

VMware Seeks Innovation and Savings Outside of the Box with Workday Strategic Sourcing

VMware has a culture of continuous innovation, a refusal to compromise on "good enough," and a vision to build a best-in-class sourcing function. But, to partner with the business more effectively and meet aggressive savings targets, the VMware Strategic Sourcing team had to look beyond their inflexible legacy tools. Their team was struggling with a legacy platform that was hard to use and frustrating for the business. In their words, "adoption was painful," and they had very little visibility into what projects were going to market, where processes were breaking down, or where they were missing out on savings opportunities.

Challenges

VMware's Global Sourcing team manages around \$2B in spend annually, but due to the inflexibility of their legacy sourcing tools, both team members and their business stakeholders were working around the system. The result of this low adoption was an opaque, manual process that prevented leadership and team members from finding real opportunities to exceed their savings targets.

There were a few key challenges the team faced if they wanted to truly build a best-in-class team. First and foremost, they had to solve the adoption problem:

"We had abysmal adoption of the legacy tool," said Kellee Garcia, Center of Excellence Manager, Global Strategic Sourcing. "The system we had fell into the category of a tool that's big because it's an incumbent, but not because of its ease of use."

As a direct result of this, the VMware team found that the "ROI of their legacy tool was relatively nonexistent." And for a team that prides itself on its ability to never compromise on the path to improving the business, this simply wasn't good enough. They needed a better solution.

Why Workday Strategic Sourcing

The VMware team set out on an exhaustive search to find a sourcing platform that could drive their end-to-end process. From project intake to pipeline management, sourcing events to auctions, they sought the tool that could provide the best "hands-on experience" for sourcing teams and stakeholders alike. More than that, Workday Strategic Sourcing is bringing financial dividends to the team and the overall operation. "We're no longer leaving money on the table."



mware[®]

Overview

- Serving over 500,000 customers globally including 100% of Fortune 500 companies
- Ecosystem of over 75,000 partners

Workday Applications

· Workday Strategic Sourcing

Results

Simplifying the Sourcing Process

Today, the global sourcing team at VMware and their business stakeholders are using Workday Strategic Sourcing to drive RFPs, auctions, and planning processes on a daily basis. It's become the pipeline hub for the sourcing organization. And even better, they haven't had to spend any money or headcount on administration and customization—a key benefit over their prior solution.

The business is pleased, too. Noted Garcia, "Our stakeholders are pleasantly surprised. They're used to cumbersome tools, but are delighted by the simplicity of Workday Strategic Sourcing." Part of the value to the team is the self-service nature of the platform. Not only can stakeholders quickly kick off a request, but they have instant access to project status, milestone information, and a way to get collaborative answers, fast.

Central Sourcing Hub

Workday Strategic Sourcing provides a single, central source of truth across VMware's global sourcing activities. And not only is the team equipped to increase their utilization of the tool and the overall volume of sourcing events, their internal satisfaction ratings with the tool have significantly increased since Workday Strategic Sourcing was deployed.

On the reporting side, "one thing we recognized due to the ability to customize fields and obtain up-to-date, real-time reporting was that we have doubled the number of the projects taken to market via Workday Strategic Sourcing compared to the legacy solution," Kellee realized.

What's next for Kellee and the VMware Global Sourcing team? "We're looking at ways we can use Workday Strategic Sourcing in new processes, and in new ways. We now have the capacity to serve more teams across the organization and identify new opportunities to save - and drive the business forward," she says. "Not only is Workday Strategic Sourcing intuitive enough for anyone at VMware to accomplish things independently, its flexibility gives my team the power to drive real change."



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