Transforming source-to-pay operations

Modernizing procurement with strategic automation

Drive efficiencies using source to pay

As a business leader, you are well aware of the key procurement challenges confronting your enterprise every day, such as:

- Difficulty controlling the costs of procurement

- Pressure to do more with fewer resources

- Slow digital transformation projects

- Obstacles to achieving resilience and environmental, social, and governance (ESG) goals

Effectively managing procurement is often an either/or exercise that swings between competing modes. Do you control costs or increase supplier quality or deliver more innovative, satisfying employee experiences? What if you could say "yes" to all of these?

In this ebook, you'll learn how adopting an automated source-to-pay (S2P) solution can help you handle more requests with fewer resources while better managing spend, reducing risk, and sourcing from more sustainable suppliers—to create an exceptional procurement experience for all.

4 procurement challenges

First, we'll take a deeper dive into the four main procurement challenges impacting you and your team. Then, we will explore how these challenges can be eliminated and the overall procurement experience can be transformed by adopting an automated source-to-pay solution.

A powerful source-to-pay solution integrates with existing enterprise resource planning (ERP) and procurement technologies. It enables strategic automation by streamlining processes and reducing the potential for errors or delays. Simplified source-to-pay processes support seamless purchasing and case management across the organization, so procurement teams can focus more on their own strategic priorities.

This ebook will help you respond to the four main procurement challenges:

CHALLENGE 1

How can I control procurement costs without impacting performance goals?

> SKIP TO C1

CHALLENGE 2

How can I do more with fewer resources?

> SKIP TO C2

CHALLENGE 3

How can I address the pace of slow digital transformation projects?

> SKIP TO C3

CHALLENGE 4

How can I overcome obstacles to achieving resilience and ESG goals?

> SKIP TO C4

Finding solutions to these challenges will help ensure your end-to-end teams work together, collaborate faster, onboard quicker, and build risk and ESG considerations through the entire process. And you'll find ways to further streamline and optimize processes while saving time and money, so you can hit your digital transformation goals while using fewer resources.

How can source to pay help?

Replace inefficient manual processes with streamlined procedures. Gain a better experience for procurement teams and suppliers, and double the requests handled by your S2P team.

CHALLENGE 1

How can I control procurement costs without impacting performance goals?

Too much of S2P is driven by disparate manual tasks, which can force certain requests outside of your organization's defined processes and people to operate out of your system. When your procurement environment makes following official processes difficult and requires workarounds—or worse, ignores policy altogether—it causes chaos, generates noncompliance, and robs procurement of the ability to apply negotiation experience to get better discounts.

This can lead to a slew of problems: frustrated employees, siloed activities, rogue spending, and slowed business processes. Ultimately, controlling costs and improving performance will be challenging at best.

By automating S2P, you can reduce procurement costs by:

- Freeing employees of unnecessary low-level tasks to increase their rate of strategic work

- Centralizing data for more strategic procurement and sourcing decisions

- Reaching quick time to value through pre-configured steps, tasks, and approval flows, while achieving better total cost of ownership through comprehensive configurability and scalability

CHALLENGE 2

How can I do more with fewer resources?

As a business leader, you know that procurement is a critical part of the business. But you may have a finite number of internal and external resources—and staff—to handle procurement and supplier activities. Reclaim the time and effort your procurement team spends on responding to basic questions because employees and suppliers don't know where to go, how to comply, or how far along their procurement requests have progressed.

You'll be able to double the number of requests and suppliers managed by your S2P team with less effort from your people. Better yet, you can help reduce requisition-management labor needs by as much as 50%.

By using an agile, automated, and centralized S2P solution, you can do more with less by:

• Increasing spend under management so requestors can more easily fulfill and track their procurement requests

• Improving your ratio of suppliers to supplier managers by eliminating low-level requests from your procurement team

• Enhancing compliance and performance against service level agreements (SLAs)

How can source to pay help?

Too many digital transformation projects require you to replace existing systems. This introduces greater cost, risk, and time without a clear path to better outcomes or experiences. With an automated S2P solution, you can achieve the automated execution of underlying transactions, create a unified experience for workers, and gain an extensible platform to easily drive the latest innovations for your business.

CHALLENGE 3

How can I address the pace of slow digital transformation projects?

If you're tethered to long ERP projects and rip-and-replace requirements, then you may find that addressing the pace of change in the business—including new models, competitors, and shifts in buying behavior—is difficult. As a result, digital transformation projects often take longer to launch, or they launch unsuccessfully.

An automated S2P solution helps increase the pace of your digital transformation projects. It works with your existing investments and integrates fully into your major systems, so you can get back to the important business of evolving.

With automated S2P, you can increase digital transformation project pace by:

- Creating a new end-to-end experience that brings all teams together across the S2P process

- Using predefined connectors to ERP and stand-alone solutions to eliminate the need for rip-and-replace investments with each transformation initiative

- Executing transactions automatically on behalf of users to create a single system of action

- Decreasing procurement cycle times through the elimination of manual and uncoordinated work

CHALLENGE 4

How can I overcome obstacles to achieving resilience and ESG goals?

For most organizations, ESG and risk activities are either a one-time action or are manual, sometimes ad hoc, steps in the process. Often, this is where checks and compliance reviews get lost.

If you embed ESG and risk checks in the S2P process while guiding purchases through compliant suppliers, then ESG and risk become part of your everyday operation. You'll be able to track attainment more clearly against goals, align spending against ESG and risk criteria, and reduce the possibility of payment fraud.

With centralized S2P, you can achieve ESG and resilience goals by:

- Embedding ESG and third-party vendor risk checks in procurement and supplier workflows, both during onboarding and on a continuing basis

- Keeping data, related cases, and collaboration in one dynamically staged workflow experience to ensure quality outcomes

- Reducing fraudulent payment risk with automatic three-way matching for duplicate purchase orders and payment detection

How can source to pay help?

With an automated S2P solution, you can more clearly track goal attainment and align spending against ESG and risk criteria—reducing the possibility of payment fraud. You can also deploy dynamic workflows that adapt to the type of product, volume, price, and governance rules.

Resolve procurement headaches with an automated source-to-pay solution

An automated S2P solution helps business leaders quickly deliver on procurement goals—while also resolving complications associated with costs, resources, digital transformation, and resilience and ESG goals. By alleviating these challenges and increasing operational efficiency, you'll be more easily able to manage spend, reduce risk, free up time, and source from more sustainable suppliers.

With automated S2P, you can say "yes" to everything: reducing costs, working with premium-level suppliers, and elevating employee experiences.
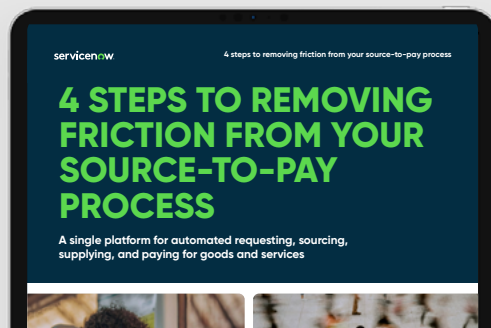
For a deeper exploration of ServiceNow solutions, **we recommend the following content:**

4 steps to removing friction from your source-to-pay process

Discover how ServiceNow® Source-to-Pay Operations can help your organization improve operations. Learn more about common source-to-pay challenges, and explore four steps to removing friction from your source-to-pay process.
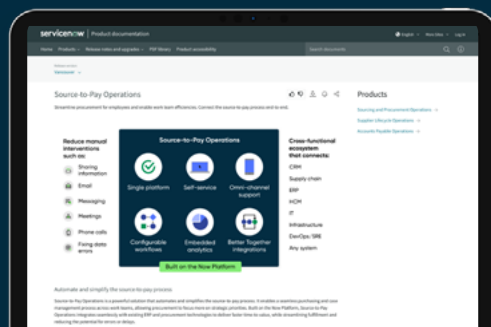
Read Ebook

Source-to-pay operations

Streamline procurement for employees, enable work-team efficiencies, and connect the source-to-pay process end to end.

Learn More

servicenow.

About ServiceNow

ServiceNow (NYSE: NOW) makes the world work better for everyone. Our cloud-based platform and solutions help digitize and unify organizations so that they can find smarter, faster, better ways to make work flow. So employees and customers can be more connected, more innovative, and more agile. And we can all create the future we imagine. The world works with ServiceNow™. For more information, visit **www.servicenow.com**.