

# Overview

## PROCUREMENT DECISIONMART MEASURES AND DIMENSIONS

### Measures

- Amount ordered
- Amount received
- Amount accepted
- Count of orders
- Count of line items
- Average amount per order
- Average lines per order
- Average amount per line
- Order amount trend percentage
- Average order amount across time
- Supplier order amount distribution percent
- Count of change orders
- Change order percent
- Order amount cancellation percent
- Order count cancellation percent
- Returned lines count
- Returns amount
- Returns percentage
- Average fulfillment time to complete (FTTC)
- Average internal time to complete (ITTC)
- Average total time to complete (TTC)
- Average FTTC to TTC rate
- AVERAGE ITTC TO TTC RATE
- BUDGET AMOUNT
- Actual to budget variance amount
- Actual to budget variance percent

## Cost savings, process control, and automation for bottom line impact.

Corporations are under relentless pressure to cut costs, reduce waste, eliminate inefficiency, and consolidate operations. The mandate is clear: control expenses now. To survive in today's economy, every enterprise must put the reins on spending in every location and category.

Easier said than done. Rogue spending infiltrates even the most disciplined organizations. Vendor lists grow like weeds. Manual approval policies and procedures are cumbersome. Suppliers remain passive and uninvolved. Mergers and acquisitions only exacerbate the problem.

There are significant savings awaiting companies who exploit world-class applications and best practices to manage supplier relationships. These savings, which analysts report at 5-7% or more, drop straight to the bottom line, yielding 30-40% increases in profit. Epicor Supplier Relationship Management (SRM) — a full suite of solutions designed to automate supplier interactions from sourcing to procurement to invoicing and payment — is your ticket to extraordinary financial impact.

## A Comprehensive Solution

While your business is ultimately measured by the bottom line, it is essentially defined by relationships with your customers and suppliers. How well you manage these relationships has a dramatic impact on how well you perform.

Epicor SRM provides the unique ability to quickly elevate, manage, and leverage win/win relationships across your entire supply base. Using leading technology and an intuitive interface, it provides a lower total cost of ownership and can be deployed rapidly.

The Epicor SRM Suite provides enterprises with the necessary tools and solutions to achieve world-class performance in supplier relationships. It includes:

### **SOURCING**

Maximizes savings and compliance by automating the process of negotiating the optimal combination of suppliers, products, services, price, and non-price attributes.

### **PROCUREMENT**

Accelerates and controls the purchasing process from requisition to receipt.

### **PROCUREMENT DECISIONMART**

Provides action-oriented visibility of enterprise spending, process efficiencies, and supplier performance.

Common features across the product suite include multicurrency support, an intuitive user interface, and performance management. Epicor SRM also provides integration capabilities to your Epicor back office solution using Microsoft BizTalk® Server and XML. As a result, Epicor SRM readily integrates to other back office systems as well.

Epicor Enterprise also includes other products that, while not part of the SRM Suite, can be used to extend the automation of a complete requisition-to-check cycle.

### **AP MATCHING**

Provides for matching paper invoices to electronic receipts.

## Dimensions

- Account
- Budget
- Catalog
- Catalog/non-catalog
- Category
- Company
- Company
- Contract/non-contract
- Cost center
- Currency
- Ten Custom Enterprise Codes
- Department
- Line Status
- Order status
- Organization
- Project
- Reason Code
- Ship Method
- Ship To
- Supplier
- Time — calendar
- Time — fiscal
- User

**AUTOMATED AP MATCHING**

Automates the process of matching electronic invoices to electronic receipts and generating AP vouchers for matches within tolerance for “hands-free AP.”

**ENTERPRISE INFORMATION PORTAL**

Delivers a secure, Web-based site where suppliers can access data and transactions related to your business with them.

**Sourcing****AUTOMATED RFQS AND AUCTIONS SAVE TIME AND IMPROVE RESULTS**

Sourcing is the most important, value-added activity that procurement professionals perform for their company. Doing it well requires a wide range of skills and subject matter expertise. Sourcing by “old school” methods requires an inordinate amount of time gathering and comparing offerings from multiple suppliers. Automating those tasks with Epicor Sourcing not only allows the purchasing professional to focus more time and energy on strategic activities, it also provides for online collaboration and fosters competition that amplifies the value of their work.

**STRATEGIC SOURCING DELIVERS A COMPETITIVE EDGE**

From RFx and auctions technology to supplier performance management, electronic sourcing solutions give companies the tools they need to negotiate optimal agreements with their suppliers and to provide the best value to the organization. Left to manual methods, organizations can only afford to manage competitive bidding processes for a very small number of contracts.

By deploying an automated sourcing application, companies can dramatically reduce the costs of direct and indirect materials and services deep into their spending categories and supply base. By discovering, rewarding, and building closer relationships with the suppliers who best perform against mutually acceptable goals, buyers achieve numerous benefits.

- **Reduced purchase costs** — break down organizational silos to find lowest cost and best value suppliers for all goods and services representing a savings of 5-20%
- **Eliminate non-value** — add activities — reduce transaction costs, improving process efficiencies and reduce cycle times 25-30% for buyers and their suppliers
- **Competitive advantage** — sourcing focused on total cost of ownership, not just price, results in an enterprise that can outperform the competition
- **Better intelligence on corporate spend** — visibility to the complete procurement picture allows organizations to identify and prioritize savings opportunities
- **Lower risk to the supply** — professional buying equates to being professional in how suppliers are managed to ensure alignment with overall enterprise goals
- **Improve time-to-market** — achieve a 10-15% improvement by building stronger and longer lasting relationships with suppliers through a more collaborative and cost-effective process
- **Cost effectively liquidate obsolete and excess inventory** — use forward auction functionality to turn unneeded goods and equipment into working capital

**A FULL-FEATURED, CONFIGURABLE SOURCING SOLUTION**

The Epicor Sourcing solution is a highly configurable, Web-based framework that provides companies the flexibility to quickly and easily integrate strategic sourcing, dynamic pricing, collaboration and negotiation, and complex auctioning capabilities into their e-commerce and purchasing platforms.

Whether buying, selling, or sourcing direct and indirect materials, goods, services, or spot purchases, everything you need is here. Epicor Sourcing automates requests for information, quotes, or proposals, accelerating the process and helping negotiate the best value. Buyers evaluate suppliers on price and non-price parameters with weighted attribute eRFx. Streamlining the manual RFx process allows buyers to evaluate and select suppliers based on value to the organization.

Weighted attributes enable buyers to establish any number of attributes on which to gather and compare values from bidders. These fully configurable attributes allow for relative weighting of each attribute and associated response value. The complex algorithms required for quantitative scoring of responses are all handled by Sourcing.

#### **A WIN/WIN FOR BUYERS AND SUPPLIERS**

Strategic sourcing isn't about beating up suppliers for better prices. Although online competition can drive prices down, strategic sourcing endeavors to achieve successful long-term relationships and cost containment on both sides of the table. Epicor Sourcing provides a win/win for both buyers and suppliers.

Side-by-side comparisons of responses from multiple bidders make it easy for buyers to evaluate them and select a winner. The event scoreboard enables the buyer to make "split" awards, and optimize the award based on lower total costs and not just the best bid. This time-saving element promotes quicker, better-informed decisions.

Epicor Sourcing also provides graphical bid analysis. Bids from all participants are graphed in a dynamic, real-time display, giving the buyer a visual picture of an event's progress and success.

Organizations can define and maintain metrics of supplier performance. Supplier report cards help drive purchasing decisions and evaluate suppliers. Report cards are configurable based on user-defined parameters such as quality, responsiveness, delivery, and cost. Each parameter can then be weighted and scored.

Epicor Sourcing enables true online collaboration and negotiation with suppliers. With the solution, you can facilitate event creation and automate true cross-enterprise workflow. Information is disseminated throughout the organization and allows online negotiation between buyers and suppliers.

Sourcing facilitates the free-flow sharing of information, and creates an audit trail of messages that include text, images, and documents.

Based on Microsoft technology, Epicor Sourcing delivers user configurability with a high degree of customization, flexibility, and personalization, one that is completely configurable without any complex programming. This solution is designed for the business user and does not require teams of IT professionals to manage and operate.

Suppliers can quickly get on board with just an Internet connection and a Web browser.

Finally, Epicor Sourcing can run as a standalone application or can be fully integrated with Procurement based on the way you do business. Buyers can take a non-catalog requisition from Procurement, create a sourcing event and publish the winner back to Procurement without re-keying any information. This improves organizational efficiency and leverages opportunities for substantial cost savings and provides a win/win for both buyers and suppliers.

#### **EPICOR SOURCING JUMPSTART™ PROGRAM**

Epicor offers a JumpStart™ program that minimize the risk associated with purchasing an online sourcing solution. By providing unique one-shot, 30-day and 90-day "try and buy" options at fixed costs and little up-front investment, we believe that you will quickly see the strategic benefits that online sourcing can offer.

This innovative approach bundles Epicor Sourcing and essential services into an affordable, complete, and rapidly deployable sourcing solution, enabling buyers and suppliers to connect via the Internet and transact business efficiently online. Because the program is based on a proven implementation process, you'll be able to go live quickly, and you can run an unlimited number of events during the 30- and 60-day trial periods.

## Procurement

### **CONTROL SPENDING THROUGHOUT THE ENTERPRISE**

Chances are, your employees are throwing away money without even knowing it. With paper catalogs, supplier web sites, employees choosing their own suppliers, and a maze-like purchase order process, spending is difficult to control. Allowing end-users to create their own requisitions 24/7 from any location while improving purchasing controls may seem like a paradox, but not with Epicor Procurement.

With Epicor Procurement, requisitioners have access to approved catalogs with pre-negotiated items and prices. Buyers and CFOs can sleep better at night knowing that Procurement ensures organizational compliance to purchasing rules. The result is better control over who buys what and when with less work on everyone's part.

Epicor Procurement, a core component of the Epicor Supplier Relationship Management (SRM) Suite, handles direct procurement for raw materials as well as indirect procurement for administrative goods and services. It enforces the everyday purchasing rules for requisitions and approvals with simple, streamlined processes and employee self-service, freeing up buyers and others for more strategic tasks.

### **TWO KINDS OF SAVINGS**

Epicor Procurement enables organizations to deliver savings and ROI in two ways. First, savings come from spending less for the goods and services needed to operate and produce. Vendor consolidation and the reduction of "maverick" — or off-contract — spending make the biggest impact, followed by the automated enforcement of approval rules. Our customers have reported hard savings of 5-25% on key categories. Second, additional savings come from process efficiencies. Studies have shown a 73% reduction in the cost of creating and processing purchase orders by using electronic procurement.

### **ENABLING SUPPLIERS**

When procurement goes electronic, everybody saves, even suppliers. The exchange of electronic documents like catalogs, purchase orders, acknowledgements, and advanced ship notices makes each part of the process flow faster and with more accuracy. Epicor Procurement is designed to enable suppliers of all kinds with a variety of technical capabilities. From spreadsheet catalogs and faxed POs to email, XML, and EDI, we understand what suppliers can support.

Epicor Procurement supports importing supplier catalogs, maintaining them manually, or doing a Tap Out to a supplier's e-commerce site. Procurement can also synchronize to an internal inventory catalog allowing you to use current inventory as a first alternative to ordering from a supplier. But not everything needs to be in a catalog. Procurement also supports ordering non-catalog items by routing those requests to the appropriate buyer for sourcing.

Documents or files in any format can be attached to requisitions and line items to further specify details of items being purchased, even spreadsheets, pictures, and CAD drawings. Epicor Procurement's unique FreeForms feature allows an administrator to create HTML forms in any Web page authoring tool and publish them to Procurement. Procurement automatically creates the database tables and code necessary to interact with those forms in the procurement process.

**ADAPTABLE BUSINESS RULES**

The key to effective control is giving the right users access only to what they need to make smart purchasing decisions. Catalog and account code access can be granted to user groups with the requisite granularity. Automated approval routing is sophisticated yet simple to set up with a point-and-click interface — there's no coding or scripting required. The workflow engine supports hierarchical and rules-based routing as well as serial, parallel, and ad hoc routing paths. Real-time email integration facilitates a swift approval process that benefits requisitioners and approvers. And the ability to check budgets and outstanding commitments while entering and approving requisitions keeps everyone informed for predictable performance.

**FAMILIAR METAPHORS**

By now, the vast majority of today's business users are familiar with Web-based ordering applications that perform searches and create shopping baskets. Epicor Procurement's multi-parameter search engine helps requisitioners find just what they need quickly. Other time-savers like personalized favorites lists, saved shopping baskets, intelligent code defaults, and a one-click order copy feature make reorders a snap.

In short, Procurement's patently simple user interface and email-enabled workflow makes it easy for every user to "do the right thing."

**TIMING IS EVERYTHING**

When an automated system that's fast reaches every desktop and is controlled by organizational rules, everyone benefits. Gone are the time-wasting activities of "place, chase, and trace" that typified paper- or email-based processes. Procurement keeps track of everything, notifies users of tasks and status changes, and ensures that everyone plays by the rules. All that efficiency encourages compliance and user satisfaction.

But there's more than just speed to generate savings. The elimination of redundant data entry and clerical errors pays off in spades all the way through the process, from requisition to receipt and invoice matching.

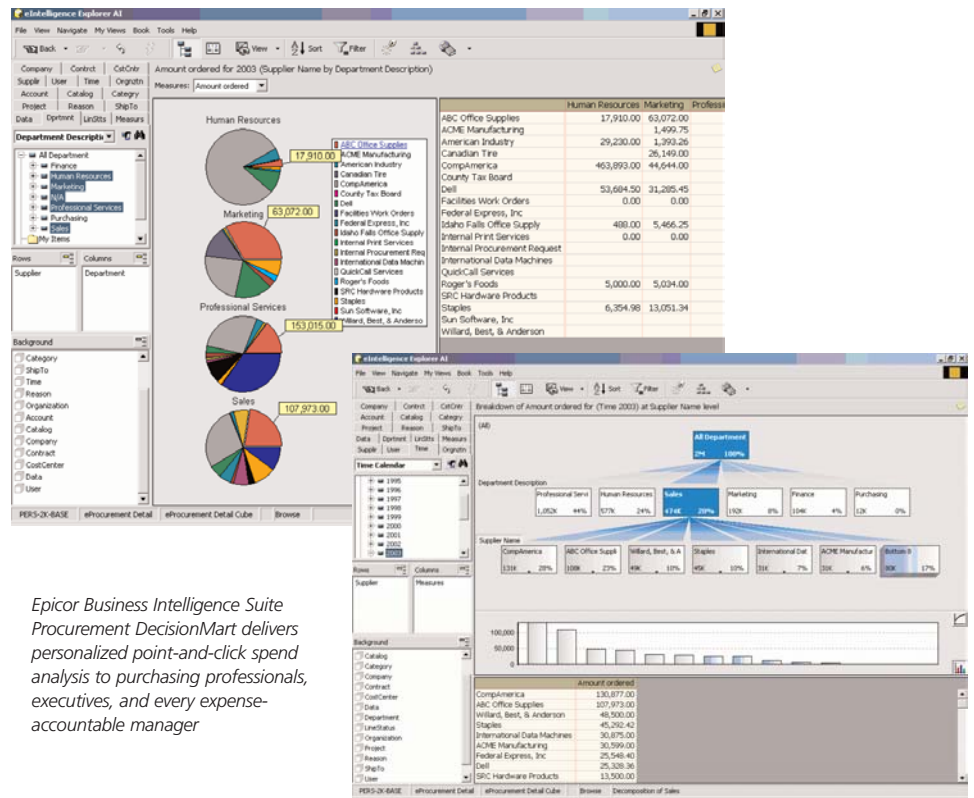
**INTEGRATION**

Epicor Procurement really shines when it is integrated to other systems, like general ledger, accounts payable, inventory, and human resources. Using Microsoft® BizTalk® Server as a messaging backbone, Procurement's own BizTalk Adapter handles the publication and subscription of documents in and out of the application for timely and labor-saving data synchronization. Using the latest XML and Web services technology, Procurement can integrate with Epicor or non-Epicor systems. Items in inventory, accounts in general ledger and receipts for accounts payable are just three of over a dozen out-of-the-box integration touchpoints that make Procurement the heart of a well-orchestrated "req to check" process.

**SPEND ANALYSIS**

When it comes to controlling expenditures, what you can't see can hurt you. And waiting until it hits the general ledger is too late. The Epicor Business Intelligence Suite includes Procurement DecisionMart, which lets you see everything that's happening in your procurement processes from every angle. Whether it involves internal processes, supplier performance, aggregated or detailed spending information, you will know now what's working and where there is opportunity for improvement.

Spend analysis is an important component of cost containment using Supplier Relationship Management (SRM) solutions. It is the basis for continual monitoring and improvement of procurement practices and supplier performance.



*Epicor Business Intelligence Suite Procurement DecisionMart delivers personalized point-and-click spend analysis to purchasing professionals, executives, and every expense-accountable manager*

### So Many Questions

How many supplier relationships do we have? Are they all necessary? What overlap is there? Can we benefit from consolidation and national contracts? Are there business cases for maintaining regional suppliers? What is our spend by commodity? Is it changing over time? Do our internal purchasing processes support the needs of the business? Are we wasting time or money anywhere? These are questions that all astute purchasing executives are asking. To answer them effectively, data must be gathered and analyzed in a consolidated, holistic view of the enterprise's spending.

### One Simple Answer

Epicor Procurement DecisionMart. Procurement DecisionMart, along with Epicor Explorer AI, is a packaged application for analyzing corporate purchases. Out of the box, it delivers dozens of key performance indicators (KPIs) and dozens of dimensions by which to analyze them. The intuitive user interface provides personalized views and alerts for everything critical to managing supplier relationships, controlling spend, and improving internal procurement processes.

Procurement professionals, executives, and every expense-accountable manager benefit from the wealth of information at their fingertips. The user interface helps guide them to important trends and exceptional results. Users easily create bar charts, pie charts, line graphs, and tables that can be combined in personalized "briefing books." Drilling up or down pre-summarized data allows speed-of-thought discovery. And the unique decomposition tree view simplifies pareto analysis, encouraging an "80/20" approach to focusing a decision maker's time.

From CRM through SRM, Epicor has fully integrated end-to-end solutions for your business, providing unprecedented value chain execution capability from your prospects and customers to your suppliers.

DETAILED FEATURES

SOURCING

**Key Features**

- Electronic RFx functionality
- Weighted attributes
- Global spend analysis
- Auctioning
- Online collaboration and negotiation
- Integrates with eProcurement for spot buys
- Graphical bid analysis
- Supplier performance management
- Wireless capabilities

**Benefits**

- Reduced costs of goods and services
- Better supplier relationships
- Lower risk to the supplier
- Improved quality
- Maximize process efficiency and ROI
- Competitive advantage
- Improved time to market
- Better intelligence on corporate spend
- Foster new trading partner relationships

PROCUREMENT

**Key Features**

- Catalog options
- Rules-based workflow
- FreeForms and attachments
- Supplier interaction

**Benefits**

- Improved contract compliance
- Reduced "maverick" spending
- Spend aggregation
- Reduced transaction costs
- Improved supplier relationships
- Compressed cycle times
- Redeployment of staff

PROCUREMENT DECISIONSTORE

**Key Features**

- Multidimensional analysis
- Graphical views of performance
- Over 25 built-in key performance indicators and 30 dimensions

**Benefits**

- Better clarity and intelligence on spend
- Increased accountability
- Swift responsiveness organization-wide

Technology

Epicor SRM solutions deliver industry-proven performance and affordability on Microsoft® .NET Enterprise Servers, with a rich, browser-based user interface. Application integration and electronic commerce with trading partners can be done via e-mail, XML, CSV, and/or EDI.

Start Optimizing Your Supplier Relationships Today

For more information on how Epicor SRM can help you manage your supplier relationships, slash costs, gain speed, and perform predictably, contact your authorized Epicor Partner or call Epicor at 800-997-7528 (U.S. and Canada) or 949-585-3700 (international).



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