

Fewer than 20% of CFOs view procurement affecting competitiveness

CPOs and CFOs are on the same page, but speak a different language

Princeton, NJ, USA - December 11, 2007 - Less than 20% of CFOs consider the work of CPOs and their staff as having a very positive impact on competitiveness, revealed a new benchmark report by Aberdeen, a Harte-Hanks Company (NYSE:HHS), part underwritten by Zycus. It also revealed that of the 11.9% of average annual identified savings only 3.2% actually gets booked i.e. a fall in 73% from identification to realization! The communication gap between the procurement and finance departments has emerged as the single most serious challenge in procurement's ability to deliver savings to the enterprise highlighted the report based on a survey of over 500 finance professionals.

The findings of the survey underlines Zycus' product vision that the Finance department & Top Management should be a stakeholder in every spend management initiative. The spend management approach should also be in line with the company objectives in order to establish executive support.

Zycus' Spend Management solutions help procurement departments of Global 2000 companies identify, manage and track savings opportunities through an intuitive and objective driven process akin to a sales funnel in CRM and highlight these to the enterprise leadership (including the CFO) thus ensuring greater buy-in and greater chances of realized savings.

Says Aatish Dedhia, CEO, Zycus Inc., "It has been a long established fact for Zycus that no Enterprise Spend Management initiative is complete without the partnership of the Finance Department and executive support. Enterprise leadership is a very important user for all our Spend Management solutions. Zycus helps simplify procurement operating metrics into meaningful and actionable information for the CFO".

"Finance and procurement are natural allies in the battle for bottom-line growth," notes Andrew Bartolini, Vice President of Global Supply Management research at Aberdeen, "Neither department can stake claim to operational excellence without a relationship that promotes open communication, visibility, and precise alignment on goals and objectives."

Other Findings:

- Procurement executives continue to have issues getting on the Chief Financial Officers (CFOs) agenda, leaving procurement's expansive transformation incomplete.
- On an average, only 46% of CFOs feel that the procurement team has contributed to enterprise growth, while just 57% feel that procurement contributes to enterprise profitability.

Aberdeen's new research recommends that enterprises encourage improved communication between finance and procurement, beginning with the definition of a "common language" between the two groups. By creating uniform metrics and aligning departmental performance objectives, CFOs and CPOs can fill the communication gap and create strategic alignment.

Zycus is pleased to make a complimentary copy of this must read report for CFOs & CPOs available to the public at <http://www.aberdeen.com/link/sponsor.asp?spid=30410356&cid=4202>

About Zycus

Zycus is the world's leading provider of automated Spend Analysis solutions to Global 1000 companies. With proven spend management deployments across the globe, Zycus' Actionable Spend Analysis solution, comprising AutoClass and Actionable Analytics, combines cutting-edge technology and domain expertise to enable superior year-on-year savings and greater compliance through easy-to-use, transparent, process-driven spend analysis. Zycus' solutions integrate with leading ERP and Datawarehouse applications and are available in Behind-The-Firewall (BTF) and Software-as-a-Service (SaaS) modes.

For more information about Zycus and its solutions please write to solutions@zycus.com or log onto <http://www.zycus.com>

About Aberdeen Group, a Harte-Hanks Company

Aberdeen is a leading provider of fact-based research and market intelligence that delivers demonstrable results. Having benchmarked more than 30,000 companies in the past two years, Aberdeen is uniquely positioned to educate users to action: driving market awareness, creating demand, enabling sales, and delivering meaningful return-on-investment analysis. As the trusted advisor to the global technology markets, corporations turn to Aberdeen™ for insights that drive decisions.

As a Harte-Hanks Company, Aberdeen plays a key role of putting content in context for the global direct and targeted marketing company. Aberdeen's analytical and independent view of the "customer optimization" process of Harte-Hanks (Information - Opportunity - Insight - Engagement - Interaction) extends the client value and accentuates the strategic role Harte-Hanks brings to the market. For additional information, visit Aberdeen <http://www.aberdeen.com> or call (617) 723-7890, or to learn more about Harte-Hanks, call (800) 456-9748 or go to <http://www.harte-hanks.com>.

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