

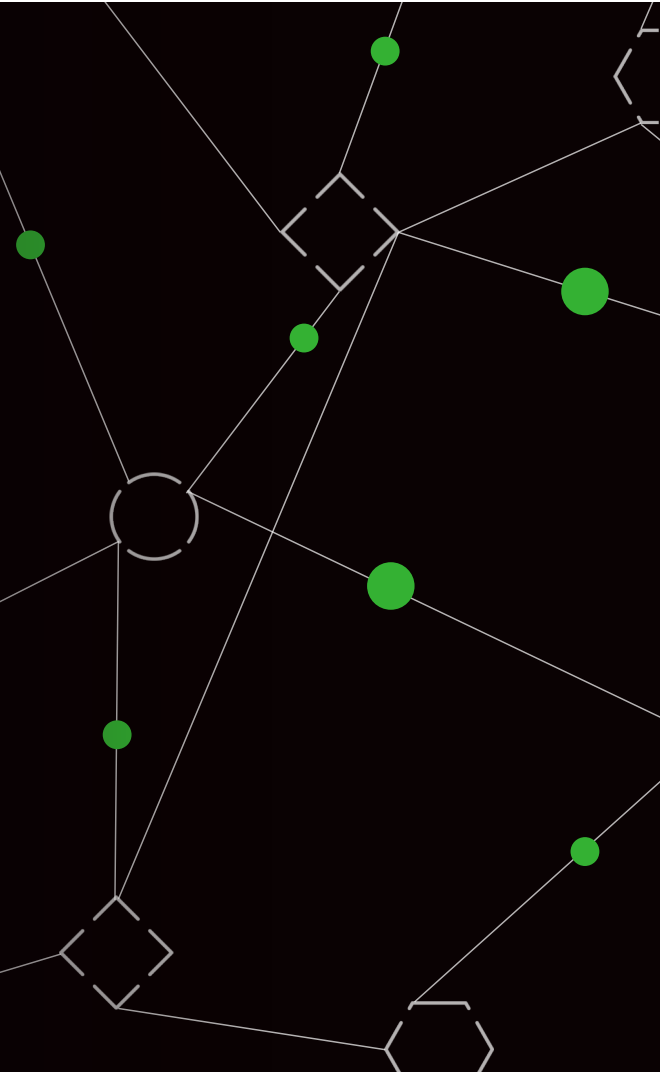
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*Australia*

# The Top 7 Points of Rebate Failure (and how to overcome them)

**Chris Hutchins**

CEO | Profectus Group



# About | + a small disclaimer



## **Profectus Group**

Est. 2001

Extraordinary Compliance & Analytical Solutions



## **Chris Hutchins**

Est. 1979

CEO 2020+

# The *Tsunami of Mistakes* is building | It will only get worse :(

1. Employees are more distracted than ever<sup>1</sup>
2. Millennialisation of the workforce<sup>2</sup>
3. Transparency of opportunities
4. Transparency of talent
5. Layers of complexity added (ERP systems etc)
6. Broken business processes
7. McKinsey & Co study suggests S2P error rates of up to 3.5%<sup>3</sup>

<sup>1</sup> Johann Hari: Stolen Focus Why You Can't Pay Attention, 2021

<sup>2</sup> Gallup: Millennials: The Job-Hopping Generation + How Millennials Want to Work and Live, 2016

<sup>3</sup> McKinsey & Co: A road map for digitizing source-to-pay, 2017

# The Top 7 Rebate Points of Failure

# Beginning Without The End In Mind



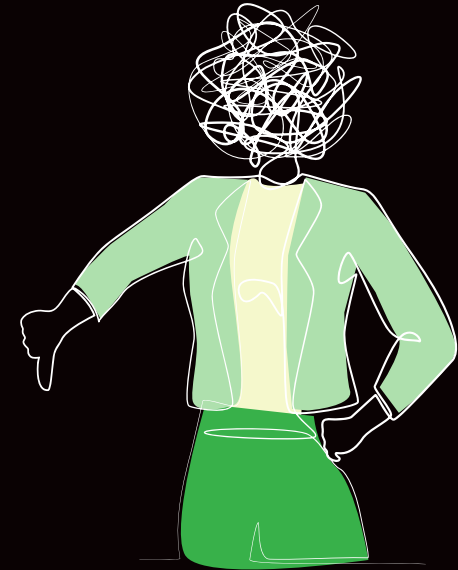


# Vendor Data is The Source of Truth



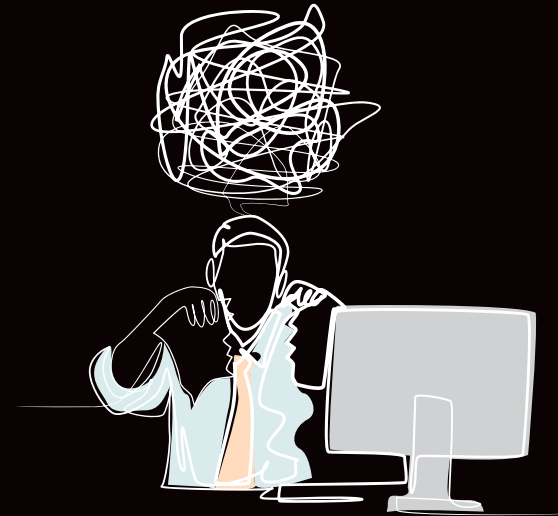
# 5

## Loose Agreement Design





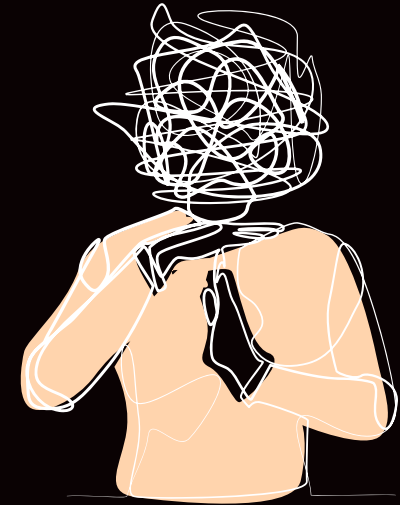
# Agreements Are Too Complex







# Agreement Storage Anarchy!



# 2

## No Actual, or Invalid Agreement

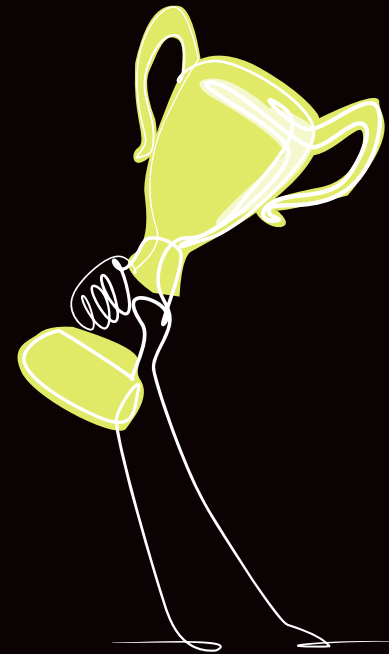


# Manual Tracking of Rebates



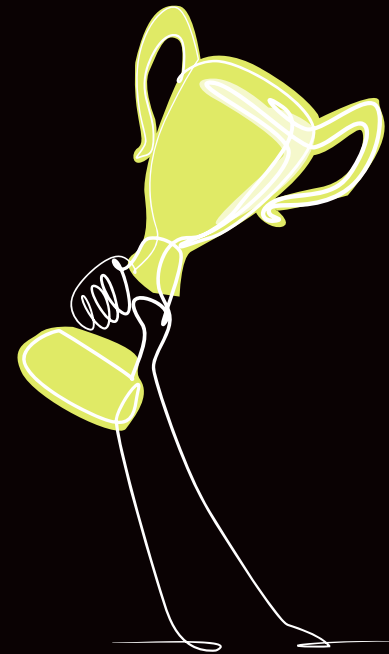
## The 7 Golden Rules | For the things that you can control!

1. Begin with the end in mind; what is your Rebate program trying to achieve? Be clear on this before you start
2. Ensure that the Source of Truth for your calculations has integrity, even if it is provided by your vendors
3. Create Agreements that cover today, *and* tomorrow; e.g. new products, geographies, circumstances
4. Make Agreements that are practical and pragmatic, that don't try to boil the ocean or solve every problem



## The 7 Golden Rules | For the things that you can control!

5. Give your Agreements and Rebate programs sunlight, oxygen and attention, not a life condemned to the bottom drawer
6. Make sure Rebate Agreements are executed by both parties and have valid parameters (dates, times, areas...)
7. Create corporate knowledge, integration and financial flow by investing in a system to manage your Rebates (do not build your own!)



**Thank you!**



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