

# ARAVO ENFORCE



## Drive Spend to Preferred Suppliers

Millions of dollars of investments in sourcing and procurement systems have been justified on the basis of consolidating spend to achieve leverage, identifying the best suppliers through discovery best practices, and using transparent bidding to negotiate the best prices ... all leading to huge forecasted procurement cost savings to the enterprise. But the savings never seem to completely reach the bottom line. Where is the disconnect preventing full savings realization? Put succinctly, the problem is enforcement. Commodity managers, buyers, and approvers often have limited ability to enforce usage of preferred suppliers resulting in spend leakage. Compounding the problem is the fact that requesters often do not have insight into Preferred Supplier Lists, and required approvers are often left off of approval processes leading to inadvertent maverick and off-contract spend. Given the number of procurement execution systems inside the typical enterprise, combined with the long IT backlog around systems integration and business process management projects, it's no surprise that companies can't leverage their negotiated buying power.

### > SOLUTION SUMMARY

Aravo Enforce is the industry's leading SaaS solution to empower users to easily find, request, and obtain approvals to use preferred suppliers across all product categories, ensuring the realization of negotiated savings. In addition, Aravo Enforce drives best practice rigor and compliance across your multiple spend management functions using its configurable workflow engine and vertical industry templates. From supplier discovery to enablement to PO assignment, Aravo Enforce closes the gaps that allow maverick spend, and helps drive the adoption of approved processes steps and controls. When combined with Aravo Enable, companies can implement an end-to-end supplier engagement, management, and usage strategy that drives efficiency, productivity, and cost savings.

**“When information enabled by technology becomes visible across the organization, cost per supplier quickly dwindles from \$1,000 to below \$150 per supplier.”**

*- An Economic Dream: Supplier Information Technology's Massive Cost-Saving Opportunity, AMR Research*

### KEY BENEFITS

- > Achieve bottom-line benefit by driving spend to preferred suppliers
- > Increase company leverage with preferred suppliers
- > Reduce requisition cycle times through visibility into preferred suppliers
- > Improve efficiency by automatically routing requests to team members with needed procurement expertise based on internal hierarchies
- > Reduce procurement costs by suggesting suppliers capable of providing the same goods or services at lower prices
- > Drive procurement productivity through a single common process



## > ARAVO BEST PRACTICES: PROCESS EXAMPLES

*Aravo Enforce* is a core component of Aravo's market-leading Supplier Information Management (SIM) platform. By automating and managing the workflows and approvals around supplier selection and assignment, *Aravo Enforce* allows you to drive spend to preferred suppliers, reduce maverick spend, and realize all of the savings you've negotiated and contracted.

### SUPPLIER ENFORCEMENT

*Aravo Enforce* employs configurable workflows to manage process execution and drive enforcement of supplier best practices. Enforce supports both the requestor and the approver in the identification and assignment of preferred suppliers across sourcing and procurement processes. Best practice supplier enforcement steps include:

1. Request/Search for preferred/approved suppliers by name, location, commodity support, etc.
2. Request supplier for non-catalog item.
3. Initiate information requests to identify potential suppliers if none found in Approved Vendor List (AVL).
4. Suggest existing preferred supplier.
5. Request additional information from existing supplier to validate capability or certification using email notification and customized survey.
6. Add new supplier as needed to support request.
7. Manage review and approval of supplier selection via user-defined workflows.

### KEY FEATURES

- > Centralized supplier network
- > Quick request – search and locate preferred suppliers
- > Multi-attribute supplier search
- > Quick suggest – easily suggest appropriate or preferred suppliers
- > Workflow-based data validations and approvals
- > User-defined workflows and task routing
- > Single supplier selection process and workflows
- > Real-time dashboards for project and status monitoring
- > Catalog delta reporting for price comparisons and savings enforcement
- > Contract repository



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#### About Aravo

The world's best-run businesses utilize Aravo's SaaS Supplier Information Management platform to reduce the cost of managing suppliers by up to 72% and to transform their supplier on-boarding, compliance, enablement, and risk management challenges into competitive advantage. General Electric, Goldman Sachs, Accenture, and Deutsche Bank rely on Aravo to manage information and processes for over 1.5 million global suppliers. Aravo is based in San Francisco, with offices in Chicago, New York, and Ahmedabad, India, and is backed by over \$50 million in investment from Cisco Systems, Big Sky Partners, and the Charles Schwab family. For more information regarding Aravo's award-winning solutions please visit <http://www.aravo.com> or view our blogs at <http://www.2sustain.com> and <http://atrisk.net>

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