

E2open Purchase Order Collaboration






Transformation of the Procure-to-Pay Process for Direct Materials

Managing the progress of purchase orders (POs) for direct materials components is often difficult and laborious for procurement teams. **E2open's Purchase Order Collaboration application** automates and streamlines end-to-end order management processes, regardless of the organization's level of technology maturity. Companies can increase productivity, reduce transactional costs and improve supplier on-time deliveries through process automation, collaboration with suppliers and flexible workflows.






Global manufacturers purchase direct materials from hundreds or even thousands of suppliers, generating millions of POs per year using enterprise resource planning (ERP) systems. However, because POs typically go to suppliers via spreadsheets or PDF documents, manufacturers almost immediately lose visibility into the status of each PO and when the goods will actually arrive. Frequent changes to POs that were already submitted compound the visibility problem, leaving manufacturers without the ability to plan for or respond to potential last-minute disruptions in supply.

One of E2open's Supply Management intelligent applications, E2open Purchase Order Collaboration provides end-to-end, real-time visibility and management capabilities across POs, shipments, receipts and invoices. Buyers can collaborate with suppliers to address any changes and ensure that the right product gets delivered at the right time. Trading partners benefit from the automation of order management, particularly the complete transaction history that provides a single version of the truth to help avoid miscommunication. The result is a streamlined procure-to-pay process that benefits all parties by reducing network inventory, expediting the delivery of goods and improving productivity.

KEY FEATURES

-  Automated handling of changes recommended by MRP runs, including expedite, de-expedite and cancellations
-  Robust collaborative business processes for managing discrete orders, blanket orders, blanket releases, scheduling agreements, shipments, receipts and invoices
-  Centralized governance of the entire purchase order process for all suppliers
-  Flexible workflow management to identify exceptions and enable automated decision-making
-  Rich supplier network where partners are easy to onboard if they are not already present

KEY BENEFITS

-  20-30% increase in productivity due to automation
-  10-20% improvement in supplier on-time deliveries through order error reduction
-  Improved supply assurance resulting from standardized direct material PO processes
-  Increased productivity for buyers through the use of an automated and predictable procure-to-pay process
-  Improved resiliency due to brand owners' and suppliers' increased ability to quickly respond to order changes

Collaborative Order Management

E2open Purchase Order Collaboration enables companies to establish robust collaborative business processes for managing discrete orders, blanket orders, blanket releases, scheduling agreements, shipments, receipts and invoices. Automation and collaboration bring efficiency to what was traditionally a labor-intensive and time-consuming activity.

Systematic Management of Purchase Order Changes

Companies face continually shifting demand and supply dynamics and must frequently run material requirements planning (MRP) analyses as a result. These analyses convert the demand for finished goods into the demand for the components of those goods. Buyers spend a significant amount of time reviewing PO changes after each MRP run and try to balance demand with supply by performing PO expedites (pull-ins), de-expedites (push-outs) and cancellations. The application addresses these issues with configurable rules that let buyers automatically approve or reject MRP recommendations, reducing the supplier errors that result from PO changes.

Productivity Improvements and Cost Savings Through Automation

Planners deal with a large number of POs and regularly spend about half of their time trying to discover through manual effort which POs have problems and how to resolve them. E2open's exception-based procure-to-pay system enables planners to process their entire set of orders along with all the areas that have gaps, such as mismatches between order and shipment quantities. The increase in planner productivity that results from gaining comprehensive visibility early in the process lowers operating expenses dramatically.

Increased Supply Assurance Through Centralized Process Governance

Brand owners can use the application to apply industry standards for data governance, archiving and version control for documents they exchange with suppliers.

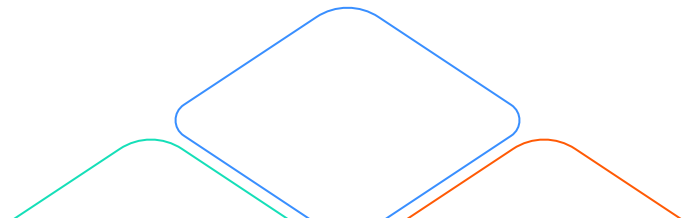
The system standardizes supplier communications regardless of size or geography throughout the entire order lifecycle, improving brand-owner visibility and process control across all tiers. Brand owners can govern the end-to-end process from a single, centralized location and verify that the supply they need is available when they need it.

Streamlined Decision-Making With Flexible Workflows

The application's flexible workflow capabilities enable brand owners to digitally recreate all their physical supply chain processes across multiple tiers. Each brand owner onboards its suppliers into the E2open network, ensuring that all transactional data flows in and out of one place. The application correlates data coming in from various sources in the network to identify exceptions and alerts the brand owner with an analysis of the impact of any changes. The ability to automate decisions and collaborate with suppliers throughout the entire process dramatically improves planner productivity.

End-to-End Supply Chain Management Platform

Once an organization implements any E2open platform application, it is easy to add more capabilities in the future for better visibility, coordination and control over the end-to-end supply chain. The E2open platform creates a digital representation of the internal — and optionally external — network, connects internal ERP and financial systems using SAP® and Oracle® certified adapters for timely data feeds, and normalizes and cleanses the data to make it decision-grade. Using machine learning-enabled algorithms and supply chain management applications, the platform processes the data and provides bi-directional, closed-loop communications back to ERP systems for execution. This facilitates the evolution of supply chain processes towards true convergence of end-to-end planning and execution.



Automating and streamlining the procure-to-pay process eliminates labor-intensive workflows and manual reconciliation, increasing productivity and driving new efficiencies.

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