Digital Transformation in Procurement and Finance
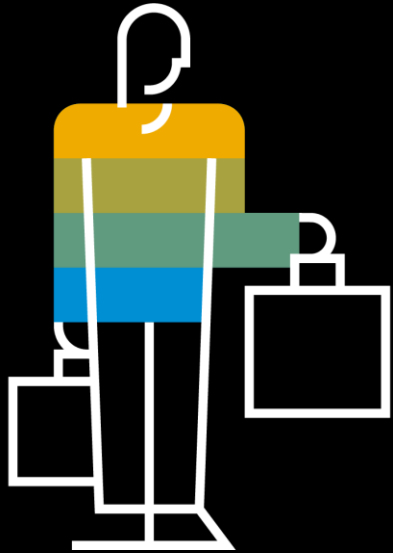## Why is a collaboration essential

Nouh Abed Assad, Director Value Advisory for Spend Management, SAP
March 10, 2021

PUBLIC

THE BEST RUN **SAP**

What I hear from **Customers!**

Procurement

Finance

> Really?

> We have thousands of invoices without POs

> I have negotiated early payment discounts but can`t realize them.

> Well it takes at least 3 weeks to approve an invoice!

> Not my problem.

> All the accounts in the POs are wrong.

> Did we receive the invoice for my PO?
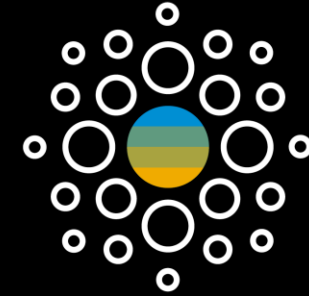
> Let me check my emails.
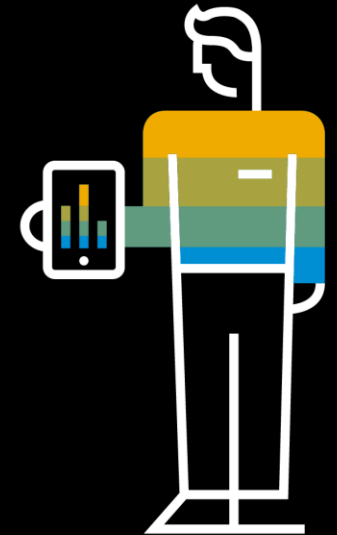
What are the reasons for those Challenges?
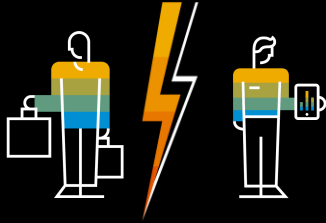
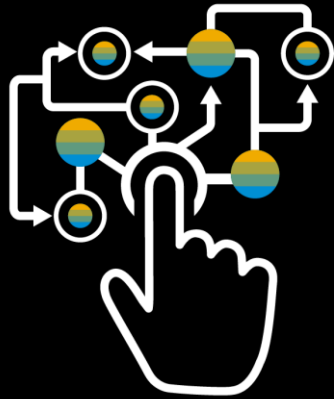**Missing organizational alignment**
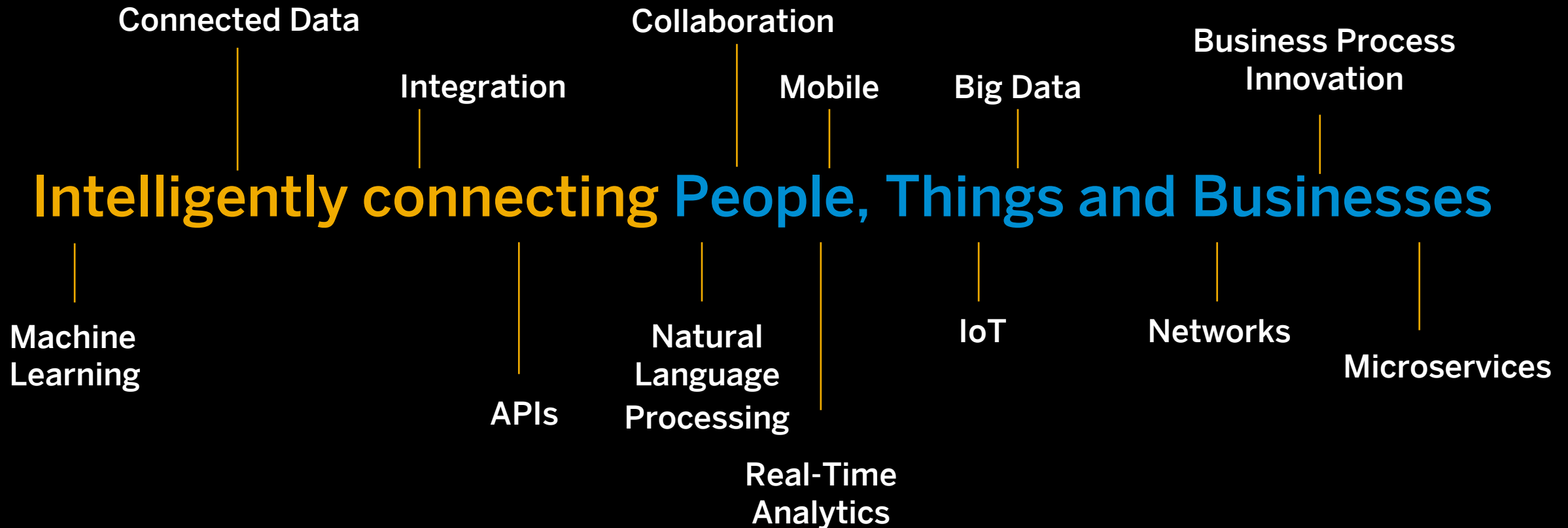
Complex processes without E2E system support

Disconnected collaboration

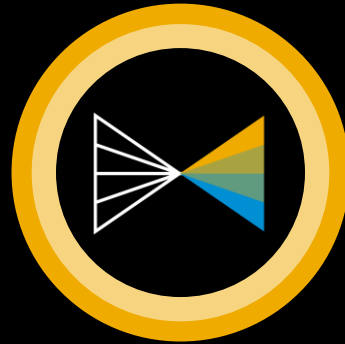# What is The Answer?

Digitalization

What does Digitalization mean for SAP?

Connected Data

Collaboration

Business Process Innovation

Integration

Mobile

Big Data

Intelligently connecting People, Things and Businesses

Machine Learning

IoT

Networks

Microservices

APIs

Natural Language Processing

Real-Time Analytics

How does SAP enable Digitalization?

Intuitive and holistic P2P Systems

End to End Integration

Networked Collaboration

Why is that **Important?**

Intuitive and holistic P2P Systems → Increase user acceptance

End to End Integration → Create visibility and actionability across processes
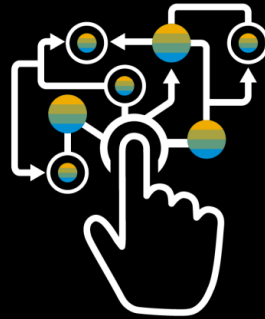
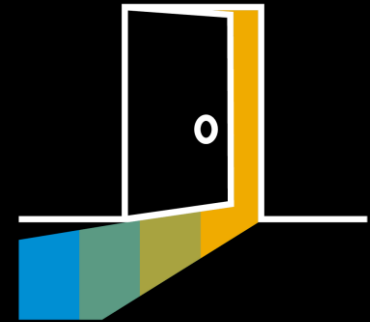**Networked Collaboration** → Make your suppliers part of your digital journey

What are the **Benefits?**

Compliance

Automation

Activate untouched potentials

Let`s have a look on some Data!

1 in 3	**2/5**	**67%**	**3x**
companies use phone, email, and spreadsheets as their primary means of collaborating	of execs say most/all of their procurement processes are manual	lower PO processing cost for organizations that use an integrated platform	more discount savings for organizations where invoices are routed through a supplier portal/network

	Metric		Laggard (Bottom 25%)	Average	Best in Class (Top 25%)
Procurement	1	POs per Operational Procurement FTE	1332		10721
	2	Maverick Spend %	20%		4,5%
	3	% of PO Line Count associated with Catalog	29,55%		89,9%
Requisition	4	Avg Time Spent by Requester to manage 1 PR (in min)	24		4
	5	Avg. Requisition to Order Cycle Time (in days)	1,7		0,2
Accounts Payable	6	% of Electronic Invoices (EDI, WebEDI, Network; (email pdf invoice are not considered electronic))	9%		69%
	7	Invoices per AP FTE	5958		24371
	8	Average Invoice Approval Days	15		4
	9	Total Touchless Supplier Invoices (in %)	12%		64%

Call to **Action!**

1. **Talk to each other**

2. **Define a common End-to-End Digitalization Strategy**

3. **Get in touch with your trusted SAP Advisor** 🙂

4. **Realize the full potential of Digitalization**

Nice Give Aways

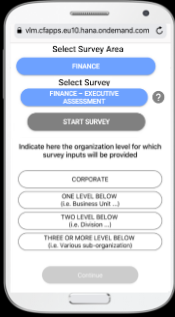## Agile Procurement Insights Research Reports

The leaders

Procurement digital transformation

Supplier risk

External workforce

Direct spend

Procurement Insights Research | SAP Ariba

Next Generation Benchmarking Powered by SAP - Start Now!

Here's a Simple 4-Step Process

1. Access   **2. Profile Information**   **3. Data Collection & Validation**   **4. Get Results**
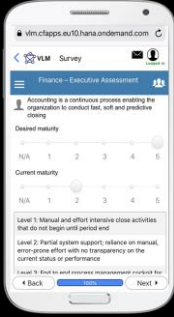
VLM SAP (ondemand.com)

Thank you.

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