PayStream
ADVISORS

2015 eProcurement Report

Strategizing Spend With Electronic Procurement Software

Q4 2015 | Featuring insights on...

» Current Trends of Procurement Processes Among Organizations

» Features of Leading eProcurement Tools

» eProcurement Buyer's Checklist

Underwritten in part by

Expenzing

gep | saving is believing

PURIDIOM
Procurement Simplified. Results Guaranteed.

Contents

Introduction

As they move towards automating and enhancing Purchase-to-Pay processes, organizations often seek to improve processing times, costs, and compliance. Many businesses automate AP first, focusing on fixing problems that arise from inefficient processes, such as heavy paper invoice volume and frequent late payments. When automating procurement, however, organizations focus more on controlling spend at the front end through better purchasing visibility and control. With procurement automation initiatives, the task not only requires implementing a dynamic solution that fixes existing problems—it also involves changing internal habits, strategies, and attitudes around spend from the very beginning.

Optimized procurement acquires a product that best meets a business's needs of quality, time, quantity, and location—all at the best possible price. In contrast, a manual procurement process often involves employees selecting and purchasing indirect goods in a haphazard and unregulated manner, undermining the chance of optimized, efficient purchasing. Without an electronic system in place to apply purchasing controls on the front end, organizations often experience a great deal of rogue or inefficient spend. In addition, the absence of an electronic system to handle purchase orders (POs), goods receipts, and invoices often causes a communication breakdown between purchasing and AP.

eProcurement software reins in unregulated manual purchasing procedures, bringing all company spend into one controlled environment. These solutions allow staff to make educated and strategic buying decisions with built-in competitive pricing, clear product information, policy controls, budget integration, and purchase requisition approval workflows. The solutions also streamline processes for PO creation, order management, receipt and reconciliation, and integration with AP. In all, eProcurement does more than transfer manual processes to an online portal—it transforms a inefficient department into a strategic asset.

This research report explores the current market trends in procurement management and organizations' current use of eProcurement software. It offers a guide to the features and services available in eProcurement solutions, and provides adoption best practices to those organizations actively seeking an eProcurement tool.
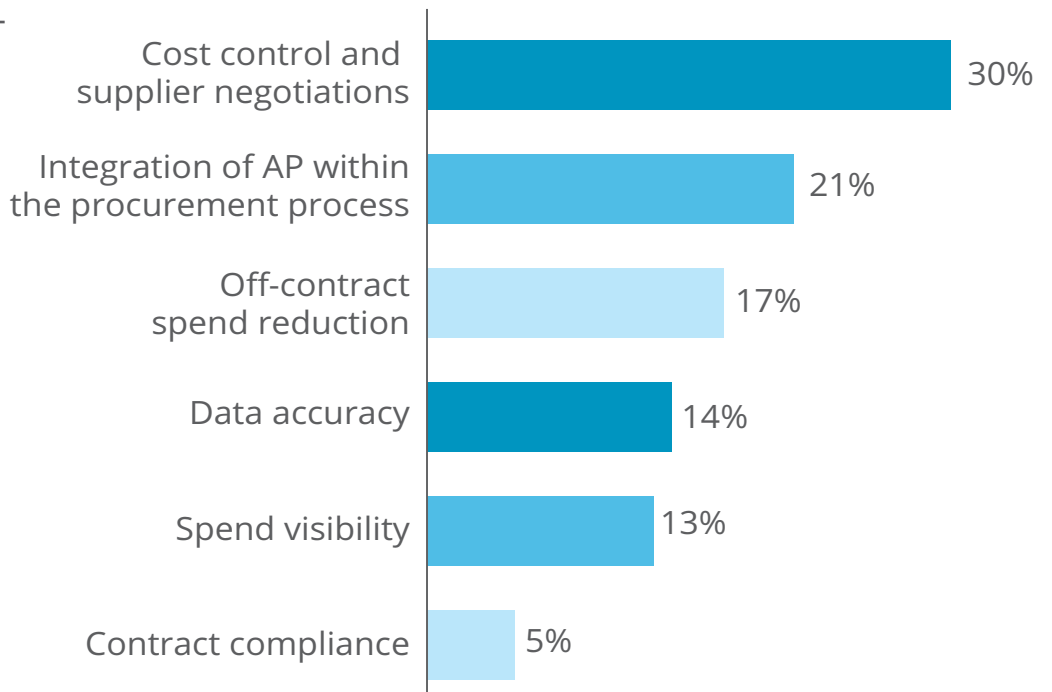
eProcurement Today

Today's procurement process involves coordinating many different components, such as budgeting, verifying product details, communicating with suppliers, creating competitive supplier agreements or contracts, monitoring order activity, maintaining proper receipt methods and reconciliation, and sending all transactional information to accounting and payments. As organizations struggle to balance these factors, many also face the general and overwhelming problem of simply controlling company spend.

In a recent survey, PayStream Advisors asked individuals employed in many different industries about their procurement activities. When asked where they would like to see substantial improvements in their organization, respondents most often identified cost control and supplier negotiations, integration with AP and procurement, and off-contract spend reduction, see Figure 1.

Figure 1

Most Organizations Want Greater Control Over Costs and Supplier Negotiations

"In what area would you like to see the greatest improvement to your procurement process?"

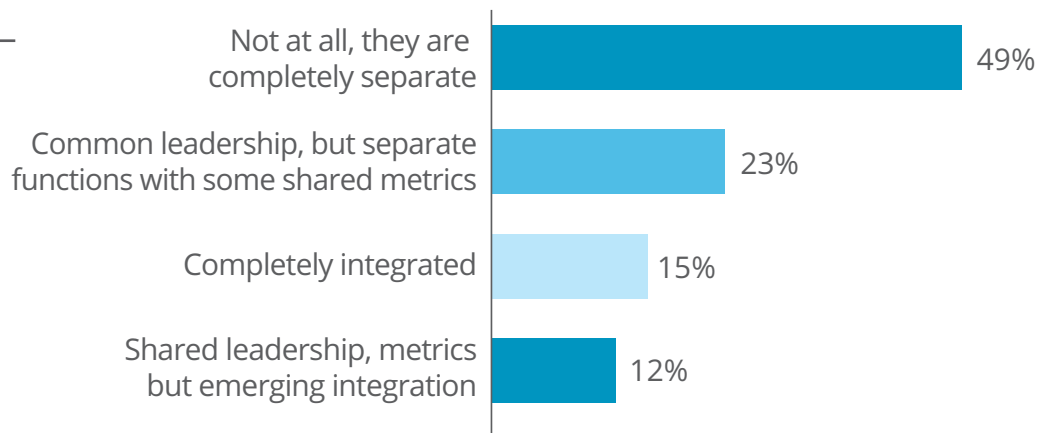|	
Cost control and supplier negotiations	30%
Integration of AP within the procurement process	21%
Off-contract spend reduction	17%
Data accuracy	14%
Spend visibility	13%
Contract compliance	5%

A third of organizations listed cost control and supplier negotiation as their top area for improvement. Organizations that struggle to negotiate competitive prices rarely have strong methods in place for collaborating with suppliers or maintaining supplier contracts. This results in inefficient spend through the purchase of items that have not been competitively priced.

The second greatest area for improvement was the connectivity between AP and procurement. PayStream's research shows that almost one-half of organizations are operating with separate AP and procurement departments, see Figure 2.

Figure 2

Most Organizations Have Little Integration Between Their AP and Procurement Processes

"How integrated are your Procurement and Accounts Payable functions?"

Not at all, they are completely separate	49%
Common leadership, but separate functions with some shared metrics	23%
Completely integrated	15%
Shared leadership, metrics but emerging integration	12%

A lack of coordination between AP and procurement usually means that purchase orders and goods receipts are not properly aligned with supplier invoices. This leads to delays and increased costs as staff struggle to gather and match documents, check for data accuracy, and communicate with suppliers about exceptions. The resulting late payments often damage supplier relationships, also causing those organizations to miss out on millions in early payment discounts. Internal and external communication is very important for successful P2P, but with siloed back-office operations, effective and consistent communication is nearly impossible to obtain.

Organizations also experience inefficient communication among their employees when it comes to purchasing. Administrators struggle to control how and where their employees are making purchases, or if they are purchasing in compliance with supplier contracts—often because they have little to no visibility into spend activity. They may also have poor visibility into supplier activity, which can affect the purpose and success of contracts. For example, a supplier may change the price of a contracted item without notifying the buyer, and the buyer may not catch the change before making a purchase. Maintaining accurate

data and visibility into spend are important factors in the procurement process, and a breakdown in these areas is one of the greatest causes of off-contract and out-of-budget purchasing.
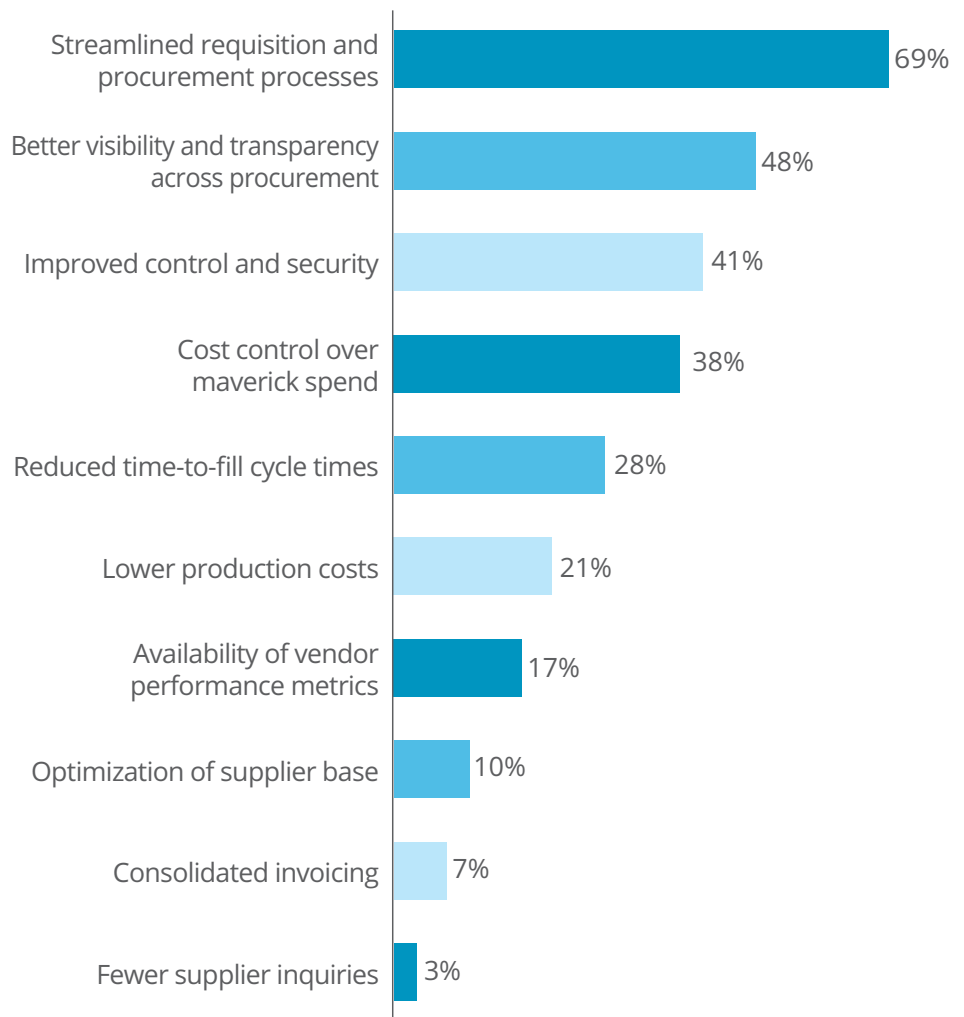
One of the best ways to control inefficient company spend is to enforce approvals for all purchasing activity. When purchase requisitions must be approved before a purchase order is issued, data accuracy and compliance is almost always maintained throughout the lifecycle of the transaction. However, this method is very difficult to implement or maintain with manual procurement processes.

PayStream's research shows that streamlining the requisition and PO process is one of the greatest reasons why organizations automate procurement, see Figure 3. Among organizations that have adopted an eProcurement solution, other top reasons include gaining better visibility, improving process control and security, and controlling maverick spend.

Figure 3

Most Organizations Use eProcurement to Streamline Reqisition and Procurement Process

"Please pick your top three reasons for implementing a Procurement automation solution."

| Reason	Percentage
Streamlined requisition and procurement processes	69%
Better visibility and transparency across procurement	48%
Improved control and security	41%
Cost control over maverick spend	38%
Reduced time-to-fill cycle times	28%
Lower production costs	21%
Availability of vendor performance metrics	17%
Optimization of supplier base	10%
Consolidated invoicing	7%
Fewer supplier inquiries	3%

eProcurement software fixes many of the issues in today's procurement processes through electronic requisition creation and approval workflows, integrated product catalogs, purchase order management, receipt and reconciliation, and AP integration. Unfortunately, many companies are not using this software, see Figure 4.

Figure 4

Most Organizations Do Not Use eProcurement Software

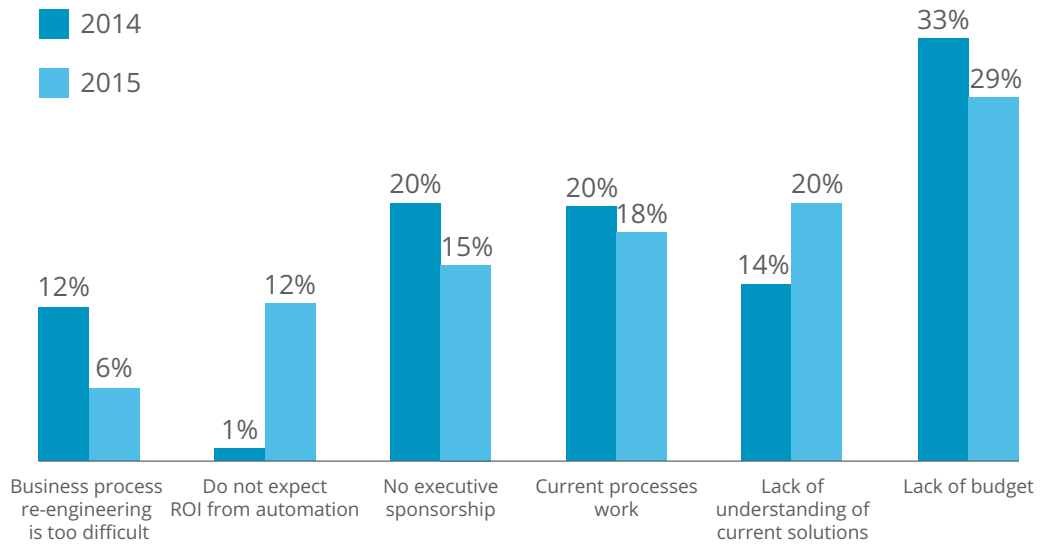*"Does your organization use an eProcurement solution?"*

No
Yes
34%
66%
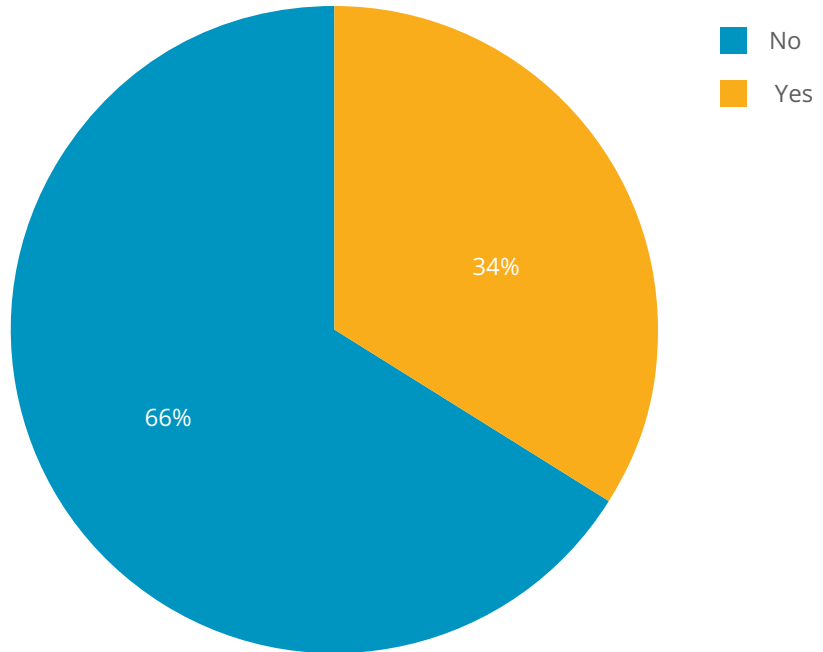
Among the common barriers to adoption are a lack of budget, a lack of understanding of current solutions, and the belief that current processes work, see Figure 5. However, the data variances between 2014 and 2015 also show that the attitude towards these solutions is changing. The belief that current processes work is decreasing, as is executives' reluctance to acknowledge the importance of the solution.

Figure 5

Greatest Barrier To eProcurement Adoption is a Lack of Budget

"What is the greatest barrier to procurement automation implementation in your organization?"

2014
2015

	Business process re-engineering is too difficult	Do not expect ROI from automation	No executive sponsorship	Current processes work	Lack of understanding of current solutions	Lack of budget
2014	12%	1%	20%	20%	14%	33%
2015	6%	12%	15%	18%	20%	29%

In addition, PayStream Advisors predicts that the "lack of budget" adoption barrier will become less relevant in the years to come as more organizations learn about the cost savings available with eProcurement software. The following section serves as a guide to the give these organizations a greater understanding of the value of current solutions.

eProcurement: Features and Benefits

An electronic procurement solution can integrate the handling of requisitions, POs, goods receipts, and invoices into one system, allowing users to view an entire process within a single interface. This grants them more visibility into process and transactional data, and combined with eProcurement software's comprehensive reporting tools, allows them to use that data strategically to enhance operations.

Requisition and Approval

An eProcurement solution allows organizations to control employee spend from the beginning by providing a purchase requisition creation and workflow tool. Users can search catalog for items they need and add them to a configurable requisition template, then send the completed requisition through a rules-based approval workflow. These templates often incorporate controls linked to company policies, budgeting, and inventory data. Built-in controls prevent rogue spend by flagging non-compliant purchases based on predetermined regulations, like price or vendor, before they are routed to the appropriate approver. Requisition tools also enable the user to access frequently purchased items, compare multiple products, and save favorite searches.

The system also provides multiple levels of approval workflow, which can be configured according to category of spend, dollar thresholds, business needs, geographical location, supplier categories, and other custom parameters. The workflow functionality often includes escalation procedures to ensure timely approval, out-of-office forwarding capability, and workload balancing for overwhelmed approvers.

Catalogs

Electronic catalogs function as online marketplaces that give users access to a variety of goods with extensive details and competitive pricing. Most eProcurement solutions include support for one or all of the following catalog types: static/hosted catalogs, external/punch-out catalogs, hybrid/advanced catalogs, and specialized catalogs. Many eProcurement systems are designed to provide more interactive, user-friendly shopping experiences in their catalog in order to compete with

sites like Amazon. Catalogs allow for requisitions and POs to be created from a catalog selection, but with more accuracy and compliance than manual, non-catalog requisitions, as they are integrated with supplier contracts and/or maintained by suppliers.

Hosted catalogs usually operate directly within the procurement solution. They categorize items according to preferred suppliers or item type, and require supplier registration and maintenance to ensure that product information, pricing, and shipping details are correct and clear. Punch-out catalogs are supplier-maintained catalogs that are hosted outside of the solution, but are integrated with the user's ERP in order to transfer purchasing information quickly back to the hosted system. An advanced catalog is usually a hybrid between hosted and punch-out catalogs. Specialized catalogs offer features that are more suitable for specific industries or needs, such as a catalog for laboratory products.

Purchase Order Management

After requisitions are approved, many solutions automatically create a PO from the requisition and transmit the order to suppliers. The order management functionality allows the organization to have full visibility into the status of the order throughout its fulfillment, and to communicate with suppliers regarding that order. Many solutions allow the user to batch multiple orders to a single supplier or send multiple POs to several different suppliers from a single requisition. Solutions may also support blanket orders and partial shipment orders, often updating contract terms or POs as the shipments come in. Some solutions allow suppliers to send advanced shipment notices when an order is ready for delivery.

Receiving and Reconciliation

Once an order has been received, eProcurement solutions allow a user to confirm the delivery and create a goods receipt for the shipment. The receipt is checked against the correlating PO in order to ensure that the right items and quantities have been received. Some solutions also support returns, or enable the user hold a payment for an item.

After receipt of goods, many solutions automatically flip the PO to an invoice for the supplier. The system can then match the PO, goods receipt, and invoice for reconciliation, and may also match against contracts. Some solutions include a summary report of the order with all related documents (requisition, PO, etc.) for reconciliation.

During reconciliation, the procurement solution integrates with a client's existing AP processing system, or forwards the invoice through its own AP module if applicable. An eProcurement solution allows for collaboration with many other financing departments in this process, including budgeting, compliance, treasury, and inventory. If an eProcurement solution features an AP module, the solution will most likely include invoice approval workflow, exception management, and connectivity to electronic payments tools.

Supplier Portal

Most eProcurement solutions come with advanced self-service supplier portals that enable communication and collaboration between buyers and their vendors. These portals allow suppliers to accept POs, send advanced shipment notices, check on the status of invoices and payments, and update their profile and payment information. Some solutions also allow suppliers to manage catalogs, choose how they want to receive their POs, and submit important legal, tax, and validation documents. Additionally, many portals also come with dispute management features that allow suppliers to send queries for current transactions and use an online dispute management help desk. In all, supplier portals promote strong and more strategic relationships between buyers and their business partners, as well as providing insight into the value of each relationship.

Reporting and Analytics

As an organization works to make efficient, controlled, and competitive purchasing decisions, it must take into consideration various spend analytics such as cost benefits, cost utilities, price fluctuations, and vendor performance trends. Analytical capabilities allow managers to examine spend at various levels, including type of expense, employer department, and region. It also gives them important insight into their budge, helping companies control and prevent rogue spend.

eProcurement reporting functionality often features out-of-the-box report templates, as well as the ability to generate custom queries and reports. Some solutions also offer benchmarking services. The most advanced eProcurement solutions include configurable dashboards that allow users to have key reports and graphs on spend activity readily available, and also provide the ability to view POs and active invoices for approval. These dashboards sometimes include graphical reporting and analytics widgets and tables, so that users can see relevant information about process times, budgets, or suppliers as soon as they log in.

A Buyer's Guide to eProcurement

An eProcurement solution allows a business to select the most suitable goods or services at the best possible prices. This section presents important steps to help organizations select an eProcurement system within those same parameters. When selecting an eProcurement solution, organizations should:

» **Develop a purchasing strategy:** Not every solution fits with every organization, as company size, industry, and unique business processes and requirements can greatly affect a solution's suitability. Companies should develop a sound selection checklist so that they can choose a provider that complements their own internal strategies and business needs. The best solution does not have to be the most sophisticated or costly—it should be the one that reflects an organization's overall business strategy.

» **Look at a variety of providers:** Size should not be the deciding factor in choosing a solution; a smaller solution provider may be able to help with more specific organizational problems than a larger organization due to its smaller team and more personalized customer support. It is also important to explore innovative options—many solutions are taking bold steps to revolutionize their software's design and techniques in ways that are foreign to professionals more familiar with older solution models. While a solution may sometimes look unfamiliar, the ways in which it could help a company's performance can be just as groundbreaking as its new layout.

» **Look at the numbers**: It's important to look beyond the initial ticket price of a solution. Organizations should consider the total cost of ownership for the solution, which includes implementation and integration costs, change management costs, ease of use, and its scalability. They should compare these costs against the potential savings they will gain by reining in maverick spend, reducing processing times, and speeding up payments. To help calculate the total cost of ownership (TCO), PayStream has created an easy-to-use TCO calculator that can be accessed via the PayStream Advisors website. This tool is free to use, and can help an organization decide which model is the most cost-effective for their needs.

» **Build an internal change movement:** For an automation overhaul to reach full success, especially with eProcurement solutions, the entire organization must be in agreement about the value, need, and primary use of the software. Although it is important that procurement, AR, and AP professionals be on board—as they will have the most contact with the software—it is vital that senior management also be optimistic and enthusiastic about the new system. Gaining corporate buy-in is the surest way of creating a successful automation initiative. Those pushing for a new software should present a carefully-created plan for implementation, as well as highlighting the long-term benefits of the solution in both hard and soft costs.

In all, eProcurement solutions brings spend into one unified, transparent system, and allows organizations to make strategic buying decisions that improve their profitability. The following profiles summarize the offerings of a few leading eProcurement software providers.

Expenzing

Expenzing is a software firm specializing in supplier relationship management and expense management solutions for medium and large enterprises. The company strives to offer products that combine financial controls with ease of use. The Expenzing P2P suite is a full-featured cloud-based platform for procurement automation from requisition initiation through vendor payment. This suite includes a supplier invoice portal and solutions for supplier management, procurement, invoice authorization, accounting, and payments. Expenzing customers can choose to use individual modules or the fully integrated P2P automation suite.

Founded	1999
Headquarters	Mumbai, India
Other Locations	Delhi, Bangalore (India)
Number of Employees	Undisclosed
Number of Customers	Undisclosed
Target Verticals	Cross-industry product, with current customers from BFSI, Manufacturing, Media & Entertainment, Pharma, Retail, FMCG, and more.
Awards/Recognitions	IBM Best ISV award

Solution Functionality

Expenzing/s P2P software fits well into the IT environment of most organizations. The solution integrates with most ERPs, including SAP, Oracle, JDE, and MS Dynamics. The solution also integrates with customers' directory services for authentication and HR systems for employee data. Expenzing supports mobile device use with native applications for Android, Windows Mobile, and iOS.

Requisition and Approval

End users can search for items in an online catalog and create purchase requisitions for approval. Purchase requisition templates are customizable and can be designed to include custom fields, such as a field for specifying cost allocations. There is also a quick-creation tool called Easy PR, which enables a user to create a requisition in three easy steps.

When procuring items for a requisition and PO, Expenzing's rate card controls indicate the prices for items and services from a specific supplier, location, and/or time period. These controls come into play during the initial PO creation, operating much like a supplier contract. The solution features optional budgetary controls that can be defined and applied to requisition creation, as well as to the PO and invoice. The budgeting module handles access rights, cost-center allocations, and flexible time periods for budgeting.

Expenzing's Approval Desk facilitates timely authorizations. The approval workflow for purchase requisitions is based on Expenzing's rules-based Workflow Configurator engine. Workflows can be customized for the various combinations of departments or cost centers, expense types, and limit amounts. Expenzing maintains an audit trail of the approval cycle throughout each transaction. The solution allows users to change the approver when the current approver is unavailable, delegate approvals for upcoming out-of-office time, and set up deviation workflows if any rule is not met. The solution also supports workload balancing for over-burdened employees through pre-defined workflow rules and/or temporary re-delegation.

Users can also approve items from their mobile devices using the Mail Approval tool. This allows an approver to authorize a purchase requisition or a purchase order from within the notification email itself, accessed through their mobile device's email client.

Purchase Order Management

The Procurement Desk facilitates timely PO creation. Upon purchase requisition approval, a PO is automatically generated in the system in PDF format and sent to supplier. The system can batch together multiple requisitions into a single PO, or one requisition can be split up into many POs. In addition, the solution offers blanket PO functionality—it will match partial shipments against physical POs and rate cards, and will track partial shipments through the goods received note.

Expenzing allows its users to authorize supplier payment advances, sending those advances through the approval workflow engine before they are sanctioned. Advances given at the time of procurement are settled as soon as an invoice reaches the AP department.

Expenzing's Purchase Order management functionality goes beyond indirect supplies to also cover rent and legal contracts. The system

acts as a repository and offers tracking for payments, timelines, and compliance. The solution allows users to allocate rental contract payments across different cost centers and to multiple landlords, and it includes reminders to ensure timely review and renewal of both rental and legal contracts.

Supplier Portal

Expenzing's self-service supplier portal is integrated with the full P2P system. The supplier can use the portal to submit invoices, track the status of invoices, and gain visibility into payments.

Receiving and Reconciliation

Once an order has been received, Expenzing offers a Goods Received Note (GRN) feature that allows buying organizations to track items delivered against the PO. Reconciliation includes a detailed visibility report of all documents applied to the order (requisition, PO, goods receipt, invoice). The solution allows for 2- and 3-way matching, as well as contract matching by PO or Rate Card. It also allows the client to set controls that specify which orders require a 2- or a 3-way match.

During the invoice approval process, Expenzing provides a due diligence checklist tool for processing invoices, allowing the user to run through a set of questions applicable to the invoice type before it is accepted or payment is issued. For example, the procurement team can specify that, a) the latest copy of a statutory certificate must be validated, and b) the diversity status must be checked, and c) early payment discounts should be identified, before processing any invoice. The Invoice Scrutinizer feature enforces and flags situations that need a more thorough checking. Throughout the invoice approval process, users have access to a Query Tool that facilitates an online dialogue with department heads or approvers on any supplier invoice. All dialogues are saved for future auditing.

Expenzing also offers a versatile tax engine that can be configured for any country for both applicable taxes and withholding taxes. The tax engine provides for invoice line-level tax applicability, where the tax rate on one line could vary from that on another line.

Reporting and Analytics

The reporting module includes graphical reports and dashboards, as well as an interactive report builder. The reporting features that best aid eProcurement processes include Monthly Trend Analysis, Top 25 Spends, and Top 25 Vendors Chart reports. The solution also comes with audit trails and features for every process, and facilitates the SOX (Sarbanes Oxley) framework in the system. In addition, the Expenzing suite has been successfully audited for vulnerability assessment and penetration testing.

Implementation and Pricing

Expenzing has two different implementation strategies for businesses of different sizes: the Express Methodology and the Enterprise Methodology. The Express implementation can be completed in less than a week for mid-size organizations, whereas the Enterprise Methodology takes 1-2 months. The company offers a train-the-trainer approach for company training during implementation, as well as change management services upon request. After implementation, clients have access to support through a customer service desk.

The company offers its cloud model with a pay-per-use subscription fee, coupled with one-time implementation fees.

GEP

GEP is a procurement technology developer with over 15 years of experience in deploying Purchase-to-Pay and Source-to-Settle solutions. With its P2P/S2S platform, SMART by GEP®, GEP has made it possible for all tasks in the purchasing and payables processes to be carried out in one system and from any device. The SMART by GEP platform includes solutions for spend management, procurement, sourcing, contract management, order management, supplier self-service, and invoice processing. Each component of the platform can easily integrate with clients' existing systems, or can be deployed as a standalone product.

Founded	1999
Headquarters	Clark, New Jersey
Other Locations	London, Prague, Mumbai, Shanghai
Number of Employees	1400
Number of Customers	180
Target Verticals	All verticals
Awards/Recognitions	Top supplier, 2015 EPIC Procurement Excellence Awards; HfS Blueprint, Winner's Circle; Supply & Demand Chain Executive Magazine, Top 100; Everest Group's PEAK Matrix for Procurement, Star Performer

Solution Functionality

SMART by GEP is a highly secure, cloud-based procurement platform hosted on the Microsoft Azure, and GEP uses a web-based methodology to integrate with its customers' third-party systems. The solution is mobile-enabled and works on any browser or platform.

To ensure data security, customer data is segregated and stored securely at all times, and the system prevents data leaks or access by third parties through consistent auditing and monitoring. All security measures and data transmission meet SSL and HTTPS protocols, and data is backed up on a daily, weekly, and/or monthly basis.

Requisition and Approval

SMART by GEP's procurement offering covers requisitioning, PO management, receiving, and reconciliation. The solution features many types of purchasing catalogs, including punch-out, supplier-hosted, managed, and internal (buyer-managed). GEP will also manage internal catalogs upon request, and provides QA and oversight as additional services.

Requisitions can be sent for bidding to GEP's sourcing solution if the buyer decides that more savings can be gained for a particular order. In addition, the buyer can use templates and "frequently-purchased" lists to shorten and streamline the ordering process. The solution also offers a direct connection between catalogs and its contract management solution, offering a 'flip-to' function to ensure compliant buying. This tracks each line item to the contract for compliance monitoring and utilization.

The solution includes multi-variable and multi-stage requisition approval workflows, with failover, delegation, and escalation controls. These workflows can be configured to the client's preference for each individual business unit, country, and tax regime.

Purchase Order Management

Purchase requisitions are flipped into orders upon approval, and the POs can then be processed through additional workflows, if necessary. POs are submitted to the suppliers directly through the SMART by GEP portal or through direct integration with supplier systems.

SMART by GEP supports blanket POs, which can be capped to a particular time frame and/or amount. Various release order(s) can be issued against the blanket until the thresholds have been reached. Partial shipments can be received once the order has been acknowledged, and the system will track ordered versus accepted quantities.

Users can track the process and approval flow of orders at all times, and the system will prompt users with notifications of the progress of all relevant documents.

Supplier Portal

SMART by GEP includes a global supplier network that connects suppliers to the platform's entire P2P offerings, as well as a robust set of supplier self-service and B2B collaboration tools. Suppliers can receive orders and flip POs to invoices, check payment statuses, and create shipping notices. Other services include profile management, certificate management, procurement catalog information management, and the ability to complete forms and performance scorecards.

Receiving and Reconciliation

SMART by GEP's reconciliation feature allows users to confirm order receipts, automatically generating an actual goods receipt according to pre-defined rules/thresholds. The system also supports partial receipts, lets users accept a few items while placing others on hold, and automatically creates return notes for all items that are not accepted.

Suppliers can flip orders into invoices, and SMART by GEP identifies any exceptions before sending the documents through the approval workflow. GEP's platform and invoice reconciliation solution conduct field-level matching based on business rules, and include automatic re-routing of incorrect invoices back to suppliers. The solution's matching function can handle requisition, order, delivery note, receipt, and invoice matches. The platform also provides compliance tools to match invoices to contracted prices. Invoice approvals feature the same capabilities as requisition approval, with workflows that can be based on invoice sign-off limits, invoice amount, category, business unit, and other thresholds.

Reporting and Analytics

SMART by GEP is built upon a data warehouse model for reporting and dashboards, providing the end user with access to all data across the procurement landscape. Its reporting services include dashboards and drag-and-drop, ad-hoc reporting functionality that allow users to create reports based on any parameter captured within the system. Users can create custom reports, which can then be added to the dashboard, viewed in graphical format, exported in multiple file formats, and scheduled at a desired frequency. The SMART by GEP

Implementation and Pricing

Implementation of SMART by GEP includes customization to the client's business processes and robust customer support to drive end-user adoption. During the implementation and pre-production phases, GEP provides detailed training divided into three parts: system overview training, screen navigation, and functionality training. These are offered both on-site and remotely via web conferences. Post-implementation, GEP provides phone and web-based support. GEP's global customer support staff is based out of three regions (US, Europe, and APAC) and is available 24/5.

SMART by GEP is an annual subscription-based service priced on a function-by-function basis, largely according to the number of users of each function for each year of the contract. The different factors considered for pricing include number and type of users, interface languages, contract and template configuration requirement, and support services.

Puridiom

Puridiom is a provider of comprehensive Purchase-to-Pay software and services. The solution is easy to use, promotes self-service and best practice strategies, and offers full, auditable control over any spend category with support for multiple account allocations. In addition, the solution's role and rule-based configuration engine can be customized to address industry-specific challenges and requirements.

Founded	1983
Headquarters	Mechanicsburg, PA
Other Locations	San Jose, CA; Arequipa, Peru; Mumbai, India
Number of Employees	48
Number of Customers	150+
Target Verticals	Puridiom supports over 15 different vertical markets, including Insurance, Financial, Entertainment, Non-Profit, Health Services.
Partners/Resellers	Thakral One Aegis Global SunGard Informatica
Awards/Recognitions	SDCE Top 100; SDCE Pros to Know

Solution Functionality

Puridiom's solution is offered on a web-based technology infrastructure with multiple deployment platforms: cloud SaaS, on-premise, or a hybrid model. Puridiom's integration tools allow for both real-time and post-transaction data exchange through a variety of methods, including web services (XML-based) and APIs, flat file connectors (e.g., CSV, TAB delimited), native SQL, or by using third-party middleware. Puridiom can be accessed from any web browser or through native iOS and Android applications.

Puridiom uses industry best-practice security measures, including data transmissions encrypted using SSL technology, role-based administrative access to sections and processes of the application, password management criteria, encryption of sensitive data using key-based algorithm, and detailed transactional audit history.

Requisition and Approval

Puridiom supports non-standard items, internal catalogs, punch-out catalogs, and advanced catalogs. Clients can limit access to catalogs based on multiple criteria (e.g., users, departments, regions), and certain fields can be locked to ensure the integrity of the catalog data. All catalogs can be associated with contracts and maintain contract pricing, along with multiple price breaks. When new catalog content is updated, business validation rules will check to ensure completeness and accuracy of data, as well as flag items for which changes have occurred.

Puridiom's advanced catalog features a direct integration with Informatica's business catalog solution. This tool provides a single-point search of both internal and external catalogs using an advanced intelligent search engine. Advanced features include shopping lists, synonym searching, unique item attribute matching and filtering, side-by-side comparison, and a smart form builder for gathering additional data elements related to an item. The advance catalog also includes optional catalog intelligence that allows for evaluation and analysis of catalog item activity.

Once a purchase request passes validation, it is automatically routed to the appropriate approvers based on approval criteria and pre-defined business rules. All requests pending approval can be approved directly from an email notification, the approver queue on the dashboard, or via mobile devices. Approvers can check budgets along the way to ensure that funds are available and users are authorized to charge against that budget. Approval reminders and auto-escalation rules help to avoid bottlenecks in the approval workflow.

Purchase Order Management

Once a request is fully approved, it is automatically converted to a Purchase Order. The PO can be split into multiple orders by supplier or consolidated into a single order to reduce the number of transactions to be tracked and managed. Scheduling and auto-generation rules can be defined for each supplier, and POs can be delivered to suppliers in a variety of methods, including email, fax, cXML, or EDI. In addition, orders are posted online and accessible to suppliers via Puridiom's supplier portal.

Puridiom supports blanket orders. The standard blanket orders are defined for a period of time with a not-to-exceed (NTE) dollar amount, and can be associated with catalogs to ensure order and pricing

compliance. Releases against these blanket orders can be initiated according to a schedule, by an end user, or automatically created from a supplier's invoice. All releases are tracked back against the Blanket Order providing current spend and balance information.

Supplier Portal

Puridiom's Supplier Portal enables suppliers to register and complete pre-qualification information for review and approval, maintain profile information, exchange electronic documents (e.g., W9, Certificate of Insurance), and submit catalog item content data. Suppliers can also review order details and status, acknowledge orders and provide advanced shipping information, participate in sourcing events, submit electronic invoices, and flip POs into invoices.

Receiving and Reconciliation

Puridiom's receiving support gives end users, original requesters, or warehouse personnel the ability to acknowledge receipt of goods within the Puridiom system. This applies both for orders received in their entirety and for partial shipments. For partial receipts, the system maintains pending balances and updates the statuses of procurement transactions appropriately. For inventory-related items, receiving personnel have the opportunity to identify the warehouse bin location for storage of the items, which will automatically update the inventory's quantity on hand. The system also supports adjustments and returns, allowing authorized personnel to make corrections or initiate returns of items to suppliers.

The solution facilitates communication with a client's AP department to confirm the receipt of goods and to pass along any invoice matching exceptions and payment detail information. If invoices are submitted using Puridiom's AP module or through the supplier portal, Puridiom can automatically perform 2- or 3-way matching of line item data using details from the order, receipt, and/or invoice voucher transactions. Any exceptions are quickly identified and presented based on system-defined settings and business rules. Unmatched invoices can be placed in disposition queues for resolution or routed for approvals.

For contract matching, Puridiom's business validation rules automatically check against contracted catalogs to ensure that proper pricing is being used and invoiced. Unmatched invoices can be rejected and returned to suppliers, providing them with an instruction notification to resubmit the invoice with correct pricing.

Reporting and Analytics

Puridiom provides standard, out-of-the-box reports, graphs and dashboard features, and industry benchmarking. Standard reports include transactional, cycle time, performance, audit, financial, and spend analytical reports. All reports allow for multiple filters to be applied and support multiple output formats (Excel, PDF, CSV, and HTML). Each report can be scheduled for immediate, future, or repetitive action, wherein the report results are automatically sent to defined users via email.

Implementation and Pricing

Puridiom implementations take an average of three months, while cloud multi-tenant implementation can be completed within one month. Puridiom provides administrative and user training focusing on the user's business role within the organization, and training sessions are a combination of on-site, classroom-style training and online live webinars.

Puridiom provides online help desk support run by fully-trained Puridiom technicians. Help desk support is available from 8 AM to 8 PM EST, Monday through Friday, with 24-hour support services available as a premium option. For cloud deployments, technical infrastructure support is provided 24x7.

Puridiom's pricing structure includes of a one-time implementation fee, a recurring subscription fee, and ancillary fees for any add-on services, such as Business Process Outsourcing, Supplier Enablement, or Supplier Enrichment Data services.

About PayStream Advisors

PayStream Advisors is a technology research and consulting firm that improves the way companies plan, evaluate, and select emerging technologies to achieve their business objectives. PayStream Advisors assists clients in sorting through the growing complexities of IT applications related to business process automation with the goal of making objective, analytical, and actionable recommendations. Wherever business process automation technology is an issue, PayStream Advisors is there to help. For more information, call (704) 523-7357 or visit us on the web at www.paystreamadvisors.com.