XOOMWORKS PROCUREMENT

It's time to face your e-invoicing fears

What does it take to become e-invoice enabled? Many businesses may have already created their business case and spent a considerable amount on a P2P implementation that simply doesn't deliver. But fear of the system being rejected by staff and suppliers, lack of technical support and no visualisation of the business case, all play a part in the lack of e-invoicing uptake.

We have already helped our customers achieve some impressive results ranging from 70% to 90% e-invoicing by invoice volume.

4 reasons why you should use e-invoicing

Increased efficiency and reduced operating costs

Efficient e-invoice enabled AP functions can process as many as four times as many invoices per person and reduces the risk of incorrect data entry. It can also free AP resources to focus on more value-add activities such as working capital management.

Improved supplier relationships

With traditional paper-based invoicing, many suppliers struggle to track the progress of their invoice and when it will be paid.

But with e-invoicing, suppliers can easily submit and track their invoices. Invoice processing times will be vastly reduced giving the buying organisation more control over payment. Payment on-time can lead to better supplier relationships.

Better working capital management

Early payment discounts can be obtained from the accelerated payment cycle provided by e-invoicing providing more control over payment time and freed-up resources.

Reduced environmental impact

Less paper means a lower carbon footprint which not only improves company image but also provides a cost saving through reduced storage requirements.

Greater cost savings with all the increased efficiencies and reduced operating and storage costs, there is scope for significant cost savings for e-invoicing.

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ENGAGING PEOPLE

How to successfully enable your suppliers

Prioritise suppliers for enablement

A clear strategy, tested communications and a support plan are required to minimise resource costs and to prioritise suppliers for enablement. There may be costs that need to be passed onto the buyer, such as for enabling invoice automation on high volume transactions or for portal usage on lower volume transactions.

Ensure top down executive sponsorship

Without executive sponsorship and the support and direction of your top team, you're unlikely to succeed.

Establish clear guidelines

Have a transparent approach when designing supplier on-boarding to ensure supplier enablement happens in a structured and pre-defined way.

Structure the team correctly

Structure your internal resources to ensure effective supplier enablement. We recommend two different but complementary skilled teams.

Have a clear escalation process

Your escalation process should be clear for when problems arise, such as resistance to change, incorrect contact details or lack of supplier response.

Enhance productivity by segregating supplier data

Manage your risk by adopting a different approach to on-boarding according to supplier profiles and thus maximise your productivity.

Have a regular data cleanse plan

Ensure you have the most up-to-date supplier information details before your supplier enablement launch.

Collaborate for better supplier engagement

Communication and buy-in will be key:
- Promote the benefits to the supplier
- Use your company branding in your communications and if possible, have it sent from a senior executive

- Provide supplier training materials for use of the e-invoicing platform
- Offer training sessions for your suppliers.

Engage procurement early on

Your procurement teams can help by adding an e-invoicing clause to new and existing supplier contracts and by managing any commercial discussions.

Plan for Accounts Payable (AP) engagement

AP processes and required skill sets will change. Plan for these modifications with effective change management and the involvement of HR.

Continually monitor and measuring progress

Put KPIs in place from the outset and assess them on a regular basis to demonstrate progress and help identify any possible areas for concern.

So What Next?

Review your business case with your KPIs to identify targeted savings. From there think about how you will gain executive sponsorship and project funding.

We'll work with you to offer as much or as little assistance as required, to enable as many suppliers as possible to transact with the system at the appropriate level. The goal is to ensure that maximum efficiencies are achieved through your P2P investment.

One-Day Assessment:

We can help you develop your business case and scope out your project, giving advice on how to secure funding and executive sponsorship. We offer a one-day assessment workshop aimed at reviewing your invoicing processes and making key recommendations on how you can use digitisation to improve your e-invoicing outcomes.

From your supplier management processes through leveraging your digital payment mechanisms, we'll understand your challenges and recommend simple, cost effective solutions. Our services include:

Planning: Review of supplier data with timelines and recommendations on which suppliers should be allocated to each enablement path and priorities

Delivery: Recommendations for activities to be undertaken to on board suitable suppliers through proactive enablement

Ongoing Supplier Support: Support using Coupa, Ariba and other technologies, as well as via our supplier service desk and new supplier enablement.

Who we've helped

PHILIP MORRIS INTERNATIONAL

DIAGEO

About Xoomworks

Xoomworks is a niche consultancy and outsourcing company that specialises in procurement. Based in UK and Europe, we are a team comprised of technical, business and behavioural consultants, and senior procurement experts. Our complete procurement proposition addresses both the mechanics and behaviours of procurement that drive the greatest value for organisations.

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