Spend analysis services designed to generate actionable spend insight

Help reduce costs and risk with enhanced spend visibility

Highlights

- Helps improve visibility into spend patterns, identify savings opportunities and support development of sourcing strategies

- Helps reduce risk of noncompliance and savings leakage with increased visibility to spend categories

- Provides rich, expanded supplier data to support supply chain management activities

Poor visibility into spending patterns can undermine your organization. Without a current and accurate view of your enterprise spend data, your organization may be ill-equipped to identify savings opportunities, increase realized savings and mitigate supplier risk. Actionable insights into your spend data can help you more effectively respond to these challenges and make more informed decisions. Without advanced skills and tools, however, analyzing spend data across categories can be arduous and produce inaccurate or incomplete results.

Spend analysis services from IBM can help you analyze your enterprise spend data and provide enhanced visibility into spend patterns, categories and suppliers. Our services are designed to generate actionable spend information, helping you curtail "maverick" spending and drive significant savings. In addition, we can help identify noncompliant spend areas, reduce risk and enhance compliance management with a more granular analysis of your spend. We leverage our extensive supplier knowledge base to support data categorization and provide a client feedback process for improved results.

Here are some examples of the kinds of benefits that may be achieved through spend analysis solutions, according to the Aberdeen Group:[1]

- Enterprises that leverage spend data in their sourcing efforts can save up to 67 percent more than enterprises that do not
- Greater realized savings from sourcing efforts of up to 15 percent
- Reduced off-contract or "maverick" spend of up to 16 percent resulting from increased spend monitoring

Helping enhance visibility into spend patterns by providing actionable data

Our services can help you gain deeper, more granular visibility across spend categories and aid you in making better-informed business decisions. We facilitate automated capture, consolidation, cleansing and organizing of spend data from across the enterprise to help you create a single, detailed view of spend information. In addition, we can perform multilevel analyses to help you identify and prioritize opportunities to improve spend under management, drive savings and control spending.

Promoting improved compliance management

Using multidimensional reporting dashboards, we help you examine and monitor spend areas—by supplier, category, commodity and more. With the added visibility these dashboards provide, you can more easily detect noncompliant purchases and possible noncompliant contractual supplier terms. We can enable detailed compliance tracking, business failure alerting and deeper category-specific analysis to help you more efficiently manage user and supplier compliance.

Helping support supply chain continuity with supplier data analysis

Through detailed spend analysis, we can help you detect and avoid potential risks across key supply chain components. Using information from analysis of extended supplier data provided by internal and external sources, we aid you in risk identification, prioritization, and mitigation and help you direct transactions away from high-risk suppliers and towards optimal sources of supply.

Why IBM?

IBM is well known for its expertise in procurement and supply chain. We use advanced analytics tools and experienced resources to help you consolidate, cleanse and organize data from multiple sources into a single enterprise-wide view. Our process-specific solutions are integrated with innovative technologies, predictive and behavioral analysis, and business intelligence tools that allow you to more expeditiously transform data into information-driven decision making that helps improve business performance.

We are committed to helping you build a responsive, integrated sourcing and procurement organization that facilitates innovation and enables improved savings. IBM offers both consultative expertise and proven source-to-pay capabilities along with an established global infrastructure. This unique combination of

capabilities has helped propel companies to top performance more easily and faster than they could do on their own. Our goal is to deliver more than simple cost improvements; it is to ensure you remain focused on your brand and market differentiators so you can achieve and maintain competitive advantage. IBM can partner with you to help you attain and sustain superior business performance.

For more information

To learn more about spend analysis services from IBM, please contact your IBM representative or IBM Business Partner, or visit: **ibm.com**/services/process

[1] Aberdeen Group "Spend Analysis: Pulling Back the Cover on Savings,"
October 2008

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