

# SAP Sourcing - priprema, praćenje i izvršavanje javne nabave

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SAP d.o.o.

# Agenda

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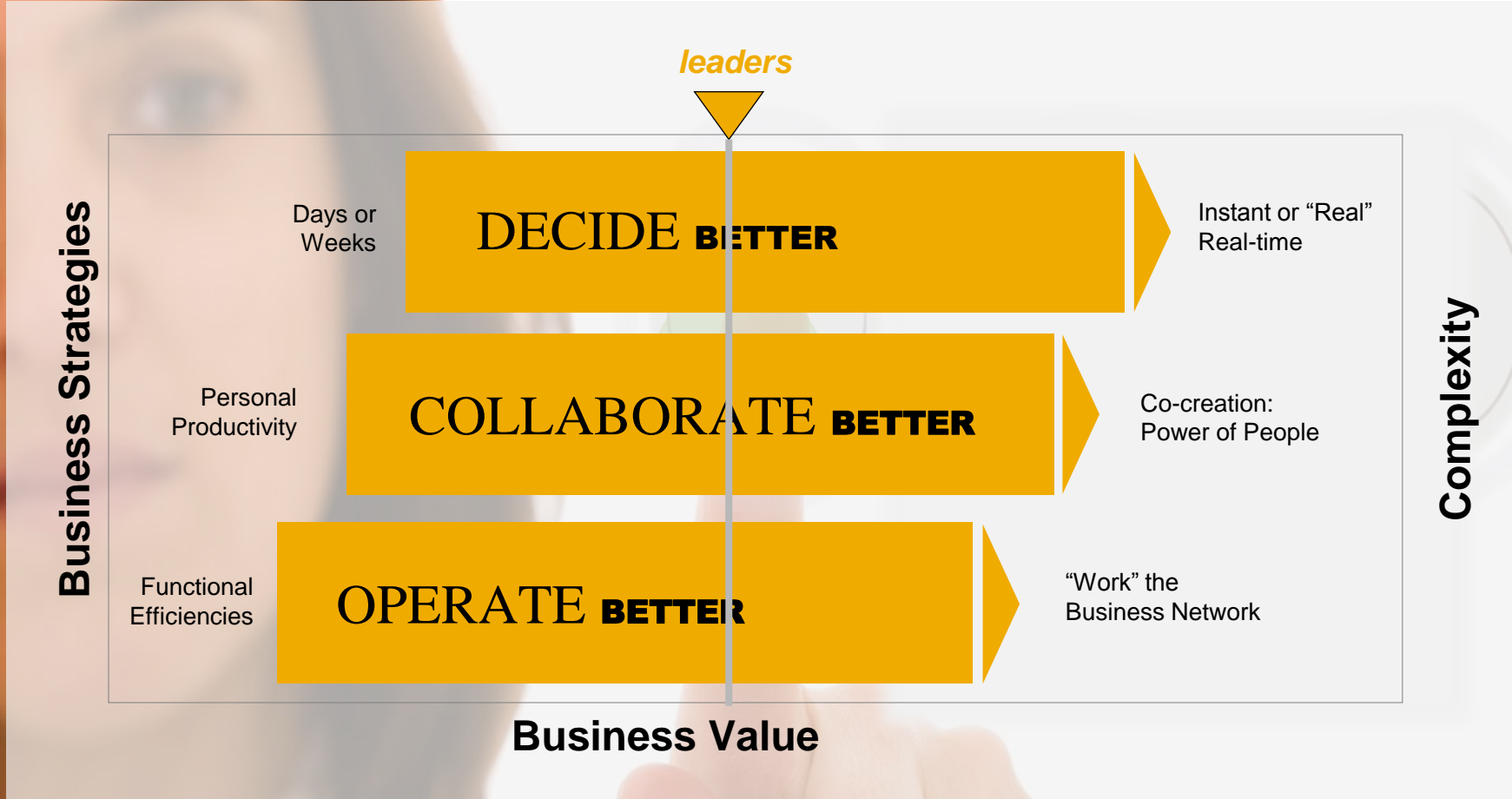
- Procurement trends
- Structure of procurement
- CLM
- Benefits
- Takeaways

# Procurement trends

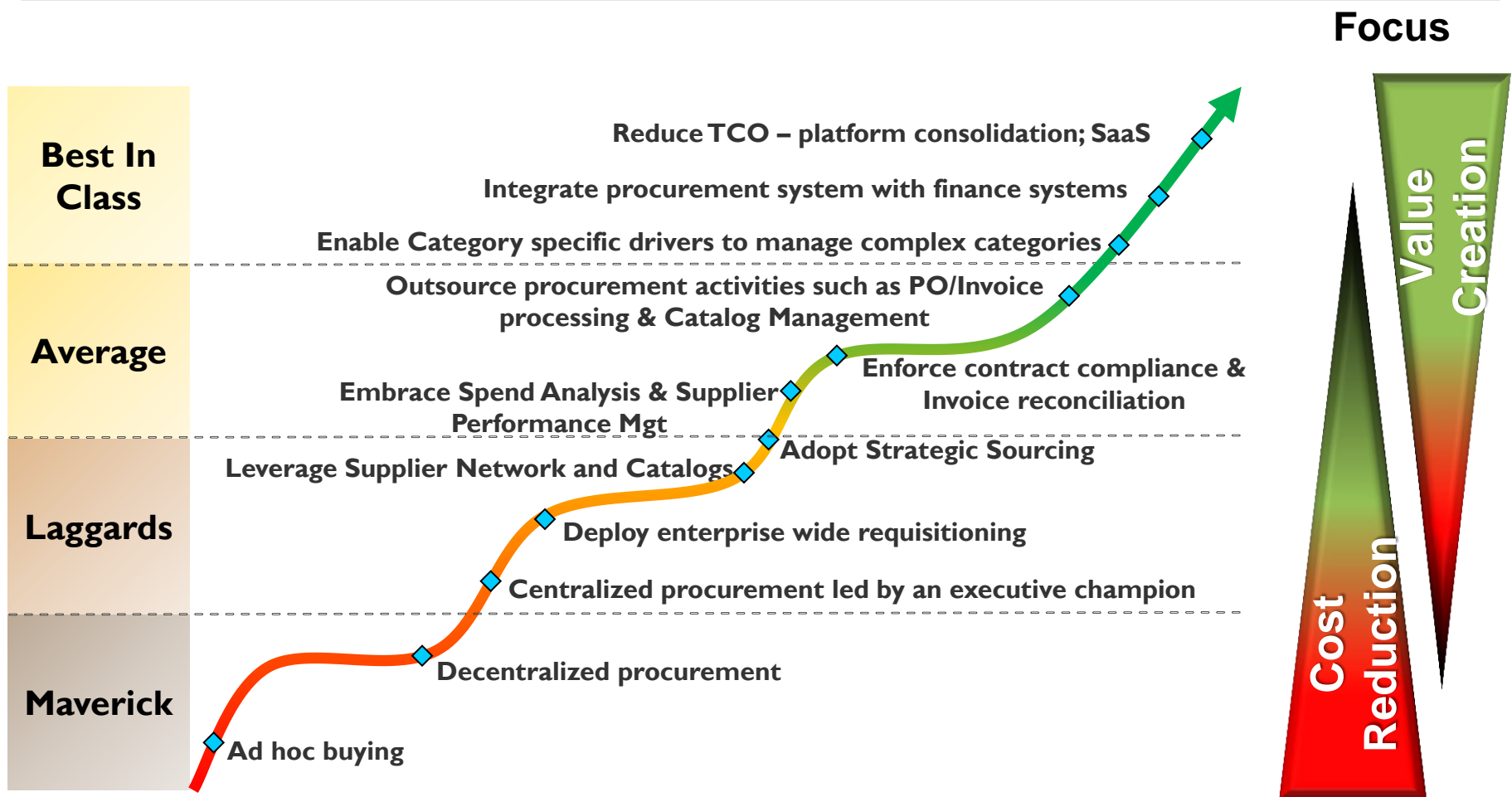


# With these Challenges

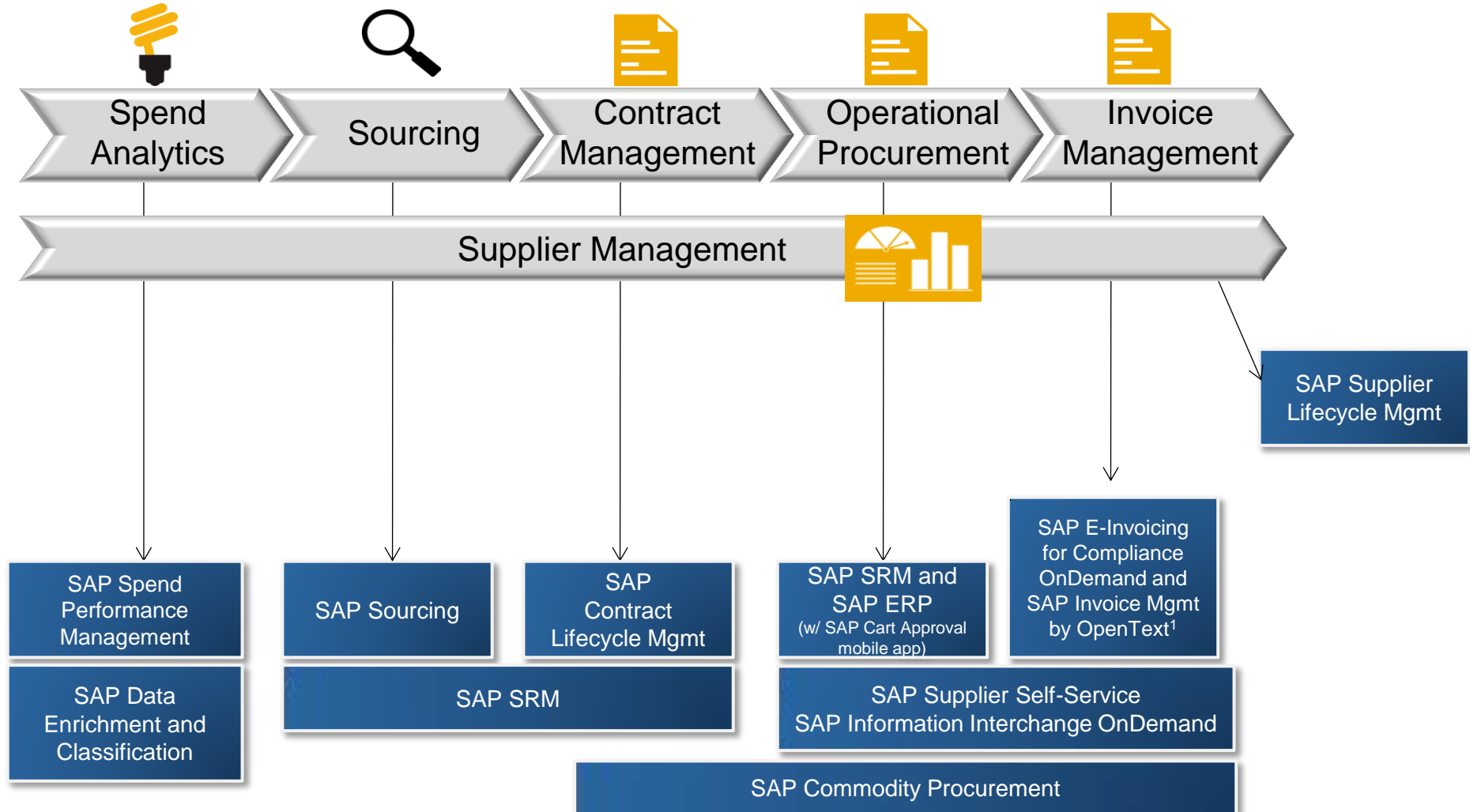
## How can SAP help Supply Chain Professionals..



# The Procurement Journey



# SAP's procurement portfolio



# SAP Strategic Sourcing

## Delivers the Strategic Sourcing Process

### Effectively Managing Today's Important Procurement Needs with Rapid Time to Value



- Enables the strategic sourcing process across all categories of spend
- Delivers sourcing strategy and project management capabilities
- Manages supplier identification, qualification and on boarding
- Provides extensive RFI, RFQ, RFP and Auction tools and templates
- Enables effective bid negotiation, evaluation and awards
- Flexible Deployment Options: OnDemand, On Premise and hosted

# Sourcing Strategy

## Delivers Effective Strategy & Project Management

### Sourcing Strategy

- Monitor and Track All Projects
- Establish Sourcing Process and Methodology
- Drive Process Repeatability and Shorter Cycle Times



### Capabilities

- Monitor and track all projects, costs and savings
- Establish process and project governance
- Create “blueprint” for sourcing methodology
- Define project strategy, timeline, owners, and collaborators
- Configure alerts and reminders for key timeline activities
- Workbench access to key reports

### Benefits

- Effective project management and increased visibility
- Enables best practices for reduced cycle times
- Effective templates enable better methodology
- Provide consistent interface for managing the end to end project
- Drive transparency into sourcing status and next steps
- Deliver comprehensive reports for insight and visibility



# Create new project from Project Template

## Sourcing Strategy

- Ensure Process Repeatability and Shorter Cycle Times through Project Templates
- Establish Sourcing Process and Methodology
- Templates can contain collaborators and groups to ensure visibility and collaboration

**Creating: Project**

Continue  Cancel

Select a document type:

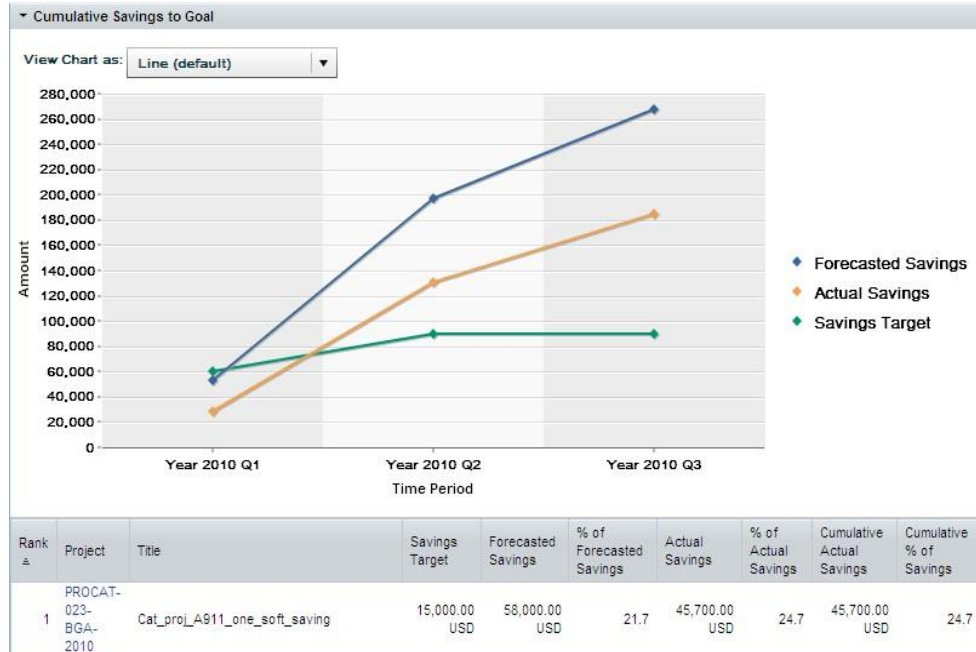
Name	Description				
<input checked="" type="radio"/> From a template:	<input type="text"/>				
Query: All Project Templates					
Find: <input type="text"/>	In: Name <input type="button" value="Go"/>				
Name	Product Category	Company	Organizational Unit	Creator	Owner
<input checked="" type="radio"/> None					
<input type="radio"/> Accelerated IT Sourcing	Information Technology	IDES Corporation	Corporate Sourcing	Mike Edelstein	Mike Edelstein
<input type="radio"/> Facility Management	General building and office cleaning	IDES Corporation	Corporate Sourcing	Markus Learner	Markus Learner
<input type="radio"/> General Administration	Office Equipm./Accessories	IDES Corporation	Corporate Sourcing	Pete Bulger	Pete Bulger
<input type="radio"/> IT HW and Equipment**	Information Technology	IDES Corporation	Corporate Sourcing	Mike Edelstein	Mike Edelstein
<input type="radio"/> SW Evaluation	Software	IDES Corporation	Corporate Sourcing	Wayne Henderson	Wayne Henderson
<input type="radio"/> Temp Labor/Staff Augm.	Temporary personnel services	IDES Corporation	Corporate Sourcing	John Davidson	John Davidson
<input type="radio"/> Vendor Due Diligence	Information Technology	IDES Corporation	Corporate Sourcing	Mike Edelstein	Mike Edelstein



# Project Savings

## Sourcing Strategy

- Forecasted and Actual Savings can easily be captured in the Project
- Standard Project Saving Reports support the analyses of the results



Displaying: Project PROCAT-021-BGA-2010: Cat\_proj\_A411\_one\_soft\_saving

Accounting Information

Activity	Cost Center	Entity	General Ledger Account	Benefit (%)
Forecasted Savings: 13,000.00 USD				
Actual Savings: 9,700.00 USD				

Project Savings

Time Period	Forecast Amount	Actual Amount	Comment	Type	Source	Status	Owner	Cause Of Variance
Year 2010 Q1	1,000.00 USD	700.00 USD	Q1 savings	Hard Savings	Price Decrease	Planned	Buyer42 Buyer42	Process Inefficiency
Year 2010 Q2	5,000.00 USD	4,000.00 USD	Q2 savings	Soft Savings	Production-related	Planned	Buyer42 Buyer42	Non-Compliance
Year 2010 Q3	7,000.00 USD	5,000.00 USD	Q3 savings	Hard Savings	Market-related	Planned	Buyer42 Buyer42	None

# Supplier Qualification

## Provides Effective Identification & On Boarding

### Supplier Qualification

- Simple supplier self-registration and self maintenance
- Effective identification and on boarding
- Transparent supplier evaluation



### Capabilities

- Configurable registration providing key information including – business classification, categories supplied, diversity status, insurance certifications, and sustainability criteria
- Searchable supplier repository by range of characteristics
- Supplier managed profiles, updates and or additions
- Supplier single point of access to relevant sourcing events and key information
- Integration ability to initiate the creation of a supplier in multiple SAP ERPs

### Benefits

- Easy to use supplier registration reduces cycle time
- Enables fast supplier identification and selection
- Provides effective management of supplier information
- Streamlines access to event and centralization of information
- Delivers effective supplier creation process

# Supplier Portal : single point of access

## Supplier Qualification

- Supplier Portal: Supplier single point of access to relevant sourcing events and key information
- Supplier managed profiles, updates and or additions
- Easy access to tech support and online help



**SAP Sourcing** Welcome M. Dell | My Settings Help | Log Off

RFX Auctions Contracts XPress

**Overview** Full Screen

▼ Active Auctions, RFXs and XPress Requests

Active Auctions, RFXs, and XPress Requests

Name	Event Type	Due Date	Status	Contact Person
Sustainability Questionnaire 2010/11 **	Vendor Questionnaire	12/29/10 6:00 AM (EST)	Open	Mike Edelstein
Peter's Rfx	RFQ	7/19/10 6:00 PM (EDT)	Review	Debbie Lawson
my first rfq	RFQ	7/11/10 6:00 PM (EDT)	Open	Mike Edelstein

[More Details](#)

▼ Events for 1/2/12

Title	Active Dates
None	

▼ Tech Support and Training

For help and information on how to use this system, first check our [online help](#).

For Technical Support, please contact Support, e-mail [jhy\\_qaalerts@sap.com](mailto:jhy_qaalerts@sap.com) or call (1) 617 715 1000 or visit the [Tech Support Website](#).

▼ Setup

You are the primary contact for Dell Corporation.

- Change My Password
- View or Modify My Information
- Manage User Accounts
- User Accounts Report

▼ Links

- SAP Website
- SAP SRM Website
- Example FPL Page
- Example NU WebPresence
- Example Sprint Self-Registration Page

# RFX/Auction Management

## Provides Extensive Sourcing Tools

### RFX/Auction Management

- Enables simple to complex RFIs, RFQs, and RFPs
- Supports Reverse and Forward Auctions
- Drives robust sourcing process best practices



### Capabilities

- Create, select RFI, RFQ, or RFP template
- Extensive libraries inclusive of schedules, questions, and supporting information
- Sophisticated multi currency bid scoring and weighting
- Support for heavy bidding volume with multiple suppliers
- Flexibility to create many auction types to support different strategies
- Comprehensive bidding window to manage auctions
- Full project management status reporting

### Benefits

- Streamlines RFX creation and reduce cycle time
- Enables consistent use and compliance with best practices
- Drives more effective scoring and bid evaluation
- Provides ability to manage complex events
- Supports multiple auction types to enable wide range of strategies
- Enables insight and transparency to effectively manage auctions
- Delivers sophisticated sourcing event reporting

# RFx creation from templates

## RFx/Auction Management

- Quick and easy creation of a new Sourcing Event from predefined template
- Template content like Total Cost Formulas, Schedules, Collaborators, Invitation Letters, etc are transferred from the template to the Sourcing Event
- Link to selected template is captured in Sourcing Event for reference purposes



**SAP Sourcing**

Quick Create ▾ Recent Items ▾ Favorites ▾

Project Management Enterprise Sourcing Contract Management

**Overview**

- Auctions ▾
- RFx ▾
  - Create Rfx From Template
  - Create RFX
  - My RFxs
  - All RFxs
  - RFx Summary Extract
  - Create RFX Template
- Library ▾
- Reports

▼ RFx Summary Report By Workflow Phase

Status	Value	Created
Created:(61)	89,230,000.00000000000000	Created
Waiting For Approval:(3)	45,000.00000000000000	Waiting

**Creating: RFx**

Continue [✓] Cancel [✗]

Select a document type:

Name	Description
<input checked="" type="radio"/> From a template: Enterprise Software	
<input type="radio"/> RFI	Use this document type to elicit information from vendors about their organizations, goods, and services.
<input type="radio"/> RFP	Use this document type to solicit bids on goods and services. It can include complex questions and criteria and can facilitate your decision-making on sourcing choices.
<input type="radio"/> RFQ	Use this document type to solicit price quotes on specific goods and services when pricing and costs are your primary concerns.
<input type="radio"/> Quick Bid Sheet	Use the Quick Bid Sheet to collect pricing information only from incumbent suppliers. This bid sheet includes only pricing tables and is intended to be used for sole supplier events or quote events for approved suppliers.
<input type="radio"/> Complex Pricing RFP	Use this document type to solicit bids on goods and services. It can include complex questions and criteria and can facilitate your decision-making on sourcing choices. You can create complex pricing formulas to analyze the bids.
<input type="radio"/> ERP-RFP	
<input type="radio"/> Collaborating Pricing	
<input type="radio"/> Vendor	
<input type="radio"/> RFQ F	

**Collaborators**

Add Users Add Groups Add Company Delete Selected

	Name	Type	E-Mail	Role	Represents	Authorization
<input type="checkbox"/>	Mike Edelstein	User	f.seebauer@sap.com	Owner	Corporate Sourcing	read/write
<input type="checkbox"/>	Corp. Diversity Team	Group		Reviewer	Purchasing	read only
<input type="checkbox"/>	Corporate Audit	Group		Auditor	Auditing	read only

**Document Links**

Add Delete Selected

	Name	Title	Relationship
<input type="checkbox"/>	Annual Chemicals RFP Template **	Annual Chemicals RFP Template **	RFx Template

# Define Sourcing Schedule and Team Responsibilities

## RFX/Auction Management

- Leverage the Schedule to ensure consistent use and compliance with best practices
- Assign tasks and milestones to monitor progress and completion
- Determine responsibilities and authorization to users and groups

**Creating: New RFX : Copy of Java SDE Software Solution \*\***

Done  Save  Save and New  Cancel  Undo  Document  Attachments (4)  Created  Document Action  Favorites

Header  **Schedule**  Suppliers  Information  Questions  Line Items

Intention to Respond Date: 01/29/12  
 RFX Response Due Date: 03/04/12 06:00 pm  
 Automatic phase change on due date  
 Skip Preliminary state on RFX Response  
 View RFX Responses Only After Bidding Closes  
 \* Base Date: 01/03/12  
 Lock baseline dates

**Schedule Items**

Events in bold are current events, events in red are behind schedule.

View: Setup View

	Name	Phase	Event Type	Duration	Start Type	Fixed at	Calendar Publish	Required	Shared w. Suppliers	Owner
	Project roles & responsibilities defined	Created	Task	2	Depends on Event		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document Owner
	RFX project kickoff meeting	Created	Milestone	2	Depends on Event		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Jeff Wolf
	Approval and review processes defined	Created	Task	1	Depends on Event		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document Owner
	Criteria and weightings definition	Created	Task	4	Depends on Event		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Document Owner
	Total cost criteria defined	Created	Task	2	Depends on Event		<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Joe Newman



**Collaborators**

	Name	Type	E-Mail	Role	Represents	Authorization
<input type="checkbox"/>	Mike Edelstein	User	f.seebauer@sap.com	Owner	Corporate Sourcing	read/write
<input type="checkbox"/>	Corp. Diversity Team	Group		Reviewer	Purchasing	read only
<input type="checkbox"/>	Corporate Audit	Group		Auditor	Auditing	read only
<input type="checkbox"/>	Wayne Henderson	User	demo@frictionless.com	Collaborator	Purchasing	read/write
<input type="checkbox"/>	Ling Chandler	User	demo@frictionless.com	Collaborator	Information Technology	read/write
<input type="checkbox"/>	Mike Evers	User	demo@frictionless.com	Collaborator	Purchasing	read/write
<input type="checkbox"/>	Paula Purchaser	User	demo@frictionless.com	Collaborator	Purchasing	read/write
<input type="checkbox"/>	Jeremy Purchmanager	User	demo@frictionless.com	Collaborator	Purchasing	read/write
<input type="checkbox"/>	Corporate Sourcing	Group		Collaborator	Purchasing	read/write

# Scoring and Weighting

## RFX/Auction Management

- Support for weighting and scoring on Section and Question Level
- Quick adjustment of question weights possible or auto adjust
- Support for manual and automated scoring methods
- Support for Show-Stopper Questions
- Collaborative Scoring with score weight supported
- Blind scoring



Displaying: RFX RFP-00058: Java SDE Software Solution \*\*

Header: Schedule Suppliers Information Questions Line Items RFX Responses Scoring Awards

Question Sections

#	Title	# of Q's	Status	Owner	Weight
1	Supplier Questions	35	Ready For Release	Mike Edelstein	10.0
2	Functionality Questions	5	Ready For Release	Mike Edelstein	30.0
3	License Agreement Clauses	4	Ready For Release	Mike Edelstein	10.0
4	Support Hours and Implementation Fees	5	Ready For Release	Mike Edelstein	5.0
5	Customer Satisfaction Questions	9	Ready For Release		
<b>Totals</b>					
6	Total Price	n/a	Ready For Release		
	Total Cost	n/a	Ready For Release		

Adjust Weights

Adjust to 100 | Sum Weights

#	Question	Question Weight - Scale (0-100)	Locked
2.1 Customer Satisfaction Program			
2.1.1	Do you monitor customer satisfaction?	20	<input type="checkbox"/>
2.1.2	What percent of current customers do you regularly survey for customer satisfaction?	14	<input type="checkbox"/>
2.1.3	How often do you typically survey users?	14	<input type="checkbox"/>
2.1.4	If answer was periodically, please define.	0	<input checked="" type="checkbox"/>
2.1.5	Do you share the results of the customer sat surveys with the customer?	10	<input type="checkbox"/>
2.1.6	Please attach a sample customer sat survey.	0	<input checked="" type="checkbox"/>
2.1.7	Do you provide 24/7 support	13	<input type="checkbox"/>
2.1.8	Do you provide a 1800 number?	14	<input type="checkbox"/>
2.1.9	Do employees receive incentives/bonuses for customer satisfaction?	15	<input type="checkbox"/>

Total Weight: 100.0 (must total 100%)

#	Question	Type	Required	Locked
2.1.1	Do you monitor customer satisfaction?	Number	<input type="checkbox"/>	<input type="checkbox"/>
2.1.2	What percent of current customers do you regularly survey for customer satisfaction?	Multiple Choice	<input type="checkbox"/>	<input type="checkbox"/>
2.1.3	How often do you typically survey users?	Big Text	<input type="checkbox"/>	<input type="checkbox"/>
2.1.5	Do you share the results of the customer sat surveys with the customer?	Multiple Choice	<input type="checkbox"/>	<input type="checkbox"/>
2.1.6	Please attach a sample customer sat survey.	File Attachment	<input type="checkbox"/>	<input type="checkbox"/>
2.1.7	Do you provide 24/7 support	Yes or No Question	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.1.8	Do you provide a 1800 number?	Yes or No Question	<input checked="" type="checkbox"/>	<input type="checkbox"/>
2.1.9	Do employees receive incentives/bonuses for customer satisfaction?	Yes or No Question	<input type="checkbox"/>	<input type="checkbox"/>

View: Summary View



# Formula Based Pricing

## RFX/Auction Management

- Enables Total Cost Analysis, by Reducing guesswork on various cost factors in making sourcing decisions, helps in controlling the cost, discover the optimum terms, and maximize the total value received from the purchases.
- Helps purchasers to perform “What If” analysis to compare suppliers, based not only on item price but also on additional costs.
- Formula’s support for RFX and Auction events



**Line Item Formulas**

Add Formula Validate Delete Selected

<input type="checkbox"/>	#	Formula Name	Formula ID	Description	Hidden From Supplier	Formula
<input type="checkbox"/>	1	Unit Price	FORM00010	Unit Price 10 of 1000 characters	<input type="checkbox"/>	ATTR00004
<input type="checkbox"/>	2	Tax	FORM00011	Unit Price * (Tax Rate / 100) 29 of 1000 characters	<input type="checkbox"/>	ATTR00004* (ATTR000005/100)
<input type="checkbox"/>	3	Freight	FORM00012	Unit Price * (Freight Percentage / 100) 39 of 1000 characters	<input type="checkbox"/>	ATTR00004* (ATTR000006/100)
<input type="checkbox"/>		Header		24 * Monthly Plan Charge		

**Header**

\* Formula Name: Freight Description: Unit Price \* (Freight Percentage / 100)  
39 of 1000 characters

Formula ID: FORM00012  
 Hidden From Supplier  
 Calculate Totals

**Formula**

Use Details View:

Select an item from one of the Dropdown fields below to add it to the Formula field

Standard Fields: Quantity Add to Formula

Standard Fields - Price Fields: TargetPrice(CFR) Add to Formula

Logical Operations: == Add to Formula

Supplier-Entered Attributes: Unit Price Add to Formula

Formulas: Unit Price Add to Formula

\* Formula: ATTR00004\*(ATTR00006/100)  
25 of 250 characters  
(0) +- / \* \Validate

# Negotiate and Award

## Drives Effective Bid Negotiations & Awards

### Negotiate and Award

- Enables comprehensive scoring and evaluation
- Streamlines the negotiate and award process
- Provides real-time insight and transparency



### Capabilities

- Automated system scoring enabled through complex algorithms
- Team and collaborative scoring
- Detailed side-by-side bid comparisons on price and non-price factors
- Weight scores to establish a total value score per supplier
- Real-time Q&A discussions with suppliers
- Flexible auction disclosure rules and automatic extensions
- Auction real-time count down clock and updates

### Benefits

- Provides an effective tool to streamline scoring
- Enables team scoring across a range of stakeholders
- Drives efficient bid comparisons and evaluations
- Delivers extensive total and attribute scoring per supplier bid
- Supports effective collaboration across team members and suppliers
- Delivers maximum auction enablement and engagement
- Enables auction status insight and transparency from start to finish

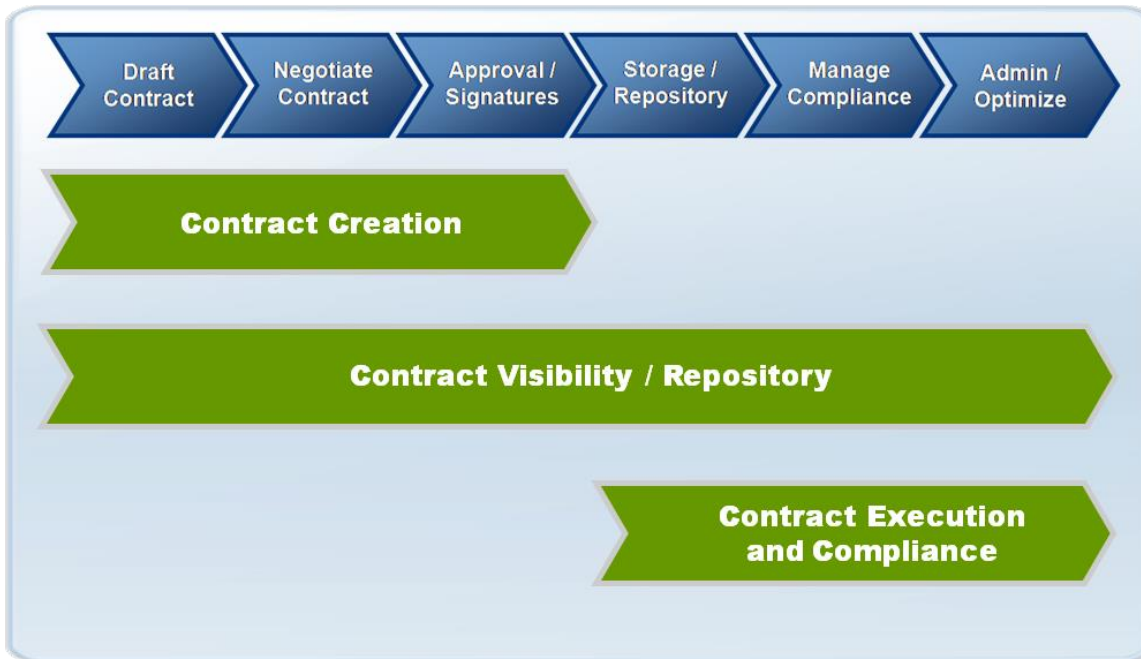
# Contract Lifecycle Management



# SAP Contract Lifecycle Management

## Supports the Entire Contract Lifecycle

*Effectively managing today's important procurement needs with rapid time to value*



- Automates the contract creation cycle from draft to reviews and approvals
- Includes contract authoring with clause and template libraries
- Creates a contract repository with access-controlled search and reporting
- Includes standard integration with SAP ERP and SAP SRM for procurement contract compliance
- Deep bi-directional integration within the source to contract process
- Drives rapid time to value via packaged or on-demand deployment

# Contracts Are the “Glue” Between Sourcing and Procurement



# Contract Visibility and Repository Provides Full Contract Portfolio Visibility

## Contract Visibility/Repository

- Centralized contract repository for standard data collection and reporting
- Empowers users to pro-actively manage the contract portfolio



## Capabilities

- Single contract repository across the organization
- Robust free text search across repository, within contract documents and clauses
- Ability to view and manage agreements, change header data or create amendments
- Secure access controls on each contract in the system
- Out of box reports aggregating repository data
- Alerts for expirations or key thresholds
- Define extra data fields or sets of information to capture and track

## Benefits

- Eliminate disparate databases or tools
- Quickly locate any contract or any language/phrase in the entire repository
- Understand critical contract details and process amendments quickly
- Provide self-service access to requisite personnel
- Dramatically reduce reporting cycle times
- Proactively engage in re-sourcing or re-sale activities
- Easily maintain and track unique corporate information

# Contract Performance Dashboard – Agreements Overview

## Contract Visibility

- Intuitive contract dashboard with powerful search functionality.
- Delivered with preconfigured reports like 'Top 10 Agreements by Agreement Value' and 'Top 10 Product Categories'
- Search Result with header and line item information

**Contract Performance Dashboard**

Expiring Agreements | **Agreements Overview** | Data was last refreshed on 12/27/11 02:42 AM (EST) | Refresh | Print

Supplier:   
 Agreement Name:   
 Agreement Manager:   
 Business Unit:   
 Product Category:   
 Agreement Type:   
 Location:    
 Effective Date (yyyy/mm/dd):  To   
 Include Collaborator Agreements  
 Inactive

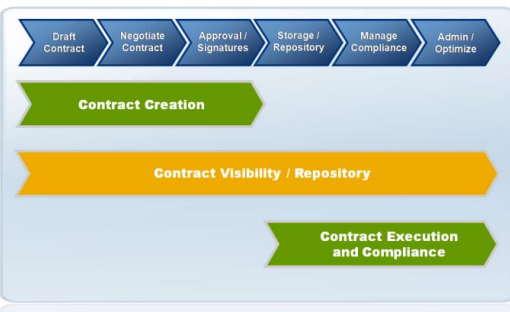
**Top 10 Agreements by Agreement Value**

Agreement Name	Supplier	Days Until E	Agreement Maximum	Total Savings	Product Category
Agreement for Servers	Dell USA	-519	5,000,000,00 USD	230,000,00 USD	Servers
Annual Enterprise-wide IT HW - Server	Dell USA	-539	4,000,000,00 USD	0,00 USD	Information Technology
Agreement Printers and Accessories	Dell USA	-519	2,000,000,00 USD	50,000,00 USD	Printers
SW Developing Rate Card - Manpower	Manpower Inc.	-583	400,000,00 USD	0,00 USD	Temporary IT Software Developers

**Agreement Summary for SW Developing Rate Card - Manpower**

Master Agreement ID	MA-068
Agreement ID	
Description	SW Developing Rate Card - Manpower
Supplier Primary Contact	Lauren Meyers
Business Unit	Commercial Business
Eff. Date	05/23/08
Exp. Date	05/23/10
Agreement Manager	Mike Edelstein

Line Item	Description	Quantity	Delivery Term	Unit Price
4	Junior Java/C++ Programmer	1,0 day	Standard Rate	1.340,00 USD
5	Lead Java/C++ Programmer	1,0 day	Standard Rate	1.400,00 USD
6	Senior Java/C++ Programmer	1,0 day	Standard Rate	1.700,00 USD
7	Junior Cobol Programmer	1,0 days	Standard Rate	1.200,00 USD
8	Lead Cobol Programmer	1,0 day	Standard Rate	1.300,00 USD
9	Senior Cobol Programmer	1,0 day	Standard Rate	1.400,00 USD



# Master Agreement Contract Documents

## Contract Visibility/Repository

- Capture all relevant contract documents in the master agreement
- Full contract version history with powerful MS Word compare and redlining functionality
- Approval Workflow history available



Header	Schedule	Supplier Info	Line Items	Terms	Audits	Performance	Accounting	Contract Documents		
Visibility	Type	Name	Description	Amendment	Eff. Date	Exp. Date	Checked Out By			
Internal / External	SW Licensing Contract	Desktop OS	Desktop OS	<input type="checkbox"/>						
Internal	Addendum	Addendum 1 for HW Framework	FW Agr. now also includes new acquisition in Norway	<input type="checkbox"/>						
Internal / External	IT HW Contract	HW Framework Agreement	HW Framework Agreement **	<input type="checkbox"/>						
Internal / External	Unilateral NDA	Mutual NDA	Mutual NDA	<input type="checkbox"/>						
Internal	SOW - Statement of	SOW for HW Installation	SOW for HW Installation	<input type="checkbox"/>				✓ Mike Edelstein		
<b>Version History</b>										
Compare										
<input type="checkbox"/>	Visibility	Date Added	File Name	Added By	Version	Comment	Status			
<input type="checkbox"/>	Internal / External	12/04/09 06:00 PM (EST)	CONTRACT-00226.doc	Wayne Henderson	8	Checked backed in after IT Review	Executed			
<input type="checkbox"/>	Internal	12/04/09 06:00 PM (EST)	CONTRACT-00226.doc	Scott Lehman	7	Checked backed in after Legal Review, only small changes were necessary	Legal Review			
<input type="checkbox"/>	Internal	12/04/09 06:00 PM (EST)	CONTRACT-00226.doc	Mike Edelstein	6	Reviewed Dell supplier changes and made changes to IP clause	Business Unit Review			
<input type="checkbox"/>	Internal / External	11/30/09 06:00 PM (EST)	CONTRACT-00226.doc	John Miller/Dell USA	5	Changes to Payment and Fees, also reviewed Penalty Clause and made comments	Open For Supplier Review			
<input type="checkbox"/>	Internal / External	11/30/09 06:00 PM (EST)	CONTRACT-00226.doc	Mike Edelstein	4	Minor changes in the payment section, contract ready to go to supplier	Open For Supplier Review			
<input type="checkbox"/>	Internal	11/30/09 06:00 PM (EST)	CONTRACT-00226.doc	Scott Lehman	3	Small changes, mainly cosmetic and clarification of Agreement Title	Draft			
<input type="checkbox"/>	Internal	11/30/09 06:00 PM (EST)	CONTRACT-00226.doc	Mike Edelstein	2	Initial Changes after	Draft			
<input type="checkbox"/>	Internal	<b>Workflow History</b>								
Current Phase: Executed										
View: Basic										
	Start Date	Exp. Date	Phase	Step	Description	Workflow Status	User	Duration	Reason	Comment
	12/05/05 04:35 AM (EST)		Executed	Phase Change			Owner Workflow			
	12/05/05 04:30 AM (EST)	12/05/05 04:33 AM (EST)	Business Unit Approval	Approval	Serial: Gate 2 of 3	Approved	Scott Lehman	0 days 0: 2: 51		OK with me, great work!
	12/05/05 04:30 AM (EST)		Business Unit Approval	Approval	Serial: Gate 2 of 3	Not Applicable	Jeff Wolf			
	12/05/05 04:30 AM (EST)	12/05/05 04:32 AM (EST)	Business Unit Approval	Approval	Serial: Gate 2 of 3	Approved	Wayne Henderson	0 days 0: 2: 20		OK with me



# Contract Generation

## Contract creation

- Generation of contract document out of master agreement
- Template Library with approved legal contract templates for quick contract generation
- Possibility to provide end user with flexibility to modify the provided content
- Adjust contract by adding or removing of clauses and sections to the content provided by the selected contract template

**Editing: Master Agreement MA-124: Service Agreement**

Done Save Save and New Cancel Undo Document Actions Reports

Header Supplier Info Line Items Audits Contract Documents

\* Status: Contract Preparation Stage

ID: MA-124

\* Name: Service Agreement

Description:

Find: In: Name Go

Name	Description	Version	Product Category
<input type="radio"/> IT Hardware Contract	Standard Contract to purchase IT hardware and equipment, including workstations, servers, laptops, network gear, storage devices, etc	5	Information Technology
<input type="radio"/> NDA Contract Template	NDA Contract Template	1	
<input type="radio"/> OESA Master	OESA Standard terms and conditions master contract	1	
<input type="radio"/> Outsourced SW Development Contract	Outsourced SW Development Contract to purchase external software development activities and off-shore software customization services	1	Business software
<input type="radio"/> Standard Services Contract	Standard Contract to purchase all types of services, including consulting services, facility services and outsourcing services	1	Business Consulting
<input type="radio"/> Standard Supply Agreement Template **	Standard Supply Agreement to purchase direct materials like chemicals and packaging materials	1	Chemicals
<input type="radio"/> SW License Agreement**	SW License Agreement	1	Software
<input type="radio"/> SW Master Agreement	SW Master Agreement	1	Software
<input type="radio"/> SW Professional Services Agreement	SW Professional Services Agreement	1	IT Consulting services



**Contract Generation Setup**

Next Cancel

Select Contract Document Template and Contract Document Type

When you select a contract document template, a contract document type is also selected if the contract document template is associated with a contract document type. If you want to add or remove content from the template, select the 'Customize Content' checkbox.

\* Contract Document Template: IT Hardware Contract

Customize Content

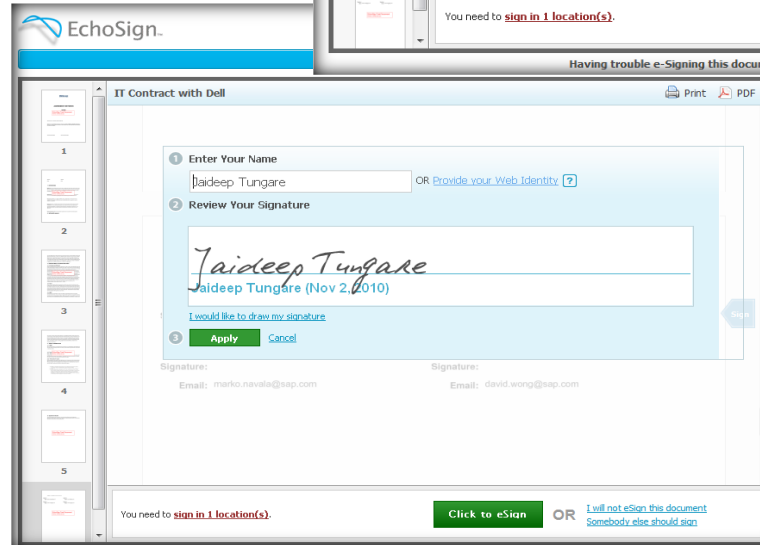
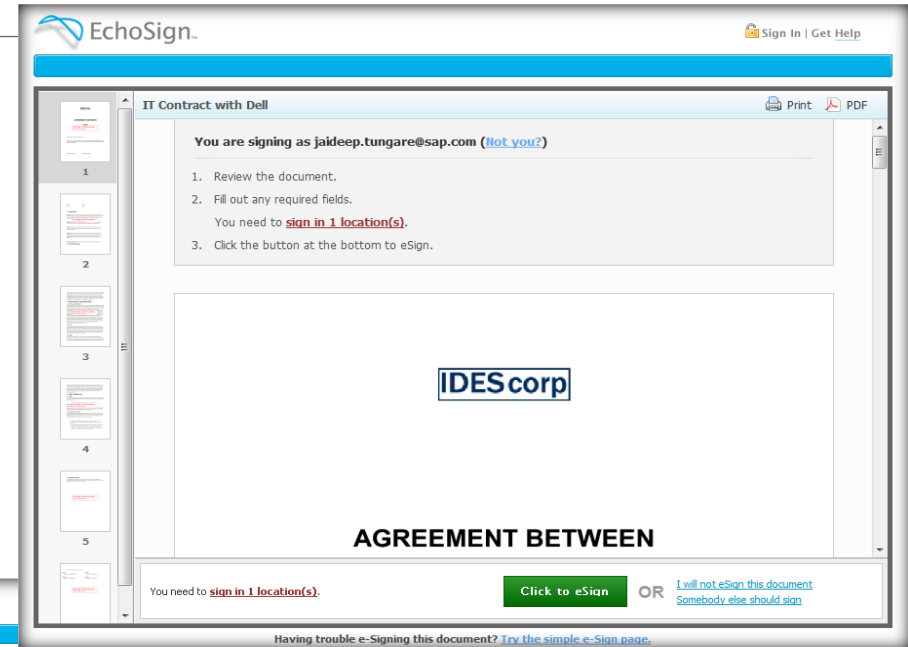
Contract Document Type: IT HW Contract

Perpetual Term:

# Contract Electronic Signature option

## Contract creation

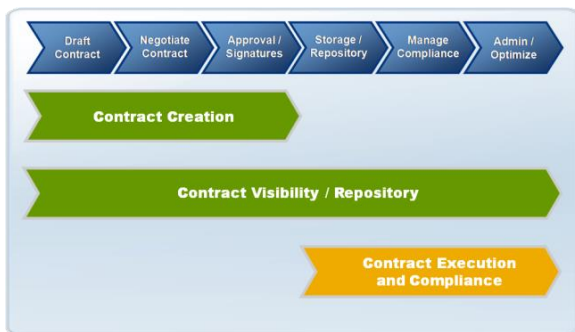
- Signatures are supported for internal users, suppliers and external users
- Contract for signature is send out via email
- Signature Status and history automatically updated in repository
- Contract can be signed on a computer or smartphone



# Contract Compliance and Execution Drives Improved Contract Compliance

## Contract Execution and Compliance

- Manage all pricing, legal, and delivery terms
- Ensure commitments and pricing are being met throughout the contract lifecycle



### Capabilities

- Ability to capture all pricing and payment terms and other Key Performance Indicators (KPIs) within the contract workspace
- Included audit area to schedule and track results
- Out of box reports to identify low performing contracts
- Standard integration with SAP ERP functionality for MM for creation of Outline Agreements and contract execution
- Standard integration with SAP SRM Central Contract for execution in SRM or further distribution to multiple ERP backend systems.

### Benefits

- Track all critical information about the contract's performance
- Be reminded when audits are required and capture all results
- Pro-actively resolve issues on low-performing agreements
- Quickly establish operational agreements to enforce compliance at time of transactions
- Easily view relevant operational data in the back end

# Contract Audits and Performance KPI's

## Contract Compliance

- Schedule audits, send out notifications, capture audit results and receive alerts if audits are overdue
- Set Contract KPI's, capture contract KPI's and trigger alerts for low performing contracts
- Standard reports for master agreements with overdue audit and low performance



Header	Schedule	Supplier Info	Line Items	Terms	Audits	Performance	Accounting	Contract Documents
Evaluation Criteria: Standard Contract Audits								
<b>Audit History</b>								
Audit	Due Date	Audit Date	Audit Comments	Audited By	Audit File			
Volume Audit	12/07/10	02/01/11		Scott Lehman				
Technology Compliance Audit	02/02/11	02/02/11	Very good results, see attached documented audit results	Mike Edelstein	CT_Audit_Res.xls			
Internal Review Date	02/08/11							

Header	Schedule	Supplier Info	Line Items	Terms	Audits	Performance	Accounting	Contract Documents
Evaluation Criteria: Delivery Criteria								
Last Updated: 04/27/11								
Next Update Due: 10/24/11								
<b>Performance Metrics</b>								
Performance Metric	Metric Type	Overall Performance Target	Overall Performance Record	Evaluator				
Correct System Configuration	Percent Type	98.5%	96.4%	Mike Edelstein				
No Warranty case in first 6 months	Percent Type	99.0%	94.7%	Mike Edelstein				

### Master Agreements With Overdue Audits Summary

Find:  In: Master Agreement ID

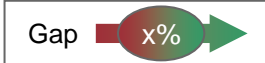
Master Agreement ID	Agreement ID	Agreement Name	Supplier	Owner	Audits	Days
MA-112		2011 - Java SDE Software Solution**	Dell USA	Mike Edelstein	4	1,032
MA-026	AGR-001	Dell Supply-Agreement for Desktop PCs **	Dell USA	Mike Edelstein	1	322
MA-063		BASF Plant Chemicals 2010 **	BASF Plant Texas	Debbie Lawson	1	213
MA-026	AGR-003	Agreement for Servers	Dell USA	Mike Edelstein	1	61

# Benefits & Takewayas



# Best Practice Adoption Drives Business Performance

## Influence of Best Practice Coverage on Average Annual Savings



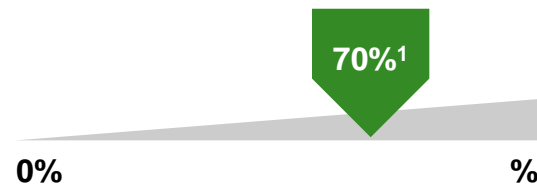
Source: SAP/ASUG SRM Benchmarking

# Strategic Sourcing and Procurement performance

## KPI

Increase Spend Captured in Spend Analysis Efforts

## Industry Benchmark

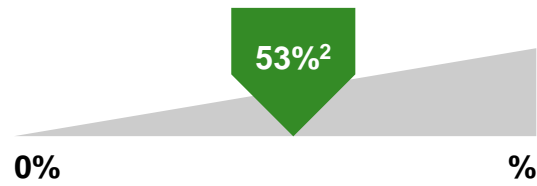


## Improvement Potential

**Increase to 96%<sup>2</sup>**

<sup>1</sup>Source: Aberdeen Group; Spend Analysis, 2011

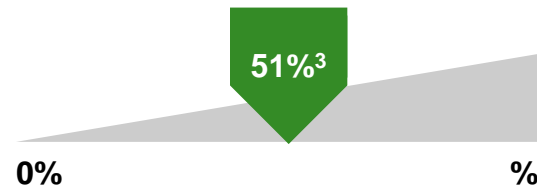
Improve Addressable Spend That is Sourced



**Increase to 77%<sup>2</sup>**

<sup>2</sup>Source: Ardent Partners; CPO Rising 2011 – Innovative Ideas for the Decade Ahead, 2011

Increase Percentage of Purchase Orders Compliant with Existing Contracts



**Increase to 86%<sup>3</sup>**

<sup>3</sup>Source: Aberdeen Group; Effective E-Procurement, 2010

# Global Cross Industry Customer Success

## >25,000 SAP Procurement Customers Globally

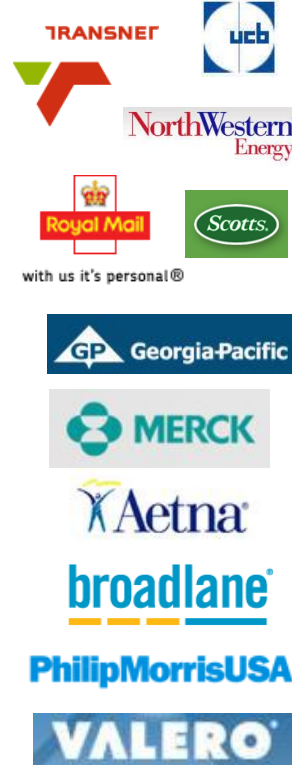
### Spend Visibility



### Sourcing



### Contract Lifecycle Management



### Operational Procurement



### Supplier Management







# Summary

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- 1** Sustainable savings in procurement can be realized only by closing the loop between your strategic sourcing activities and your procurement order cycle
- 2** Strategic Sourcing and Procurement enables critical transparency into the end-to-end process from savings identification to the delivery of realized savings
- 3** Bridges the gap between strategic and operational procurement to create greater time to value, increased compliance and reduced operational costs

# Hvala!

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