genpact
Transformation
Happens Here

Source-to-pay analytics

The digital technologies and procurement expertise to drive actionable insights

Challenge

Most enterprises have applied digital technologies to their source-to-pay (S2P) analytics processes. Yet too often, these new tools don't deliver the promised results to help S2P teams become data centers that supply business intelligence to boost competitive advantage. The reasons this happens include:

- Data sources that feed into S2P systems and have evolved independently remain fragmented, especially after mergers and acquisitions

- Competing priorities between internal stakeholders discourage collaboration, support silos, foster small-picture solutions, and obscure visibility

- The technology isn't properly supported by an appropriate operating model or data governance framework, so underlying rule sets quickly become outdated and refresh cycles becoming inefficient and ineffective. This leads to mistrust in both the data and analytics overall

These inefficiencies even hamper S2P's effectiveness in its traditional role - its ability to reduce costs.

Solution: Next-generation source-to-pay

The challenge is to extract strategic value from S2P in a way that best fits the needs of your business. Technology alone isn't the answer. It also requires expertise that brings context and understanding to support procurement as it evolves. We believe this is the way to take the function to a whole new level – a level that improves services and reduces costs, but that also goes even further, delivering data and insights that impact the organization beyond the traditional boundaries of S2P.

Genpact's next-generation S2P is a comprehensive end-to-end program that serves the interests of all parties in the S2P sphere. Our S2P specialists apply digital technologies (including machine learning and artificial intelligence) to processes to bring sharper insights and market intelligence to procurement.

Our holistic approach to analytics blends strategy, operations, and governance, shedding light on new opportunities and lingering inefficiencies. By orchestrating smooth workflows that dismantle interoffice barriers, our methodology promotes cooperation and the sharing of best practices among disparate stakeholders. This stops the value leakage that occurs, for example, when people use non-preferred vendors.

Here's what we can deliver:

- **Source-to-pay analytics** that are clearly segmented and mapped to general ledgers, cost centers, and taxonomy. This visibility delivers insights and reveals opportunities for demand management and savings and improvements in spend compliance management

- **Working capital optimization**: a targeted analysis of payables performance that identifies differences in payment terms, early, and late payment patterns

- **Cost modeling**: a thorough analysis of all the direct and indirect products and services your company procures that details benchmark information, cost management, and contract opportunities

- **Third-party risk management** including supplier segmentation, initial screening, assessment, monitoring, auditing, and remediation – all linked to S2P analytics

- **Market intelligence** delivered in comprehensive and customizable reports that include financial analyses of supply markets and supplier dynamics

- **Supplier performance management** that drives continuous vendor improvement based on their performance metrics, stakeholder satisfaction surveys, innovations, and risk management

- **Pre-built dashboards** structured to answer common procurement questions and allow users to drill down through data to identify patterns and opportunities

- **Tail spend optimizer** generates tail spend insights to identify opportunities for greater leverage of volume and rationalization of suppliers

- **Buying channel analysis** assesses opportunities to reduce cost to serve using alternative ways of buying specific types of goods and services

- **Contract analytics** uses contract metadata to deliver insight into contract lifecycle management and key term utilization

We offer all of this on a modular basis, with four packages:

- Periodic snapshots
- Ongoing S2P analysis
- Advanced S2P analysis
- Full S2P analysis

Depending on your digital maturity and needs, we can integrate our technology solutions into your existing infrastructure. We can also integrate third-party applications from Ariba, Coupa, or other partners.

Impact: Better spend visibility and compliance, with data you can trust

Our S2P analytics helps procurement organizations quickly spot buyers with bad habits so they can encourage them to adopt better practices. That has a dramatic impact on compliance: one client saw it increase from 22% to 81% in just three months. On top of this, before we automated the procure-to-pay process,

people had to manually check every single piece of paperwork. Now, staff only handle exceptions.

S2P analytics in action

A leading UK retailer approached us for help with S2P challenges on multiple fronts. With too many ERP systems in place, it was hard to consolidate data to form a single source of truth about the procurement process. Leaders also lacked confidence in a system that still relied on Excel spreadsheets to produce an overview of spend. And because existing processes couldn't provide spend visibility, the procurement team couldn't support claims of cost reduction and savings.

The company engaged us to extract, consolidate, and enrich spend data, to manage governance and classify spend. To get the most out of the data, we brought in automation that retrieved it from multiple different systems, reconciled suppliers' details, and relocated everything to a cloud-based analytics platform where it could be regularly refreshed. Then we put a governance procedure in place to make sure any future changes to the system's business logic is properly managed.

The company's spend visibility quickly and dramatically increased – producing insights that now guide its sourcing decisions. What's more, the S2P team has cut reporting cycles by nearly 50%, more vendors now comply with contracts, trust in spend reporting has risen, profit and loss statements are more accurate, and the firm has realized new savings.

About Genpact

Genpact (NYSE: G) is a global professional services firm that makes business transformation real. Led by our purpose -- the relentless pursuit of a world that works better for people - we drive digital-led innovation and digitally enabled intelligent operations for our clients. Guided by our experience reinventing and running thousands of processes for hundreds of clients, many of them Global Fortune 500 companies, we drive real-world transformation at scale. We think with design, dream in digital, and solve problems with data and analytics. Combining our expertise in end-to-end operations and our AI-based platform, Genpact Cora, we focus on the details – all 90,000+ of us. From New York to New Delhi, and more than 30 countries in between, we connect every dot, reimagine every process, and reinvent the ways companies work. We know that reimagining each step from start to finish creates better business outcomes. Whatever it is, we'll be there with you - accelerating digital transformation to create bold, lasting results - because transformation happens here.

Get to know us at Genpact.com and on LinkedIn, Twitter, YouTube, and Facebook.