

## Bristlecone is an Industry leader

*in helping clients maximize the strategic value of their supply chain.*



As a ramp-up partner of SAP Spend Analytics, a deep understanding of the procurement domain, industry leading consulting practice in Supply Chain Management and having a preferred partner status and a specialized practice around data standardization and enrichment, Bristlecone is prepared to help you get significant cost savings out of your spend.

*Most organizations can enjoy savings of about 2% to 6% of their total spend by identifying and executing low hanging opportunities determined through spend analysis.*

## Spend Analysis Services

Corporate procurement organizations are responsible for securing products and services of the best quality at the lowest possible cost for their operations. To ensure that they are able to consistently accomplish these objectives, procurement executives at innovative companies are embarking on a key initiative—spend analysis.

Spend analysis is the process of determining what is being spent, with whom, and for what. It enables organizations to:

- Prioritize sourcing efforts by enabling them to identify and focus on the categories that represent large buckets of corporate buying
- Rationalize supply base by determining the right number of suppliers to do business with
- Support compliance efforts by identifying causes and sources of contract leakage and using that information to put remediation measures in place

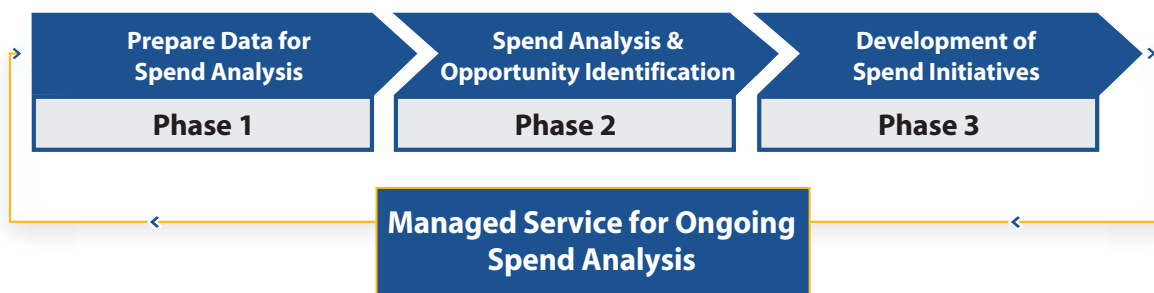
However companies face a number of challenges with their spend analysis initiative. Spend data can come from multiple sources—one or more instances of ERP systems, eProcurement systems, P-card systems etc.

In addition, the same data is likely to be represented in different formats making it hard to get a consolidated picture of purchases across the entire enterprise. Bristlecone Spend Analysis Services addresses these issues to provide a comprehensive and compelling spend analysis solution for its clients.

## Bristlecone Spend Analysis Framework

Bristlecone spend analysis framework includes three phases

Phase 1 – Prepare Data for Spend Analysis: This phase includes Extraction (data from multiple source systems including ERP systems such as SAP, eProcurement systems such as SAP SRM and Ariba, P-card systems etc.); Cleansing (such as supplier names misspelled leading to different records for the same supplier); Normalization (such as separate supplier records for HP and Hewlett Packard of the aggregate data); Mapping (each product to popular standards-based classification taxonomies such as United Nations Standard Products and Services Code (UNSPSC)); and Enrichment (such as adding parent company name, SIC code, diversity status etc. to the supplier records, or adding more detail on what, why and when for each transaction). Bristlecone’s Data Standardization and Enrichment services (DSE Services) provide full lifecycle value for Phase 1. At the end of this phase, Bristlecone ensures that your data is ready for spend analysis.



Phase 2 – Spend Analysis & Opportunity Identification: Once data has been cleansed, normalized and enriched, it is analyzed in this phase using rich analytics to identify low hanging opportunities for cost savings. Opportunities such as supplier base rationalization, segmentation, identification and prioritization of category spend by supplier, eliminating purchase price variance etc. are identified and prioritized based on criteria such as the magnitude of savings, relative ease of implementation and cultural changes needed to achieve the results.

Bristlecone's spend analytics proof of concept; implementation and consulting services address the requirements in this phase.

Phase 3 – Deployment of Spend Initiatives: In this phase, Bristlecone specifically helps clients to implement the priorities that have emerged from Phase 2 depending on the maturity of organization, process and technology of your company compared with your peers. These can vary from implementation of best practices, strategic sourcing initiatives, procurement management and execution initiatives, compliance initiatives and can lead to deployment of various SAP technologies such as SAP Supplier Relationship Management, SAP Supplier Network Collaboration etc.

Managed Services Phase: Many organizations can see large savings from doing spend analysis once. However, such an approach does not really deliver sustained results. Over time, the maverick buying, lack of contract compliance and buying the same commodity from multiple suppliers at varying prices will invariably creep in. Sustaining and building on initial gains can only be accomplished if spend analysis is an ongoing activity. Bristlecone's Managed Service program helps clients perform these ongoing activities in a cost-effective manner. It builds upon the work done in the past, without having to initiate a brand new data improvement and enrichment process on the entire spend data every time.

## Using SAP Spend Analysis

Bristlecone uses SAP Spend Analytics as an enabler to deliver these services to its clients. Bristlecone leverages the data extraction capabilities of the SAP solution as well as its own expertise in extraction and integration from multiple sources to aggregate spend data from multiple sources. Then it leverages the cleansing, normalization and classification algorithms within SAP Spend Analytics to transform it into accurate and enriched spend data. It then uses the product's analytics capabilities to analyze this aggregate data and identify cost savings opportunities in its direct and indirect spend to make recommendations to its customers.

## Why Bristlecone?

We focus on obtaining business, not technical results. Our deployment methodology and deep expertise in all aspects of SAP Spend Analytics solution enables us to perform a speedy assessment of your sourcing environment and deliver a rapid time-to-value to you. As a ramp-up partner of SAP Spend Analytics, a deep understanding of the procurement domain, industry leading consulting practice in Supply Chain Management and a specialized practice around data standardization and enrichment, Bristlecone is prepared to help you get significant cost savings out of your spend.

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*For additional information on how we can help you, please contact us at [sales@bcone.com](mailto:sales@bcone.com) or visit [www.bcone.com](http://www.bcone.com).*