

“...with a new CFO, we needed to have a credible baseline and realistic target...after nine months we had exceeded our adoption targets and reduced operational costs by 35% and met our \$20M savings target...beyond the numbers, we had established the critical connections between Finance, Legal, the Business lines and Spend Management.”

Fortune 100 Services Procurement Executive

Opportunity

A new CFO needed to address an M&A integration for five business units with common functions. The redundant operations had inconsistent methods of control compliance and were difficult for leaders to govern effectively. The 9 month effort required business unit adoption and training.

Solution

A business case was developed for a Spend Management roadmap. The roadmap was broken into logical building blocks and sequenced to ensure the expected return-on-investment efforts, while having a minimal impact on the business activity.

A centralized Spend Management shared services integration program was created to offer consistent services to five business units. The services included:

- Supplier Governance & Policy Framework
- Supplier Risk & Performance Reporting
- Supplier Master Record Management
- Source to Pay Automation Adoption
- Supplier Spend & Analysis Services
- Strategic Supplier Portfolio Measures

Approach

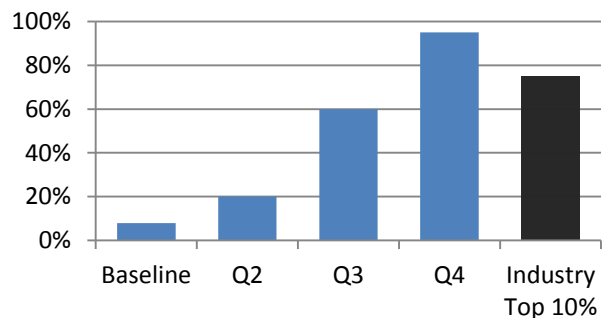
A Governance and Policy framework was developed and approved by the CFO and business line Presidents.

A Spend Management initiative portfolio was executed over nine months resulting in new centralized and decentralized services.

The services included a Supplier Management Center of Excellence and automated Source to Pay capabilities. Automated controls were introduced to capture and prevent duplicate invoice payments and optimize payment terms.

The generated savings were used to fund a supplier risk management solution. The CFO now receives quarterly reporting and attestation for key control compliance.

Solution Adoption Timeline



Results

The initiative met or exceeded defined targets:

- Annual Cost Savings: 35% reduction in supplier administration costs
- ROI: \$20M in hard savings generated beyond break even
- Regulatory Compliance: twenty control gaps remediated and approved by internal audit
- Operational Efficiency: five functions were consolidated into a centralized shared services group

Get Started

Blackline provides Spend Management advisory and managed service solutions delivered by Spend Management operations leaders – we understand your needs. To discuss your specific needs with one of our senior advisors, please call **206.861.1630** or mbrowning@blacklinegroup.com