Summary

The purpose of this report is to increase purchasing and finance managers' ability to distinguish between procurement management automation providers and the solutions that they offer. The report will also explore procurement trends gathered from an in-depth Procure-to-Pay survey conducted in March 2013.

Key survey findings in this report include:

- » Over half (57 percent) of survey respondents report that they have centralized or partly centralized their procurement operations.
- » An overwhelming 95 percent report that their payables functions are centralized or partly centralized.
- » Nearly one-third (31 percent) of organizations surveyed report they have no procurement automation solution.
- » The biggest barrier preventing organizations from implementing a procurement automation solution is the belief that current processes work – 37 percent.
- » Ensuring supplier contract compliance is the number one reported pain point in the procurement process.
- » Better visibility and transparency across procurement ranked as the top reason organizations implemented a procurement automation solution.
- » Electronic sourcing and electronic procurement are the top automation tools that survey respondents plan to implement in the coming months.
- » Over half (56 percent) of supplier payments are still made via paper checks.
- » Nearly one-quarter (23 percent) of buyers currently receive over half of their invoices electronically from suppliers.

The Purchase-to-Pay survey data was gathered from 150 accounts payable, procurement and other financial professionals at U.S. based enterprises. Finance and procurement professionals are encouraged to explore electronic procurement solutions to obtain the goals listed in the Introduction of this report.

Based on the number of survey respondents, PayStream believes that the survey has a confidence level of +/- 5 percent.

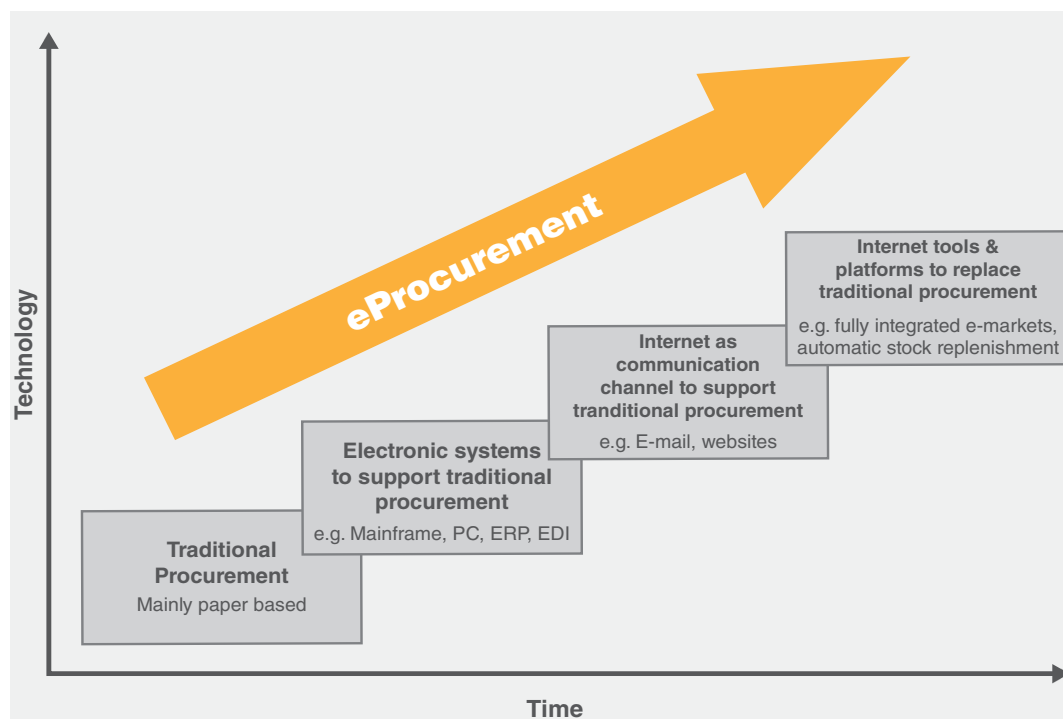
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Electronic Procurement – Then and Now

As procurement has evolved from a paper-based traditional procurement system to electronic data interchange (EDI), to a true eProcurement system of today, procurement efficiency and effectiveness becomes apparent in the areas of cost savings, enhanced spend management capabilities and improved vendor relations, see Figure 1.

Figure 1

Evolution of Procurement



Many early adopters of eProcurement solutions never witnessed the anticipated benefits materialize, as they hit stumbling blocks head-on. Stumbling blocks included supplier adoption, and lack of transparency and communication between procurement and accounts payable (AP) departments, to name a few.

Both AP and procurement functions are looking for more strategic approaches to cost management, and many organizations are investing significant resources in shifting business processes. However, with procurement and AP taking two separate approaches and investing in separate solutions, lack of communication and transparency between AP and procurement has prevented smooth processing of purchase orders and invoices.

When you factor in the volume of paper that organizations are processing including invoices, paper checks, supplier contracts, exceptions and discrepancies, it is not surprising that two separately operating AP and procurement departments produce slow processing times and excess costs.

While separate AP and procurement departments may provide some immediate results in cost containment and increased efficiencies, true collaboration between AP and procurement brings inter-enterprise business process and efficiency to an entirely new level. Purchase-to-Pay (P2P) solutions that work to integrate AP and procurement are becoming increasingly popular, as more organizations strive to increase the synergy between the two departments in an effort to facilitate better collaboration between the two functions.

True collaboration can be achieved by working through one shared technology, which supports a seamless course from sourcing all the way through to payment. A P2P solution works to bridge the disconnect between AP and procurement.

Collaboration is the Key to Success

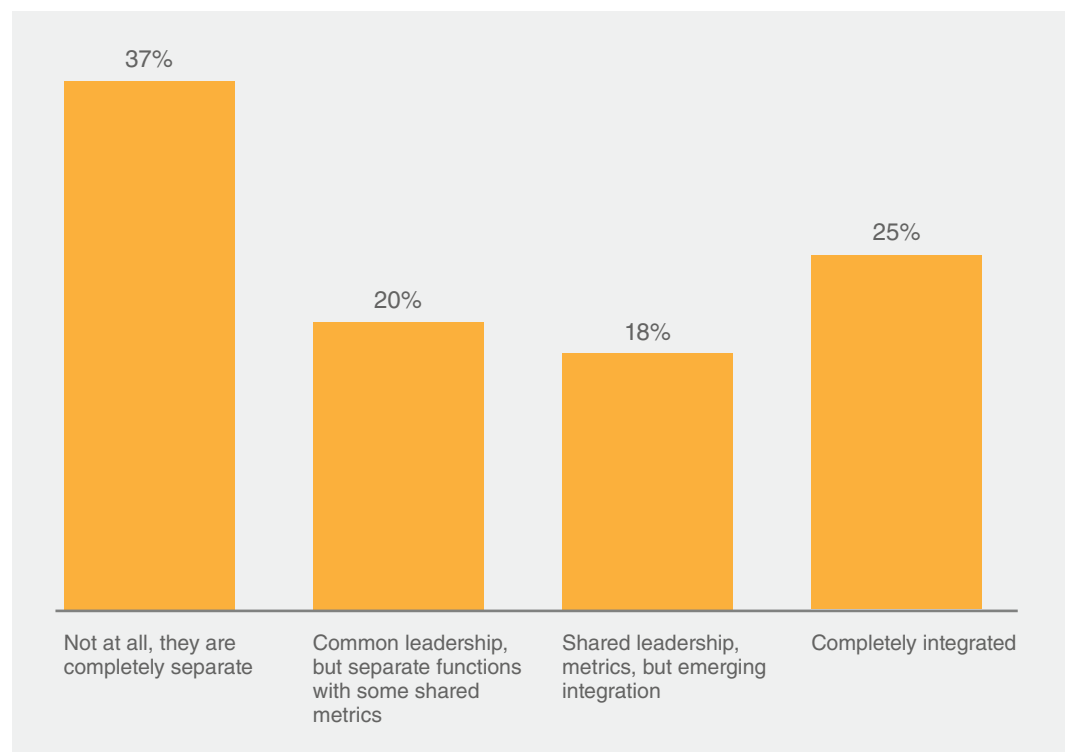
Through their collaborative nature, the integration of procurement and AP encourages buyer/supplier collaboration. In addition, the transparency and visibility gained through an integrated P2P platform enables a seamless flow throughout the entire source to pay process – from supplier identification, all the way through to invoice payment. The utilization of one combined platform for both AP and procurement brings added intelligence throughout the entire business process, resulting in more on-contract purchases, increased invoice automation, accurate transaction processing, and increased savings through the ability to take advantage of early pay supplier discounts and the elimination of manual, time consuming processing.

Despite the benefits of an integrated AP and procurement process, PayStream research shows that the vast majority of companies have not fully integrated their AP and procurement departments, see Figure 2.

Figure 2

Integration of AP and Procurement Functions

The majority of survey respondents have not fully integrated their AP and procurement departments.



Over the next few years, PayStream predicts that more companies will migrate away from separate AP and procurement functions, to an integrated approach, as they break down the stumbling blocks and share the benefits associated with integration. The common link for both AP and procurement driven initiatives is visibility into the AP data which serves as the principle source of information and intelligence for making immediate bottom-line savings.

Combining AP initiatives with procurement also provides benefits beyond bottom-line savings including:

- » Improved working capital/cash flow management
- » Spend transparency, enabling strategic sourcing
- » Lower AP and transaction cost management
- » Supplier master file management opportunities
- » Enhanced contract management capabilities

As organizations continue to identify opportunities to improve, considering an integrated, holistic approach to addressing Procure-to-Pay process can yield substantial benefits.

The Move Towards Centralization

Procure-to-Pay solutions integrate an organization's purchasing and Accounts Payable departments, providing buying organizations with control and visibility over the entire life cycle of a transaction. Transactions can be tracked from the time an item is identified, selected and ordered until the final payment is made. Companies that centralize their purchasing and accounts payable functions can find automated P2P systems particularly valuable. Survey results reveal that over half (57 percent) of organizations report that their procurement function is fully centralized, see Figure 3.

Figure 3

Organizational Structure of Procurement

The majority of survey respondents have centralized or partly centralized procurement operations.

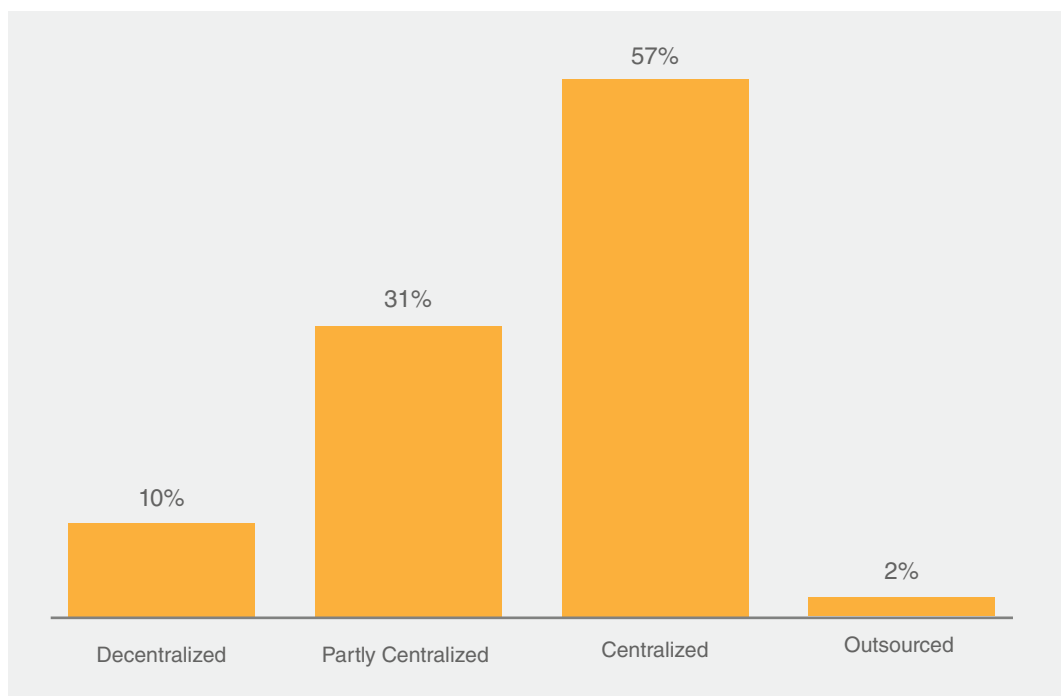
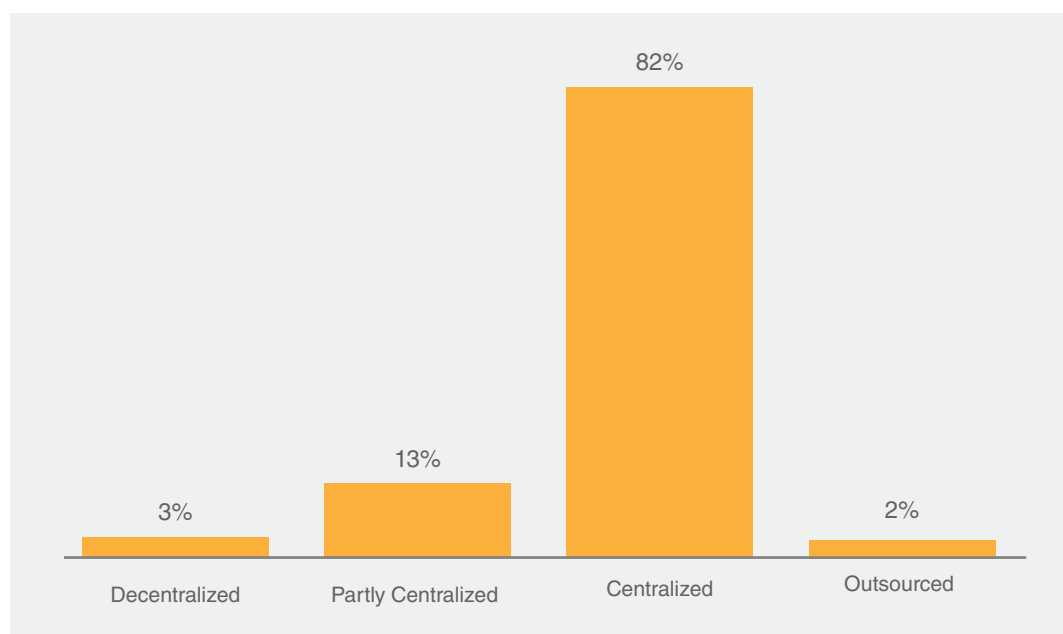


Figure 4

**Organizational Structure
of Accounts Payables
Functions**

*The vast majority of
survey respondents
have centralized their
Accounts Payables
function.*



Almost all (95 percent) report that their payables functions are centralized or partly centralized, see Figure 4.

Centralized Purchase-to-Pay functions help get the most out of any automated system. This allows a buying organization to follow each transaction and immediately address the pain points in the P2P process. Companies with decentralized or partly centralized procurement functions say these areas cause the most pain points during the procurement process:

- » Maintaining cost controls
- » Achieving visibility into the Procure-to-Pay process
- » Integrating Accounts Payable into Procurement
- » Ensuring supplier contract compliance

Purchase-to-Pay solutions can address these issues and significantly reduce or eliminate organizational challenges. Best-in-class P2P solutions enable visibility and transparency into all transactions throughout the P2P cycle. They provide user-friendly interfaces that enable buyers and suppliers to review the entire process, ask questions, and make necessary adjustments to optimize process efficiency.

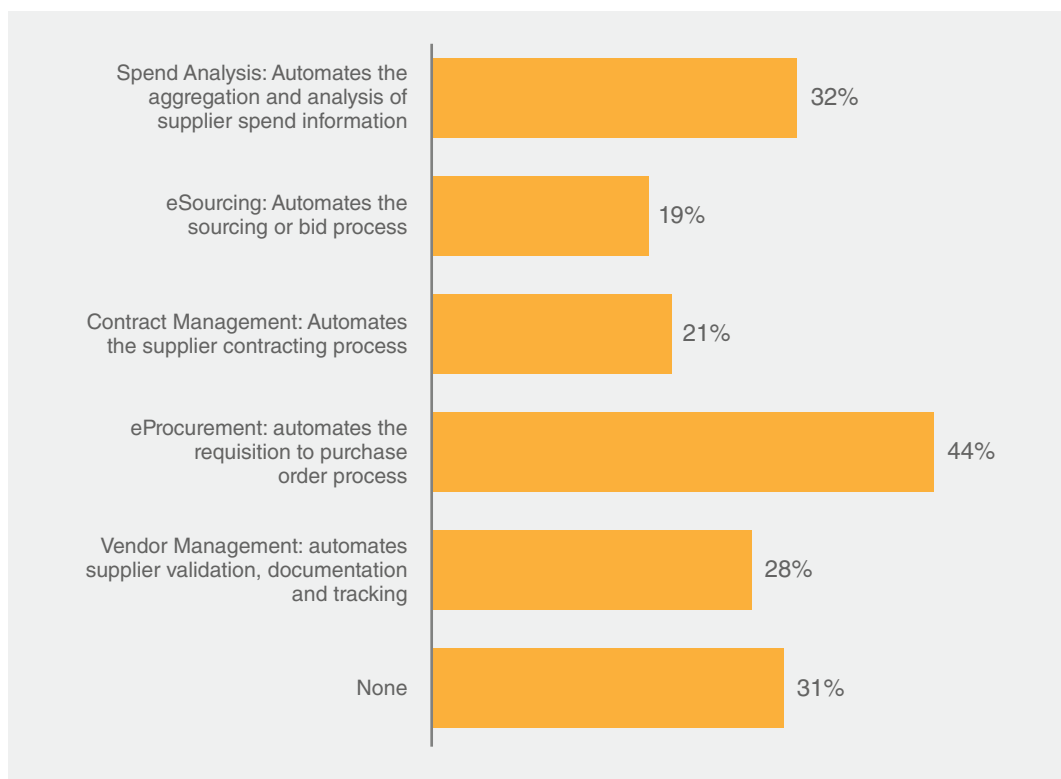
The Pain of Manual Processes

Manual processes in the procurement arena are associated with a wealth of challenges. Organizations are feeling the pain of depending on manual, paper and people-intensive processes. Nearly one-third of organizations surveyed have no procurement automation solution, see Figure 5.

Figure 5

Procurement Automation Solutions

Nearly one-third of organizations surveyed report they have no procurement automation solution.

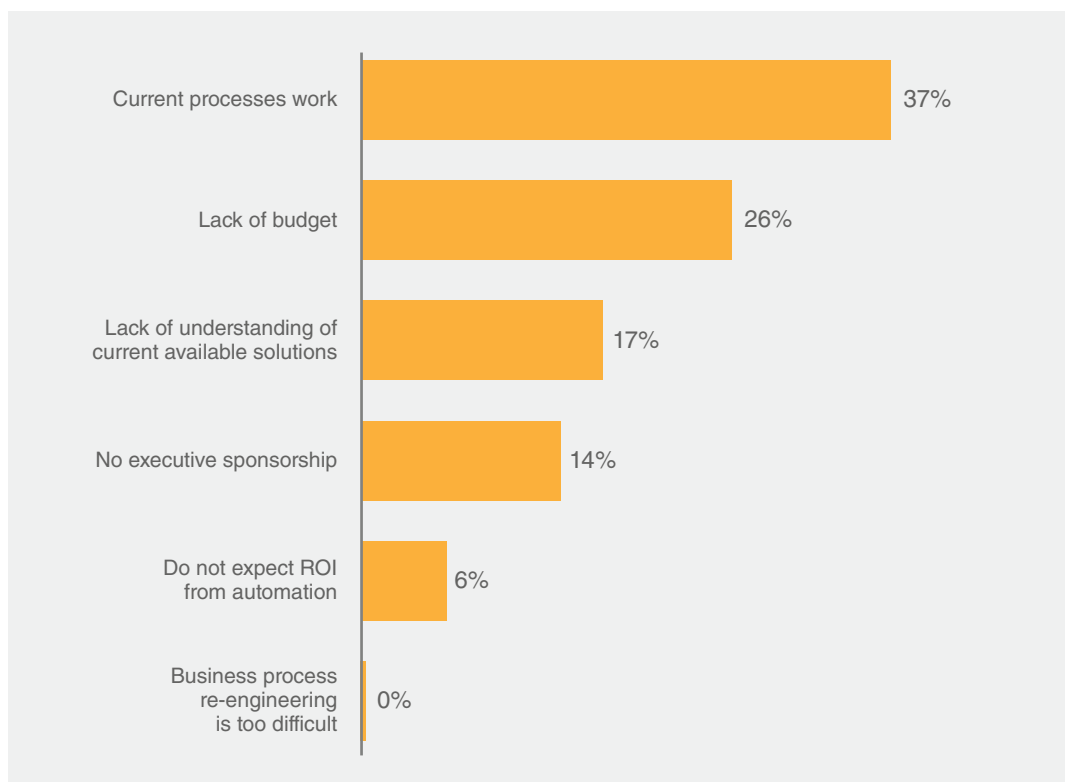


The primary reason preventing organizations from implementing a procurement automation solution is the belief that their current process works, see Figure 6. These obstacles can be difficult to overcome. Change management leaders in both AP and procurement will need to overcome these internal objections to a new system by demonstrating the benefits that other organizations and competitors are reaping from the implementation of these solutions.

Figure 6

**Barriers Preventing
Procurement Automation**

The belief that current processes work is reported as the primary barrier to procurement automation solutions.



The historical lack of automation in the Procure-to-Pay space presents a number of other challenges to organizations that are still dealing with paper, including:

Manual and Inefficient Processes – People have dreamed of a paperless workplace for decades, but few realized that getting rid of the paper-based, manual processes would be so difficult. The unfortunate reality is that corporate processes remain mired in paper, and no one knows that better than procurement professionals, who deal with paper requisitions, purchase orders (PO), and other transaction-related documents day in, and day out. The Purchase-to-Pay process has long suffered from the inefficiencies inherent to manual, paper-based processes including the lack of visibility and control over financial transactions and the unavailability of timely information and financial metrics. These factors result in high processing costs for each transaction, while adversely affecting relationships with suppliers.

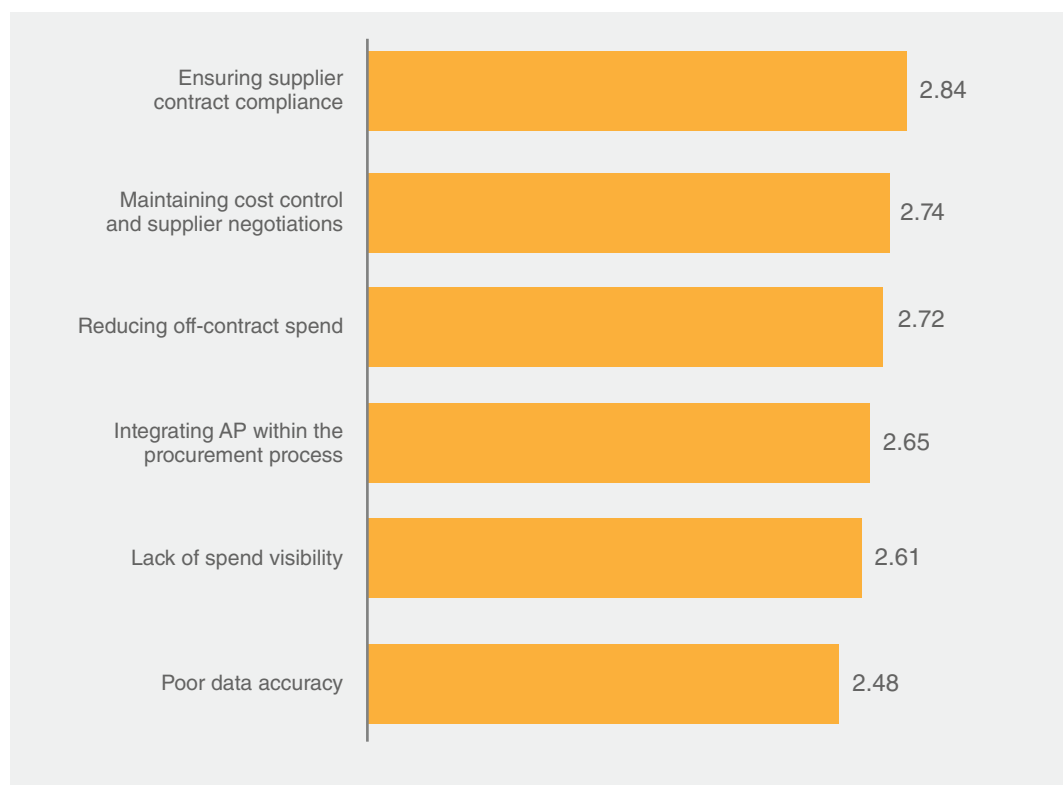
Lack of Spend Management Visibility – Tracking and managing supplier spend becomes a huge task when dealing with tons of paper. Lack of spend visibility ranked as one of the top pain points organizations experience in Procurement, see Figure 7. The lack of visibility across the purchasing and payment process limits organizations' ability to leverage economies of scale by consolidating spend and negotiating favorable pricing agreements and bulk discounts with high-volume suppliers. Even in cases where the company has negotiated preferred agreements, without the ability to monitor supplier spend in real-time, enforcement

becomes a major issue. The inability to enforce spend policies results in significant profit leakage from rogue spend.

Figure 7

**Pain Points in
Procurement Areas**

Survey respondents were asked to rank pain points experienced in each procurement area on a scale of 1 to 5, where 1 is no pain and 5 is significant pain.



Inability to Ensure Contract Compliance – As organizations become more sophisticated and supplier bases continue to increase, the number of contracts executed with trading partners also increases, as does the complexity of these contracts. Organizations today not only have to keep track of pricing specifications written in contracts, but also performance criteria, service level agreements (SLA's), rebates, charge backs and other purchasing terms. When companies are relying on paper-based, manual processes, the task of managing the entire contract lifecycle from contract negotiation and creation, to execution, becomes extremely painful. Ensuring supplier contract compliance ranks as the top pain experienced in procurement, see Figure 7. Companies are hindered by the lack of centralized visibility to contract terms and spend against these contracts, resulting in the inability to enforce contract compliance and ensure that transactions are executed in accordance with negotiated terms.

Key Drivers for eProcurement

More and more organizations are now striving to address the shortcomings they have identified in their financial supply chain, and are exploring innovative ways to leverage Procure-to-Pay automation technology to reduce costs, increase approval cycles, compress working capital requirements, improve visibility across all transactions, and strategically manage business spend.

Better visibility and transparency across procurement ranked as the top reason organizations implemented a procurement automation solution, see Figure 8.

Figure 8

**Top Reasons
Organizations Implement
a Procurement
Automation Solution**

Improved visibility and transparency ranked as the top reason organizations implemented an eProcurement solution.



Visibility Across All Transactions – P2P automation provides visibility and transparency across all transactions for both buyers and suppliers, making it easier for organizations to obtain real-time, accurate data to make informed business decisions. Improved visibility across procurement ranked as the number one benefit of adopting P2P automation solutions by responding companies, see Figure 8. Visibility across all transactions facilitates transaction research, discrepancy resolution, and reduces supplier inquiries by providing buyers and suppliers access to the same information.

Optimizing the Procurement Process – Automation solutions contribute to processing efficiency by removing paper from the equation. Buyers can order products from online catalogs, purchases can be reviewed and approved electronically using robust workflow tools and orders are delivered to suppliers in electronic formats. PayStream survey results reveal that streamlined requisition and procurement processes rank as a top reason organizations implemented a procurement automation solution.

Cost Reduction – Purchase-to-Pay automation works to significantly reduce the amount of paper in the system, which decreases the time it takes to process purchase orders, invoices and payments. This can provide a tremendous amount of savings, in the amount of millions of dollars for large organizations that process billions of dollars of spend, as well as equally proportionate savings for organizations that spend less. Cost control over maverick spend was cited as one of the primary benefits of adopting P2P automation solutions by responding companies, see Figure 8.

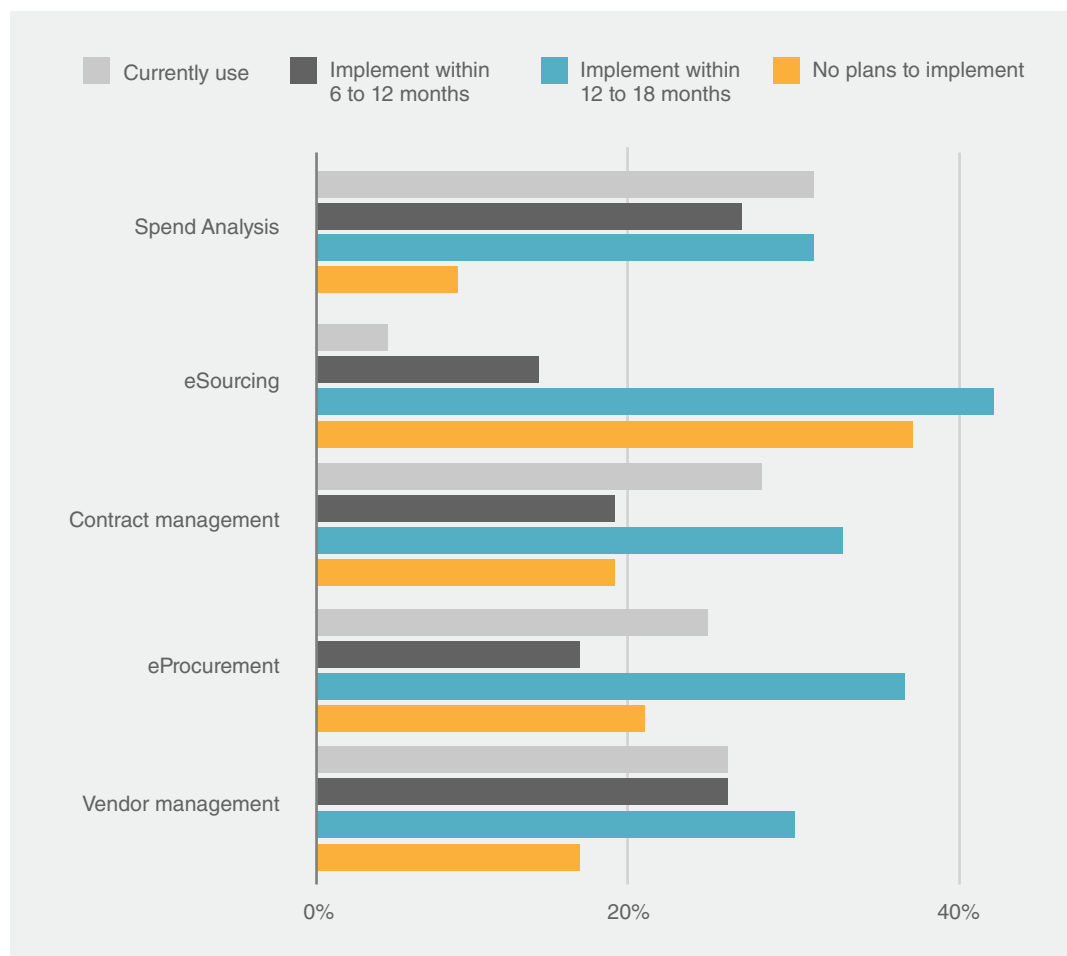
Faster Approval Cycles – Reducing the number of days it takes to approve and pay invoices leads to a significant reduction in late payment penalties, which works to increase the number of supplier discounts an organization can capture. Paying suppliers on-time improves supplier relationships, which in turn makes it easier for organizations to renegotiate contracts and strike more favorable agreements with key vendors.

The benefits of eProcurement automation solutions have already won over many survey respondents, who report they are planning to implement a procurement automation tool during the next 6 to 18 months, see Figure 9.

Figure 9

**Planned Implementation
for Procurement
Automation Tools**

*eSourcing and
eProcurement are the
top automation tools
that survey respondents
plan to implement in the
coming months.*



Obtaining Supplier Buy-In

One of the most difficult challenges to overcome when implementing a P2P automation solution is getting supplier buy-in to participate. The best-in-class solution providers that have higher than average supplier adoption rates are being proactive by offering suppliers the following incentives:

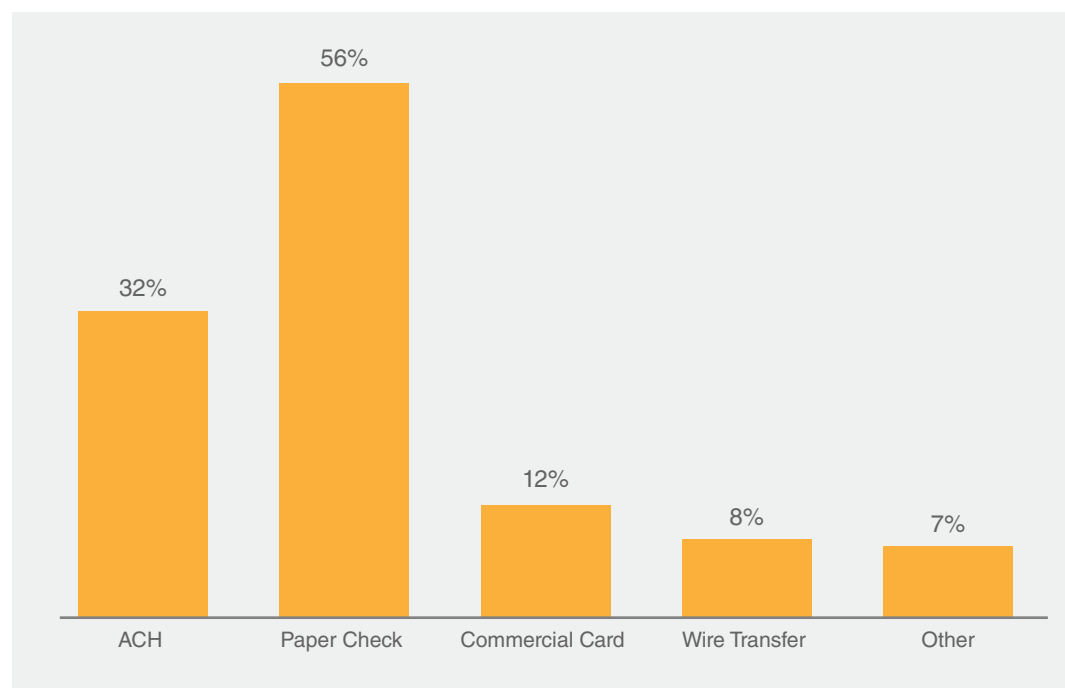
- » No supplier user fees to access the solution
- » A user-friendly and customizable vendor portal
- » Free training to maximize the benefits of the software
- » Fast resolution of exceptions and discrepancies
- » Access to dynamic discounting opportunities

Leading solution providers also support their systems with supplier on-boarding teams that reach out to suppliers through innovative campaigns to market the benefits directly. Automated solutions lead to early payment of invoices, which works to improve cash flow positioning. While a large portion of companies still pay their suppliers by check, see Figure 10, most companies anticipate to make their payments by Automated Clearing House (ACH), or other electronic transfer by 2016.

Figure 10

Methods Buyers Pay Suppliers

Over half of supplier payments are made via paper checks.

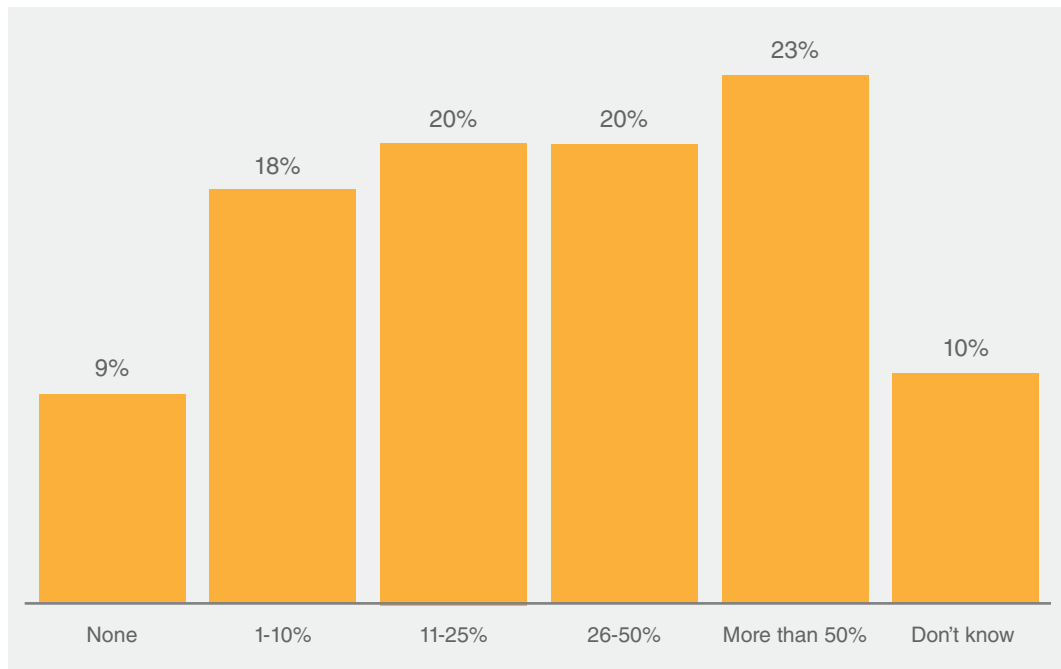


According to survey results, nearly one-quarter of organizations currently receive more than half of their invoices electronically from suppliers; showing that supplier integration is moving in the right direction, see Figure 11.

Figure 11

Percent of Invoices Sent Electronically to Buyers from Suppliers

Nearly one-quarter of buyers currently receive over half of their invoices electronically from suppliers.



The eProcurement Universe

eProcurement solutions work to streamline the purchasing process by enabling organizations to instantly connect to vendor catalogs, generate requisitions, utilize sophisticated workflow tools for approval processing, and deliver purchase orders to suppliers electronically. PayStream Advisors defines the electronic procurement universe as consisting of six broad categories of functionality. Each of the solution providers profiled in this report provide a unique solution and approach to the market, but all of them address the six functional components of the Electronic Procurement Universe. Understanding the six steps involved in the procurement process will help procurement and technology professionals in the vendor evaluation and selection process.

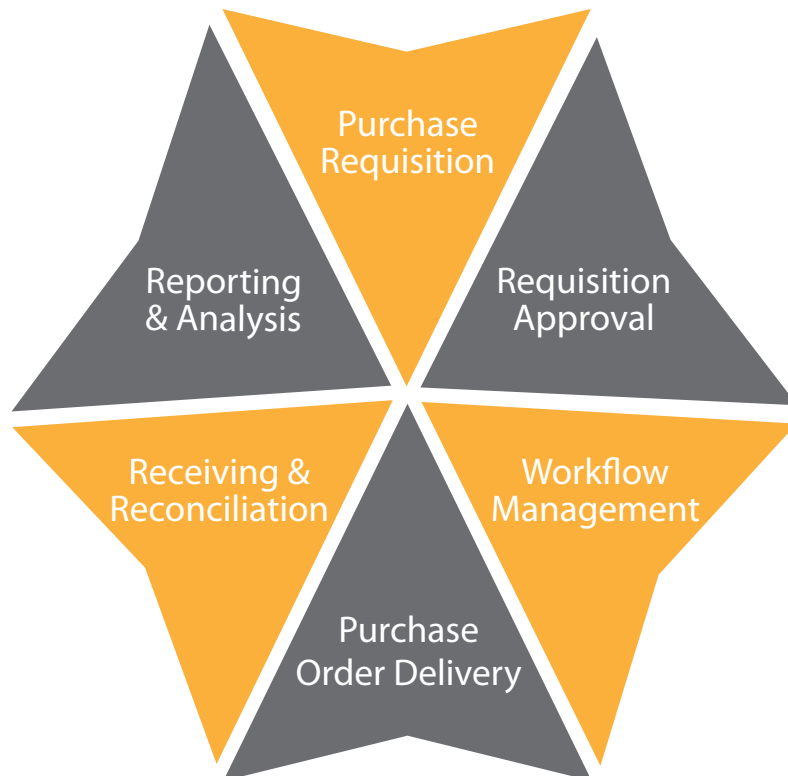
1) Purchase Requisition – This step involves the integration with online vendor catalogs, which list approved products and display negotiated pricing and contract terms. This catalog is then managed, as product availability or prices change, and new items are added. Most solution providers pride themselves on providing an interface similar to the average consumer retail shopping site, such as Amazon. Utilizing the requisitioning or purchase order functionality, buyers can log into the procurement system to search for products and services, compare multiple items, save favorite searches, easily access frequently purchased items and order the items needed. Most solutions allow users to order products from multiple suppliers through a single requisition or purchase order. Another aspect of requisitioning is the ability of the solution to control and reduce rogue spend, or spend that is in violation of corporate purchasing policies. These solutions address rogue spend by flagging purchases that are over a certain dollar value, or have been ordered from a non-preferred vendor and alerting the appropriate authorities.

2) Requisition Approval – Once a purchase requisition is created, it is routed for approval based on the business rules and criteria configured by the organization. The approval process can be as advanced as an organization chooses. eProcurement solutions allow multiple levels of approval to model their clients' organizational charts. Approval workflows can be designed based on category of spend (one person approves office supplies, while another reviews all electronic items), dollar thresholds (all items over a certain dollar amount have to be approved by two users), business unit, geographical location, supplier categories or any other custom parameters. eProcurement solutions come bundled with a robust set of notification tools to alert users via email when requisitions or purchase orders are pending and require their approval. Approvers are also notified of any items that have been ordered in violation of purchasing policy.

Figure 12

eProcurement Universe

eProcurement solutions improve the P2P cycle by streamlining how organizations generate and approve purchase requisitions or POs, and how they interact with suppliers.

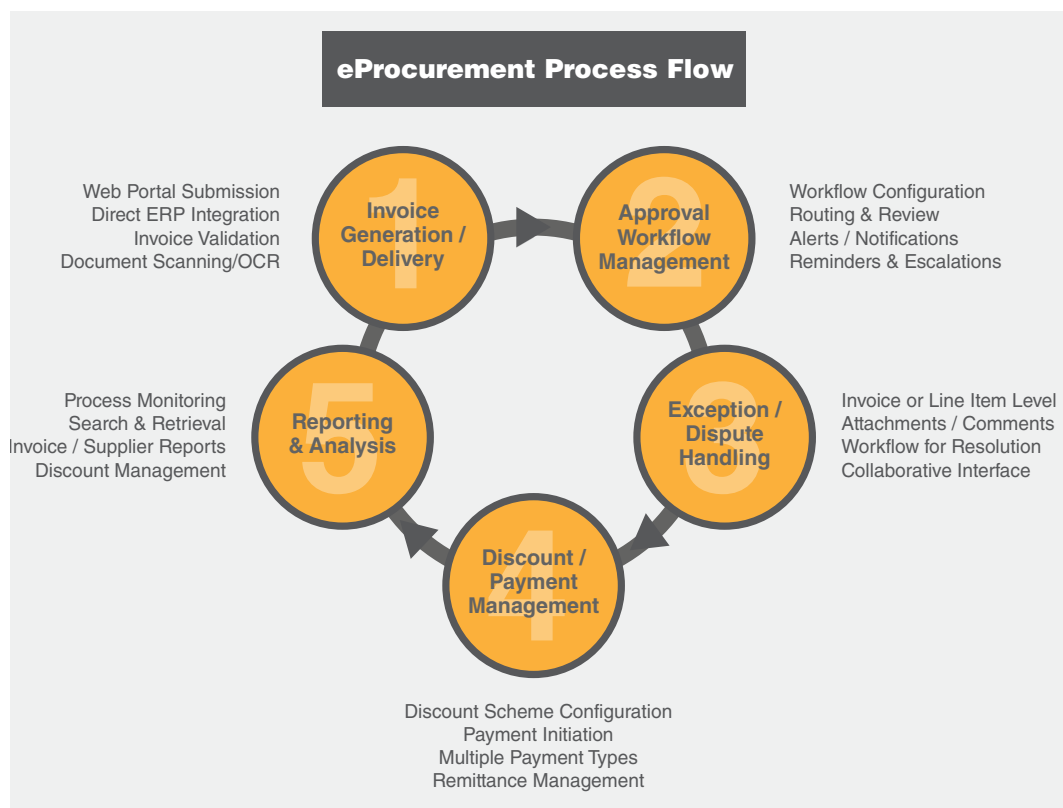


3) Workflow Management – Workflow management involves the definition and management of user roles, rights and permissions. Administrators can specify which users can create requisitions, what their spend limits are, and which approvers are responsible for what items or dollar thresholds, to name a few. Most solutions offer an intuitive and easy-to-use interface to manage the workflow administration process, either through drag and drop functionality, templates or simple menu-driven features. Alerts and notifications go hand-in-hand with workflow management. Administrators can also configure the number and type of notifications to be sent to users as well as provide strong workload balancing capabilities, allowing users to delegate their responsibilities to other users in the event of vacations or other out-of-office scenarios. Finally, another aspect of workflow management is the ability to handle automated escalation procedures – notifying supervisors or managers if no action is taken on a pending task within a specific period of time.

Figure 13

eProcurement Process Flow

eProcurement solutions provide robust functionality from purchase requisition or purchase orders to receiving and reconciliation.



4) Purchase Order Delivery – This stage includes the creation of purchase orders from approved requisitions and the transmission of the orders from buyers to suppliers. Most solutions support the batching of multiple orders to a single supplier or conversely the creation of multiple POs to be delivered to different suppliers from a single requisition. This can be done in an automated manner, without any manual intervention. eProcurement solutions also provide the functionality to handle blanket POs and partial shipments. Suppliers can choose how they want to receive the POs – via email or web portal. Suppliers can also use the portal to accept the POs and send advance shipment notices (ASNs) and notifications when items are actually shipped to buyers.

5) Receiving and Reconciliation – Most eProcurement solutions address more than just the ordering process by including functionality that covers invoice management and receiving. On the supplier side, eProcurement solutions facilitate the flipping of POs into invoices, and the delivery of invoices to the buyer. On the buyer side, they automate the goods receipt and reconciliation process. These solutions support centralized and distributed receiving and allow buyers to select the purchase orders against which goods have been received and track lost numbers, quantities received and expiration dates. Some eProcurement systems also provide the ability to handle returns or hold the items for inspection, if needed. Finally, the solutions enable two- or three-way matching between POs, invoices and goods receipt documents. Some solutions go a step further and facilitate matching with contracts.

6) Reporting and Analysis – This includes the ability of the solution to generate standard and custom queries and reports and provide visibility and business intelligence (BI) across transactions to both buyers and suppliers. The solutions provide comprehensive audit trails of all actions taken within the system with date and time stamps. They also offer vendor self-service options to reduce the number of supplier inquiries to the procurement department. Users also have the option to schedule and receive periodic reports based on custom criteria. Analytical capabilities allow managers to examine spend at various levels, including type of expense, employee department and region. This real-time data gleaned from the P2P process can be used to comply with regulatory requirements and can also provide valuable business intelligence for strategic spend analysis and reduction of rogue spend. Some solutions even leverage inter and intra-industry best practices and spend statistics to offer benchmarking services.

eProcurement Models

There are factors to consider when choosing an eProcurement solution that go beyond the depth and breadth of solution functionality. Procurement and IT professionals evaluating an eProcurement solution must consider whether to implement a licensed software solution or opt for a Software-as-a-Service (SaaS) model, maintained by the solution provider. There is no one-size-fits-all answer to this question, and the choice will depend on your organization's specific needs and the in-house IT department's ability to implement and manage the solution.

Licensed Software – A licensed eProcurement solution offers benefits in certain areas. One of the biggest advantages of a licensed product is that it can be installed and run from behind the company's firewall and ownership provides a higher degree of control and flexibility. When it comes to licensed versions, clients can modify or customize the solution to meet their specific business requirements, control the platform, and adjust its security parameters.

Software-as-a-Service (SaaS) – A SaaS model is hosted and maintained by the technology provider. SaaS models require minimal up-front costs, due to the fact that clients do not have to pay to license and install the software. SaaS solutions are also deployed quicker, resulting in immediate cost savings. Another compelling advantage of SaaS solutions is that the buyer is not burdened with the periodic expense and effort of upgrading to new versions of the solution and paying annual maintenance fees. Overall risk is also lowered, as most SaaS solutions are provided on a subscription basis, limiting 'buyers' remorse' and allowing a company to switch providers more easily if the solution does not produce the expected results.

eProcurement Outsourcing – Another option for automating the procurement process is procurement outsourcing. Procurement outsourcing providers work with organizations to manage existing processes and deliver a wide range of support around purchasing, order fulfillment, materials management, receipt and inventory control. Organizations leverage the procurement outsourcing provider's technology and expertise to offload transactional functions, allowing them the ability to focus on higher value, analytical activities.

Each of the three options outlined above has its advantages, disadvantages and associated costs. The solution of choice depends entirely on organizations requirements. However, two factors are critical when deciding on a solution:

- 1) The financial stability of the solution provider;
- 2) The total cost of ownership, which includes implementation and integration costs, change management costs, functionality fit, ease-of -use and the ability to adapt to a constantly evolving business landscape. To help calculate the total cost of ownership (TCO), PayStream has created an easy to use [TCO calculator](#) that can be accessed via the PayStream Advisors website. This tool is complimentary and will help your organization decide which model is more cost effective.

Learning from the Innovators

Organizations suffer inefficiencies when utilizing the traditional paper-based procurement process. Procurement costs are a large controllable cost, and many organizations are interested in streamlining the procurement process through automation to reap the rewards that eProcurement tools provide. With the abundance of sophisticated eProcurement tools available in the marketplace today, why aren't more organizations making headway to control eProcurement costs? The answer lies in the execution.

PayStream Advisors research indicates that the difference between a winning procurement automation program and an unsuccessful implementation lies in the ability to execute such initiatives. The subtleties between a success and a failure are based on rather simple principles. This section of the report endeavors to provide the secrets of successful procurement management with a look into best practices of eProcurement innovators. What techniques have they employed to better control costs? How do they monitor their programs? In short, what are they doing that you could be doing to ensure that your eProcurement initiative is a success?

Define Expectations – Even before you start investigating eProcurement options, have a clear understanding of what you expect to achieve through automation. Thoroughly document the benefits and ensure that they align with your business environment and purchasing needs. These expectations will vary with each organizations unique needs and can range from the number of suppliers you want to transact with and the percentage of purchase orders you want to deliver electronically, to the reduction or redeployment of purchasing staff and reducing your procurement costs by a certain percentage. By having well-defined expectations, you are creating benchmarks against which you can monitor the success of your procurement program.

Use of Technology – The biggest lesson that PayStream has gleaned from the early eProcurement adopters is that technology alone does not equate with strategy. Simply implementing the latest or most expensive eProcurement solution is not going to help you achieve the objectives you have outlined. First develop a sound purchasing strategy, and then implement the procurement technology that complements the strategy. A big part of choosing the best system means having a realistic view about your company and its needs. Remember that the best solution does not have to be the most sophisticated or costly one in the market today; it is the solution that best suits your unique needs and enables all levels of your procurement strategy to be successful. This report and buyers guide is designed to help you get started in the process of choosing the appropriate eProcurement solution for your company.

Company Support – The success of any project requires support from the entire company and eProcurement programs are certainly no different. Senior management needs to be fully committed as this will enable you to get buy-in from the employees who will using and monitoring the system. Senior management is also responsible for

ensuring that proper funding is allocated for the project and that the procurement automation initiative is not at risk of being derailed at a moment's notice. Many organizations make the mistake of adopting a technologically sophisticated solution, then leaving the workforce to figure out how to use it, and expect to see immediate results. Make sure that the employees who will be implementing the solution, as well as those that will be using the functionality are involved in the project from the beginning and receive the necessary training to obtain the most from the application.

Corporate Policies – Corporate purchasing policies should be dynamic, updated often and disseminated from one centralized source. Companies with successful procurement programs utilize their eProcurement solutions to communicate purchasing policies and procedures to users of the system. For example, if an employee chooses to purchase an item from a non-preferred supplier or opts for an unnecessary upgrade, the solution can not only stop the employee from making the purchase, but can also allow the employee to click a link to view why the purchase is in violation of policy. Integrating your purchasing policies within the procurement application goes a long way toward reducing maverick spend. When employees know their boundaries and are rewarded for compliance, purchasing policies become part of the corporate culture, affording you the best means to effectively manage your procurement process.

Supplier Relationships – Communication with your suppliers and vendors is essential to making your procurement strategy click. Given that cost is such a significant factor in the procurement world, it might be tempting to switch suppliers every time you find a cheaper deal. This approach is only effective in the short-term. Strong relationships with a few trusted suppliers who offer reasonable prices and quality products are definitely going to pay off in the longer-term. This not only allows your procurement department to secure goods and services in a timely manner, but also enables you to enter into preferred vendor agreements with a handful of suppliers and negotiate volume discounts with them. Another thing to keep in mind is that any changes to your procurement application impacts suppliers as well. Don't forget to keep your suppliers in the loop about these changes and communicate to them any changes that might be required on their end.

Business Intelligence (BI) – A wealth of information can be gleaned from procurement systems, allowing managers to examine spend at various levels, including type of expense, employee, department and region. One of the richest features in procurement automation today is the ability to use existing data to strategically monitor and tailor purchasing. P2P business intelligence provides companies with invaluable data for accuracy, planning, forecasting and budgeting. Further, eProcurement solutions deliver the ability to expose patterns of waste and fraud, two areas of growing concern for companies all over the world. It's not so much that instances of fraud have increased over the years, but rather thanks to advanced tools offered by eProcurement systems, the ability to detect fraud has changed dramatically. Companies ahead of the automation curve are proactively using fraud detection and prevention tools offered by their procurement providers to actively address these issues.

BirchStreet Systems

Headquartered in Newport Beach, CA, BirchStreet Systems, Inc. provides global enterprises with a comprehensive business solution utilizing a cloud-based Software-as-a-Service (SaaS) model. Thousands of businesses in 52 countries subscribe to BirchStreet to connect and conduct business with over 200,000 suppliers. BirchStreet uses a procure-to-pay (P2P) platform that focuses on improving business processes for eProcurement, AP Automation, Inventory Control, Spend Analytics, Recipe Management and Capital Budget Management.

BirchStreet software helps customers improve their business and supply chain management processes by simplifying and creating efficient and compliant policies and procedures. The company's success has led to explosive growth, and in 2013 BirchStreet expects to increase customer locations and users by 35 percent and international growth is expected to double.

Website	www.birchstreet.net
Founded	2002
Headquarters	Newport Beach, CA
Number of Employees	75-100
Solution Name	BirchStreet
Number of Customers	Over 5,000 properties with over 70,000 registered users.
Target Verticals	Hotels, resorts and spas, entertainment venues, education, convention centers, healthcare, restaurants and bars, golf, country clubs, cinema, casino and gaming, and government institutions, and correctional facilities, both private and public.
Partners / Resellers	Resellers include: Brilliant Technologies in China; CedarCreek, who supports country clubs, golf, restaurants and bars; and Buy Association, who supports restaurants and bars. Strategic partnerships include: Avendra, Hilton Supply Management, Premier, and AAHOA (Asian American Hotel Owners Association).
Awards / Recognitions	<ul style="list-style-type: none"> » 2011 - Top 100 Supply Chain Project Award from Supply & Demand Chain Executive Magazine for the implementation of BirchStreet's Procure-to-Pay solution for Pillar Hotels & Resorts' 250 properties. » 2011 - Selected as a top performer among the world's leading eProcurement solutions in the 2011 Gartner eProcurement Market and Vendor Landscape report. » 2012 - Hospitality Upgrade recognized BirchStreet for Smart Technology

Solution Overview

BirchStreet launched in 2002 with two core clients, Interstate Hotel Corporation and Hilton Hotels, which both started with BirchStreet's eProcurement module. Since then, the evolution of new modules and service offerings emerged with a term BirchStreet coined as "innovation by collaboration" with clients. BirchStreet reaches out to its client base and routinely listens to customer needs to create a platform that will benefit all of the company's clients. One of BirchStreet's biggest differentiating points is the company's customer-centric culture which leads to growth and innovation. Tapping into client resources and meeting the specific needs of its client base is at the core of BirchStreet's success.

BirchStreet is one of few companies that provide a complete Purchase-to-Pay solution for the hospitality industry with a low total cost of ownership (TCO). While BirchStreet clients encompass a wide range of industries, BirchStreet provides the most successful and experienced SaaS based P2P solution for global hotel enterprises. Their proven track record includes over a decade of deploying their solution to a large number of properties worldwide efficiently and reliably. In fact, BirchStreet deployed its solution to 500 hotels for a customer in a single year.

The BirchStreet software is designed, developed, quality assurance tested, supplier adopted and customer supported in-house on one fully integrated, common platform. Each client has a unique marketplace for their selected products and services in a secure environment. BirchStreet's solution fully supports the full purchasing lifecycle from start to finish. An upcoming version of BirchStreet's solution will also include Preventative Maintenance Management, Expense Reporting Integration, Full Contract Management and Banquet Management System Integration.

BirchStreet offers one of the most comprehensive, efficient and flexible systems on a P2P platform. BirchStreet brings value to customers by allowing them to gain better compliance to internal policies and procedures. The software's tools are analytical, which helps clients achieve a business process improvement (BPI) and true visibility to all levels of management and users. BirchStreet's eProcurement systems help clients manage their supply chain and purchasing programs efficiently and effectively by reducing paper costs, improving supplier integrity and increasing each client's compliance percentage.

The solution is extremely user friendly and easy to navigate with quick view buttons and tabs, which allow clients to quickly create purchase orders or requisitions and route them electronically for approval, create personal or shared order guides of items that a company purchases on a regular basis, and set up suppliers and send POs electronically through a system generated fax or email. Users and administrators view the buttons and tabs and have access to instant reports for easy use and navigation. Administrators have their own screen views that can quickly customize budgets and reports. BirchStreet is currently undergoing further Graphical User Interface (GUI) upgrades to provide clients with a refreshed interface and new "dashboard" for even easier usage.

The BirchStreet software can be implemented in modules. It is completely scalable due to its existing architecture and structure. Due to its SaaS platform, updates are made immediately with no client down time. The company has an in-house development team to immediately address and accommodate customer needs.

BirchStreet's industry leading catalogs and order guides are robust, offering real-time pricing on-the-fly from over 200,000 suppliers. This ensures products received and prices charged are within contract compliance. BirchStreet provides a dedicated URL for punch-out catalogs, in addition to on-the-fly catalogs that clients can quickly log in to update or change data themselves. BirchStreet's flexible and highly customizable solutions are available in multiple languages and currencies.

BirchStreet's Spend Analytics module provides comprehensive business intelligence that provides users with instant, real time visibility into line-level product purchase compliance. Being able to identify purchases that are non-compliant provides the benefit of increasing compliance to supplier contracts. Spend Analytics provide control over product choices, brand standards, supplier contract compliance and purchasing procedures and controls.

The Recipe Management software that BirchStreet provides simplified electronic recipe creation and automates the process of managing food cost at a single location or across a large portfolio of properties. This is quickly achieved by interfacing with price data from BirchStreet's eProcurement catalogs, which are continuously updated. Clients need to simply link ingredients to BirchStreet's comprehensive ingredient library and the system computes nutritional facts, allergen and cost on a recipe, per serving and ingredient level.

BirchStreet interfaces with all major Enterprise Resource Planning (ERP) and POS systems including SAP, Oracle, PeopleSoft, Lawson, Sage products (ACCPAC, MAS200), Sun Systems, JD Edwards, and many others. Clients have the option to interface through an FTP site on-demand, which sends csv data files that a third party can utilize, or an EDI interface that can utilize live cXML or API capabilities. Customers can select their timing to either have push or scheduled live exchanges, depending on their specific needs and preferences.

Pricing and Implementation

The average BirchStreet implementation process is 90 to 150 days, depending on the complexity of the project in terms of design, development, configuration and customization. Implementation occurs in five stages, and can be implemented in stages, to meet a client's specific needs. BirchStreet provides flexibility at each stage, to ensure complete client satisfaction of deployment.

BirchStreet offers a fee structure that is flexible to accommodate all types of companies. There are two types of fees charged with the SaaS model – a one-time implementation fee and an annual fee for subscriptions and maintenance. BirchStreet can also

accommodate front loaded fees. Clients generally achieve a full 100 percent return on investment (ROI) within the first year; however, this depends on client utilization.

Training and Support

All of BirchStreet's training is customer specific and depends on the complexity of each project. BirchStreet provides on-site training, webinars, corporate contact/marketplace administrator training, self-guided videos, and reference guides. Training can be requested at any time, in any format by the client.

BirchStreet provides 24 hour support Monday through Friday with customer support locations in California, India, China and Germany. Clients can access support by phone, email, instant message and fax. BirchStreet provides two different tiers of support. Tier 1 is for standard support questions and issues at a property level, and Tier 2 calls deal with larger, critical issues, where a project manager will provide system technology development and assistance.

Coupa

Founded in 2006, Coupa Software is a leading provider of cloud-based spend optimization software. Coupa was founded on the premise that it should be easy for people to help save their company money. Coupa provides a true suite of cloud applications for finance including procurement, expense management, and accounts payable. Over 150,000 users in 40 countries use the Coupa suite of cloud applications to reduce spending costs up to 11 percent. Because it is a SaaS solution, Coupa's time-to-value is high. Most customers are up-and-running within 12 weeks.

Coupa fosters responsible spending by making it easy for employees to adhere to company policies, learn best practices and find saving opportunities by being part of the global community of buyers and suppliers.

Coupa's true Software-as-a-Service (SaaS) environment offers rapid deployment, reduced IT burden and customer driven features and automatic quarterly updates. Coupa has a 95 percent annual customer subscription renewal rate, due to the solution's ease-of-use and integrated procurement, sourcing, expense and invoice solution functionality.

Website	www.coupa.com
Founded	2006
Headquarters	San Mateo, CA
Additional Locations	Chicago, IL, Reno, NV, London, UK, Sydney, Australia
Number of Employees	150
Solution Name	Coupa Source-to-Pay
Number of Customers	300
Target Verticals	Financial Services, Healthcare, Retail
Partners / Resellers	Deloitte, KPMG, IBM
Awards/Recognitions	The Wall Street Journal Next Big Thing Award, Deloitte Technology Fast 500 Award, Procurement Leaders Award, Best in Biz Award, JMP Hot 100, PayStream Advisors P2P Excellence Award in Spend Management, AlwaysOn, On Demand Top 100 Award, TMC Labs Innovation Award

Solution Overview

The Coupa Source-to-Pay application is delivered exclusively through a hosted SaaS model, and supports the full purchasing lifecycle to provide organizations value across the full spectrum, including: Sourcing, Requisitioning, Purchase Orders, Invoicing, Approval Management, Contract Management, Budgeting, Receiving and Inventory, Coupa Supplier Network, Reporting and Dashboards and Spend Analytics.

Coupa's Application Suite consists of the following:

- » Coupa Sourcing: Getting better pricing and contract terms by easily hosting sourcing events.
- » Coupa Procurement: Take control of spend, from requisition through invoice.
- » Coupa Contracts: Save money and time by easily accessing key contracts, and leveraging them at the time of purchase.
- » Coupa Invoicing: Improve productivity and increase accuracy with full invoice automation.
- » Coupa Expenses: Easily capture, track, and manage all expenses.
- » Coupa Analytics: Get fast, accurate business intelligence to maximize savings.

Coupa's Source-to-Pay solution provides finance departments with visibility into every transaction's lifecycle, from end-to-end, allowing organization's to reap the benefits of their investment within a matter of weeks. Coupa's online shopping environment makes it easy for employees to save money and impact the bottom line. All applications in the platform use the same permission sets, roles, workflows, and security model, making it easy for system administrators to make adjustments on their own, with no IT involvement.

Coupa integrates with other systems including all popular ERP, HR, CRM, or WMS systems. Coupa's open architecture allows customers to integrate any third party system on the market.

The Coupa Source-to-Pay solution works to integrate accounts payable and procurement functions on one platform, which provides increased visibility into each and every transaction, affording client's significant ROI. As a SaaS solution, Coupa's application is deployed quickly, allowing for client's to witness savings in 5 key areas:

1. Spend Less – by blocking unnecessary purchases via workflow approvals.
2. Pay Less – by routing purchases to suppliers with pre-negotiated discounts.
3. Reduce Cycle Times – by getting items quickly to the people who need them.
4. Reduce Operating Costs – by decreasing administration costs associated with the overall purchasing process.
5. Improve Spend Predictability – by getting spend under management so that it can be predicted on a forward basis.

Coupa's robust sourcing functionality, coupled with their industry leading catalogs provides real-time pricing from over 650,000 suppliers worldwide. One key differentiator is the solution's ability to make sourcing recommendations and drive continuous improvement for savings. The system recommendations help identify items that should be sourced, in order for the company to reap additional savings.

The Coupa solution drives procurement compliance by providing easy-to-use tools that foster responsible spending as part of the overall company culture. Coupa's zero footprint and consumer-based environment allows users to access the platform from any browser or popular mobile device. Users can use their mobile phones to approve invoices, POs, etc.

Coupa's self-service functionality allows a user to quickly create custom reports simply by selecting specific data fields or columns to include in the report. Reports can contain filter conditions, sort conditions and a user can even add or remove sequence fields as needed. Custom reports can be named and saved and reused and updated for future reference. For users who require views beyond Coupa's standard dashboards and other pre-configured reports, Coupa provides one-click Excel download functionality to export data needed for additional review and insight.

Deep dive dashboards and benchmark reports provide a comprehensive real-time view of performance and areas for improvement. Coupa's transaction, executive dashboard and analytical reports provide unparalleled visibility and metrics that can be used to make important travel and expense decisions. The benchmarking functionality allows customers to compare their company against other Coupa customers, a valuable tool to see exactly where your organization ranks in comparison to others.

Implementation and Pricing

Coupa's cloud-based solution is priced as an annual subscription. There are no extensive costs for hardware or software. Coupa's flexibility allows them to implement their solution based on what is best for each customer. Phased deployments often vary by business need, category or integration; Coupa can phase the solution out any way possible. Coupa can also roll the solution out by category, location, business units, integration scope, etc. Whether it's a big bang or phased approach, Coupa can customize the rollout plan based on a customer's specific needs.

Coupa's professional services team works with customers each step of the way, ensuring the customer is highly successful with Coupa's implementations, and ensuring implementations are tailored to a customer's specific business needs and requirements. Coupa implementation includes nine steps, and deployments are usually completed within 10-12 weeks.

Training and Support

Coupa's ease of use, user-friendly dashboards and self-administration tools limit the amount of training needed. However, training and ample support are available, if needed, and includes online training for administrators, hands-on training, custom training classes, best practice webinars and Coupa Office Hours that allows customers to ask questions about Coupa functionality or discuss best practices. A Coupa success team expert is on hand to provide answers to any questions about the Coupa platform.

SciQuest

Founded in 1995, SciQuest is a leading provider of cloud-based business automation solutions for spend management that turns spending into savings. SciQuest solutions enable greater visibility and compliance to help gain control, optimize efficiencies, and reduce spend, organization wide. SciQuest's domain knowledge, solid customer-driven portfolio and industry-leading customer satisfaction is the drive behind their 31 consecutive quarters of revenue growth. SciQuest serves a wide range of customers across the public sector, commercial industries, higher education, non-profits and large Fortune 500 organizations. They seek to be a trusted long-term partner with their customers in the source-to-settle space by providing great products and services.

Products in the SciQuest portfolio include: Spend Radar for Spend Analysis, Total Supplier Manager & Sourcing Director, Contract Director (for CLM), SciQuest eProcurement (Spend Director, Requisition Manager, Order Manager) Supplies Manager, Enterprise Reagent Manager, and Accounts Payable Director.

The SciQuest Spend Management suite provides a broad, modular, easy-to-use product suite coupled with advanced capabilities and a robust trading network that enables organizations to realize greater efficiency improvements and cost savings with the purchase of goods and services. Through their services, SciQuest shares timely best practices and insights to clients to provide measurable value and high levels of customer satisfaction.

Website	www.sciquest.com
Founded	1995
Headquarters	Cary, NC
Number of Employees	479
Solution Name	Multiple products (see above) comprise the SciQuest Spend Management Suite
Number of Customers	425+
Target Verticals	Higher Education, Commercial, Healthcare, Public Sector
Partners / Resellers	<ul style="list-style-type: none"> » Platform Vendors include: Ellucian, Lawson Software, Microsoft Business Solutions, Oracle, SAP, Unit4 Business Software » Technology Partners: Liaison Technologies, ROi, AOC Solutions, Inc., ChemAxon, Concur, eMolecules, 3E Company, CombineNet, BioRAFT, Equifax, nProdigy, D&B » Consultants: Archstone Consulting, Huron Consulting Group, IBM Global Business Services, Navigant Healthcare, RPI Consultants, Corbus, Gestion, Cylon Technology, Springbok Systems

Partners / Resellers	<ul style="list-style-type: none"> » Consortia and GPO Partners: E&I Cooperative Purchasing, Inc., Provista, WSCA-NASPO Cooperative Purchasing Organization, Public Sourcing Solutions, National Joint Powers Alliance, ROi
Awards/Recognitions	<ul style="list-style-type: none"> » National Association of Education Procurement (NAEP) Award of Excellence in Procurement – University of Maine System » 2013 Supply & Demand Chain Executive Pro to Know – Maurice Sevigny » 2013 Supply & Demand Chain Executive Pro to Know – Tom Russell » 2013 Supply & Demand Chain Executive Pro to Know – Brian Daniels » ProcureCon/IACCM 2012 Collaborate to Innovate Award – UCOP » 2012 Supply & Demand Chain Executive (SDCE) 100 – “100 Great Supply Projects” » University Business magazine’s 2012 Models of Efficiency – The George Washington University » PayStream Advisors – PayStream Summit Excellence Award for Leading Healthcare eProcurement Technology 2012 » NCTA Public Company of the Year – 2012 » WRAL Techwire – Full Steam Ahead Turnaround Award 2012

Solution Overview

SciQuest solutions are offered on a yearly renewal license and are primarily deployed in a SaaS environment. Their Spend Management Suite supports the full purchasing lifecycle and interfaces with a number of ERP systems. SciQuest has extensive experience integrating with ERP solutions including SAP, Oracle, PeopleSoft, Banner and Lawson, just to name a few. Their solutions can be a part of a full-suite implementation or as point solutions integrated with existing systems and ERPs. Leveraging the SaaS platform, the SciQuest suite can quickly accommodate future growth of an organization as well as changes in technology. This modular approach should prove attractive to the SME market, allowing them to grow their SciQuest investment over time, as needed. SciQuest helps organizations turn spending into savings through reducing costs, simplifying processes, gaining transparency and focusing on strategy. The SciQuest eProcurement suite helps to:

- » Gain visibility to and better manage spend to help manage risk, identify savings and improve performance.

- » Deliver immediate and sustained value through process improvements that reduce complexity, eliminate waste and errors and promote ease-of-use.
- » Reduce spend through organizational transparency, automation compliance and analysis.

SciQuest's spend management suite is an easy-to-use shopping environment for goods and services that provides a powerful bundle of supplier enablement, catalog management, contract management and end-user shopping platform. Spend Director supports advanced punch-out environments for suppliers, combined with an easy-to-use, easy-to-navigate shopping cart and check out process. The interface is user-friendly, and pulls from concepts and page formatting similar to popular eCommerce and social network sites. This familiarity makes it easy for customers to navigate the software quickly, finding what they need more efficiently. The Spend Director home page is dynamic and completely customizable and includes a "Showcase" that highlights key vendors that helps organizations drive users directly to the preferred showcased vendors. SciQuest also includes a "Showcased Services" section on the home page that drives users to commonly ordered goods and services. The advanced product search functionality allows users to quickly identify what they need. SciQuest also provides the ability to manipulate search results within the site, which provides users with the tools they need to promote certain key suppliers or items.

SciQuest Requisition Manager combines electronic requisition routing with an advanced approval workflow engine to automate the entire business process. SciQuest provides dynamic workflow functionality that allows users to create their own rules to drive workflow. The system also allows users to preview approval workflow and track requisitions online. When combined with catalog content, Requisition Manager assists users in creating accurate requisitions to reduce order errors and fulfillment delays. The SciQuest Requisition Manager encourages employees to drive all purchases through a paperless process, allowing organizations to capture valuable data regarding enterprise-wide purchasing. This data can be analyzed to help organizations identify saving opportunities and audit contract compliance.

The SciQuest Order Manager automates and streamlines purchase order placement, tracking and management. It leverages the SciQuest Supplier Network for secure electronic order distribution. There are no supplier fees associated with the SciQuest supplier network, which accounts for their higher than average supplier adoption rate. The supplier network connects an organization's entire supplier base through a single integration point, making the electronic exchange of purchasing documents more secure. SciQuest monitors all orders, to ensure a client's orders go through – making order distribution worry free.

SciQuest's eProcurement suite – Spend Director, Requisition Manager and Order Manager work seamlessly to directly address an organization's source-to-settle challenges. Any one of the three solutions can be implemented to address specific areas within an organization, such as analyzing spend, managing contracts, or specific eProcurement-based needs.

SciQuest provides robust out-of-the-box reporting and data extracts that allow procurement and AP to conduct analysis necessary to drive and measure cost savings. Advanced search functionality allows users to isolate data and report on metrics. Search results can be refined based a number of criteria and a report can be run and exported for data manipulation.

Implementation and Pricing

SciQuest employs a detailed four-step process for implementation that includes four key areas: Initiation, Solution Specification, Solution Build and Solution Deployment. Given years of experience and best practices SciQuest utilizes detailed, proven processes to accurately determine implementation times, which will meet a customer's business needs.

These times will vary by client based on a number of factors, but a reasonable high-level estimate is a range from 12 to 24 weeks. Factors which impact the timeline typically include: products/number of products implemented, the availability of resources (customer and SciQuest), necessary integrations to other systems and the timeliness of process and policy decisions from the customer to name a few.

The SciQuest fee structure is set up with renewable SaaS licenses and initial implementation and integration services. The fee structure allows customers to pay for only the software and services they need. Suppliers who are part of the SciQuest Supplier Network have full access to SciQuest customers without any supplier fees.

Training and Support

SciQuest training for the project team is a continuous process. SciQuest delivers standardized training and knowledge transfer to empower the customer trainers who will train their entire user community. SciQuest can also provide additional on-site training tailored to the needs of the client.

The SciQuest Customer Support team provides customers with a high level of technical support services, and is available by telephone, e-mail, and web-based support 7x24x365, for any critical issues.

SciQuest Case Study

Tennessee Board of Regents (TBR)

Background

With 46 institutions and a combined annual enrollment of over 200,000, the Tennessee Board of Regents (TBR) system is among the nation's largest systems of public higher education. TBR comprises six state universities, 13 community colleges, and 27 technology centers. The system is a \$2.2 billion per year enterprise.

The TBR's Purchasing and Contracts Department is responsible for managing system-wide procurement and contracts within the laws of the State of Tennessee, federal purchasing and contracting regulations, and the policies and guidelines of the Tennessee Board of Regents, ensuring that they receive the best value possible. It's an ambitious undertaking given the enormity of the system. Add to that a decentralized environment and things get much more complicated.

The Challenge

Many of the institutions within the TBR network were managing their own supplier relationships, which not only led to considerable inefficiencies, but it also meant that on a larger scale, the system was not taking full advantage of its aggregate purchasing power.

According to Angela Gregory Flynn, TBR Director of Purchasing and Contracts, one of the biggest challenges the TBR was facing was a lack of strategic sourcing. "It was difficult to begin any kind of effective strategic sourcing initiative since we did not have a system in place that allowed us to view our spend collectively. We were particularly interested in spend analytics, and being able to see the whole picture. "

TBR evaluated a number of eProcurement systems before ultimately deciding to utilize the competitively-awarded SciQuest contract available through E&I. The agreement represented significant savings with a trusted and knowledgeable eProcurement provider.

"One of the things we found most appealing was SciQuest's experience with higher education institutions, and they have a genuine understanding of the nuances of the business process associated with higher education," Flynn said. "This distinction was important to us."

The SciQuest Solution

SciQuest's spend management solutions have enabled TBR to centralize and automate previously manual and labor-intensive tasks such as registering suppliers and uploading this information to the network's existing Enterprise Resource Planning (ERP) system. According to Flynn, once implementation is complete, this means a supplier will only have to register once and that registration will extend system-wide. Currently, supplier registration is decentralized, meaning that each of the TBR's 19 colleges and universities has its own registration process and the supplier must register with each institution on an individual basis.

By helping standardize supplier management processes across schools, SciQuest will create operational efficiency improvements that free up existing resources and save money. Suppliers will also have the ability to keep their information up-to-date, enabling TBR staff to focus on more strategic initiatives.

TBR is implementing the SciQuest system in three phases to ensure a smooth process for each of its institutions, as well as its central office. Full implementation typically takes between 16-20 weeks, and SciQuest is readily available to provide hands-on training and support.

"Understandably, we've received some pushback with regard to the new technology, as well as concern about having to learn a new system and adjusting to the change," Flynn said. "We've worked with SciQuest on addressing these issues, and they've been flexible, when possible, in accommodating our schedule and our comfort level."

The SciQuest solution has allowed the TBR to focus on strengthening its strategic sourcing activities by negotiating better rates for all of its institutions. According to Flynn, the true value is in spend analytics and the ability to make more informed decisions based upon this information. She added that users have also benefited from the cost-saving efficiencies available through the new automated system.

"I would certainly recommend E&I's SciQuest contract to other member institutions who are considering an effective eProcurement solution. We evaluated a number of options and SciQuest seems to lead the way in higher education. We are looking forward to more positive results as we complete implementation across the entire system."

Conclusion

As Accounts Payable and procurement functions strive to take more strategic approaches to cost management, P2P solutions are gaining momentum and are becoming an increasingly popular tool to increase the synergy between the two departments and improve collaboration between the two functions. True collaboration between AP and procurement can only be achieved by working through one shared technology that provides seamless integration from sourcing, all the way through to payment. A P2P solution works to do just that, by bridging the disconnect between AP and Procurement.

Leveraging a combined platform or a single business network for both AP and procurement functions adds invaluable intelligence throughout the entire business process, which results in more on-contract purchases, increased invoice automation and accurate transaction processing. The integration of AP and procurement transactions increases first time invoice match rates, which increases the invoice cycle processing time, allowing organizations to take advantage of early pay discounts and avoid late payment penalties. These savings would prove difficult to capture with separate AP and procurement functions.

Organizations are continually looking for opportunities to improve and an integrated, holistic approach to addressing the Procure-to-Pay cycle can yield significant benefits and bottom line savings.

About PayStream Advisors

PayStream Advisors is a technology research and consulting firm that improves the way companies plan, evaluate, and select emerging technologies to achieve their business objectives. PayStream Advisors assists clients in sorting through the growing complexities of IT applications related to business process automation with the goal of making objective, analytical, and actionable recommendations. Wherever business process automation technology is an issue, PayStream Advisors is there to help. For more information, call (704) 523-7357 or visit us on the web at www.paystreamadvisors.com.