

3D Spend Analytics Services

Analysis of business process master file and transaction data

Business process payments streams are becoming increasingly complex and are resulting in data integrity issues.

These trends often result in many challenges for business leaders, including:

- ▶ Business process inefficiencies and increased costs
- ▶ Missed opportunities to identify process control improvements and risks
- ▶ Additional decision-making risks
- ▶ Business and regulatory compliance risks

Assess, improve and monitor business process performance

3D Spend Analytics Services is an integrated suite of data analysis methods, software and services designed to find hidden value in business data stream patterns and irregularities. This solution leverages the extensive inventory of EY businesses' process knowledge, hundreds of proven analytics and a service delivery team with hands-on experience in data acquisition, validation and analysis.

3D Spend Analytics Services provides a broad management package consisting of over 100 analytics and supporting analysis narratives that:

- ▶ Profiles transaction data to identify integrity issues, anomalies, irregular activities and policy compliance issues
- ▶ Generates key performance indicators to monitor business process effectiveness and efficiency
- ▶ Identifies opportunities to enhance the quality, quantity and timeliness of information available to management
- ▶ Displays results in an interactive analysis dashboard that helps users to view and manipulate analysis results for ad hoc follow-up research

3D Spend Analytics Services solution benefits

- ▶ Make quality spend decisions and identify areas for improvement based on data and analytics
- ▶ Break down data silos across your organization to make better-informed business decisions
- ▶ Deliver improved quality, quantity and timeliness of information
- ▶ Understand your company's spending at a high level, and drill deeply into the data
- ▶ Gain a real-time, holistic view of disparate spend data to identify strengths and weaknesses
- ▶ Discover patterns, hidden value, redundancies and irregularities in your A/P, payroll, employee expenses
- ▶ Predict and better manage operating costs, which in turn helps to positively impact your bottom line

Key functionality

Solution components	Solution features
Custom tests	<ul style="list-style-type: none">▶ Assess compliance with business process policy and procedures▶ Identify unique business process improvement opportunities
Standard tests	<ul style="list-style-type: none">▶ Assess integrity of transaction and master file data▶ Generate key performance indicators▶ Identify potential system and control weaknesses, irregular activities▶ Identify business process improvement and cash recovery opportunities
Analytics dashboard	<ul style="list-style-type: none">▶ Organize standard/custom test results for user review during workshop▶ Provide search and filter capabilities▶ Support users to create/save custom views
Observations worksheet	<ul style="list-style-type: none">▶ Identify both strengths and weaknesses in business processes▶ Include details for all standard and custom tests<ul style="list-style-type: none">▶ Test design▶ Objectives (s)▶ Results▶ Observations and analysis
Executive summary	<ul style="list-style-type: none">▶ Outline key findings for further review and consideration<ul style="list-style-type: none">▶ Master file data integrity findings▶ Transactional data findings and potential irregular activities▶ Additional opportunities to improve business processes▶ Suggested next steps

EY 3D Spend Analytics in action: Payment stream optimization opportunities

The client is a large multinational investment bank and financial services company, a global leader in advising people, institutions and governments to raise, manage and distribute capital. The client had data integrity and quality concerns that were detected during an audit of its multibillion dollar AP payment stream that gave rise to potential irregular and fraudulent activities.

Client challenges

The client wanted to address the following issues identified during an audit:

- ▶ History of payment problems: inadequate AP reconciliation, large number of supplier credit notes and/or adjustments to invoices and payments, uncleared dollars in bank or creditor reconciliations
- ▶ Suspicion of irregular activity and or decentralized purchasing system

Client benefits

- ▶ Identified opportunities to detect and decrease risks due to process and control weaknesses, potential irregularities, errors and inefficiencies
- ▶ Uncovered US\$208m in potential recovery opportunities by identifying duplicate payments and employees who have abused the system
- ▶ Identified 150 data integrity items by thorough clean-up of master vendors/employees files and policy compliance issues
- ▶ Discovered saving opportunities by setting up better terms from suppliers: US\$49m volume discounts and millions in enhanced float management

EY and Microsoft: Your Digital World. Realized.

The digital technologies that are impacting your business today – social, mobile, analytics and cloud – are rapidly expanding to create new employee and customer experiences, fundamentally changing how your organization works, interacts and competes. The EY and Microsoft alliance combines EY deep insights and experience in disruptive industry trends, new business models and evolving processes with Microsoft's scalable, enterprise cloud platform and digital technologies. EY and Microsoft can help accelerate digital transformation with advanced solutions that support enterprise strategy, transform customer and workforce experiences, create new, data-driven business models, build intelligent, automated operations and bring confidence that these innovative solutions are secure, compliant and trusted. Together, we can help accelerate digital strategy and amplify your business performance to thrive in a digital world.

For more information, visit: ey.com/Microsoft.

Contact information

EY contact:



John Bloniarz
3D Spend Analytics Service
Global Offering Leader
Ernst & Young LLP
john.bloniarz@ey.com

Microsoft contact:



Jodi Lustgarten
Microsoft Alliance Director
Microsoft Corporation
jodise@microsoft.com

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.



EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2021 Ernst & Young LLP.
All Rights Reserved.

US SCORE no.
Document reference no.

EYG no. 010909-21Gbl

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com