docprocess

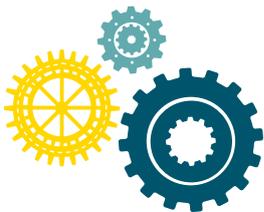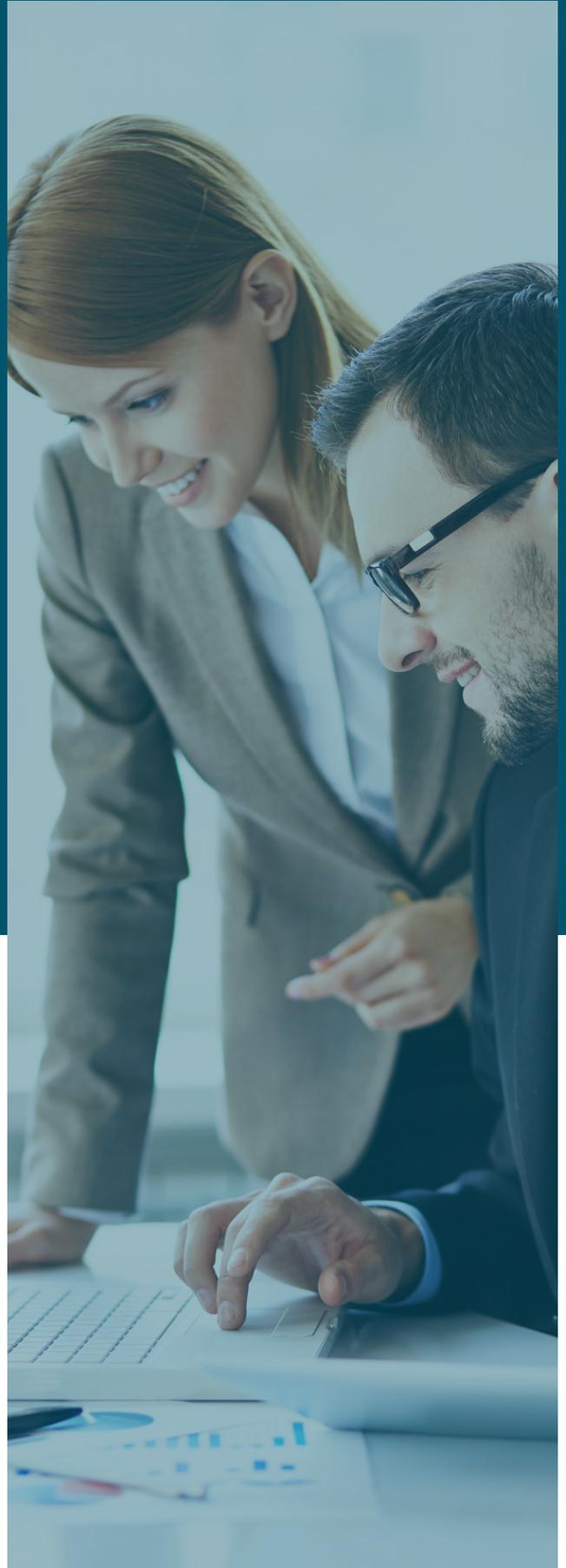# TWENTY
QUESTIONS
TO ASK YOUR
P2P
PROVIDER

before
automating your
business processes

SUMMARY

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What you should look for

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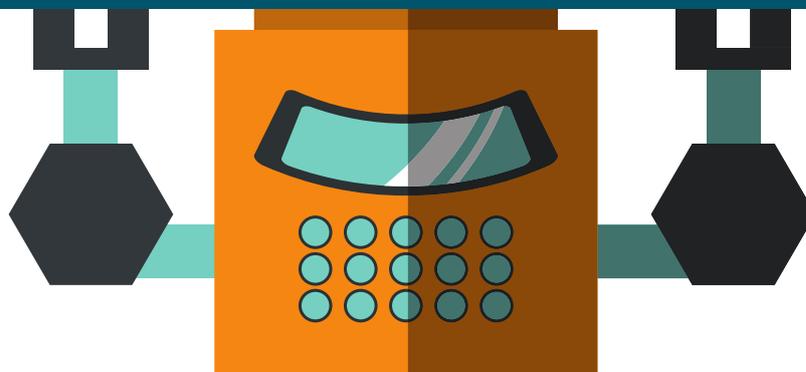- What about Analytics?

4.Growth
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The DocProcess Offer

What is P2P Automation and Why do You Need It?

Purchase-to-pay, also known as Procure-to-pay, or simply P2P, is the process in which a business inquires, orders, gets invoiced, and then pays for goods or services from its partners or suppliers. This sounds simple, but, depending on the size and complexity of your business, it can quickly drain your resources.

P2P includes creating a purchase order, receiving the goods or services, analyzing and reconciling invoices, sending payments, and entering them into the accounting system. Those last steps also bear the name of "Accounts Payable", but we'll get to that later on.
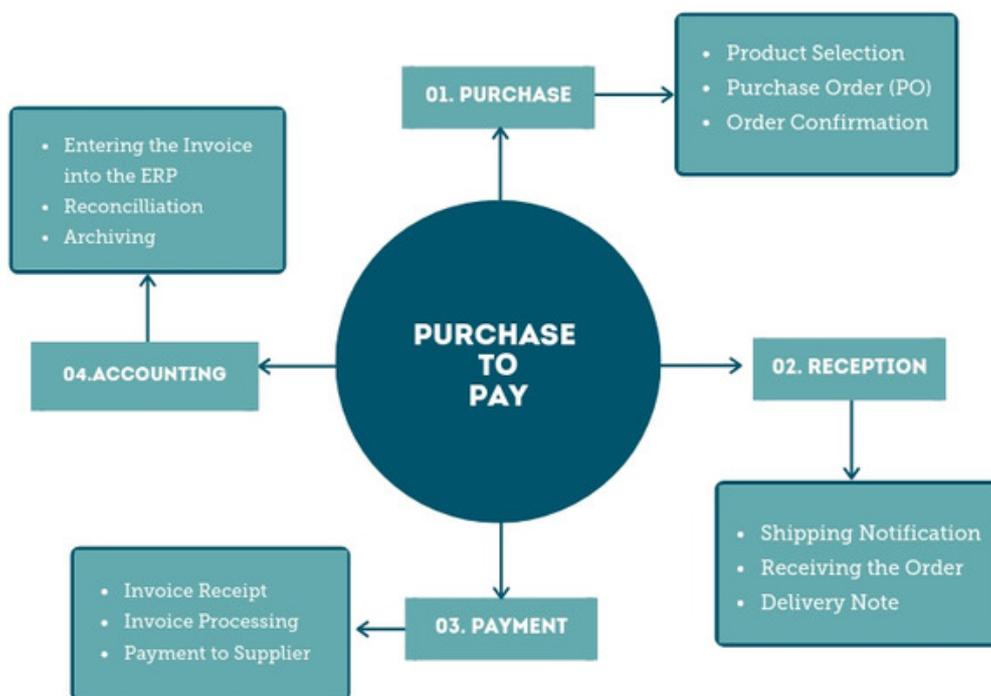
To put it bluntly: P2P is a lot of hassle and a mountain of paperwork! But it's also vital to your organization.

There is some good news, though: you can automate it! P2P automation systems free your company of paperwork and repetitive tasks by connecting purchasing and invoicing operations. This way, accountants, buyers, procurement department, invoice controllers, tax specialists, and treasury managers will have more time to focus on valuable tasks.

If you're not so much a buyer, as you are a supplier, the same systems can easily automate your O2C (Order-to-Cash) flow, which is a supplier's version of P2P. So, how do you choose such a P2P automation provider?

What You Should Look For

Regardless of your platform, an automation solution should increase your business process efficiency, free employees of manual work, prevent errors, save costs and ensure financial visibility. Automation's final goal should be to streamline your workflow and make the transition to touchless processing, a stage where human intervention is no longer needed.

A lot of P2P automation providers can tick all these boxes on paper, but can they really hold to their promise? To help you, we've established five performance categories, as well as the questions that can help you make a decision.

1. Technological Capabilities

Does Automation Require Your Company to Change?

An automation platform should enhance your infrastructure, not change it. Such a platform should have both its own interface, but also the ability to connect to your existing software. Therefore, the first thing you should ask is if the solution is compatible with your current setup. Does it require additional apps, integrations, and IT infrastructure? Are there hidden implementation costs?

This also means that your platform should provide document exchange that is compatible to all online and offline formats, as well as all standards and protocols. Proprietary formats can be a pain because no supplier will ever embrace proprietary formats from all of its buyers!

Does the Platform Require Extensive IT Knowledge?

In today's world, "low code" and "no code" platforms are no longer the future, but a standard. This is why, when choosing a P2P automation provider, you should thoroughly inquire about the necessity of IT knowledge, whether at set-up or later on in production.
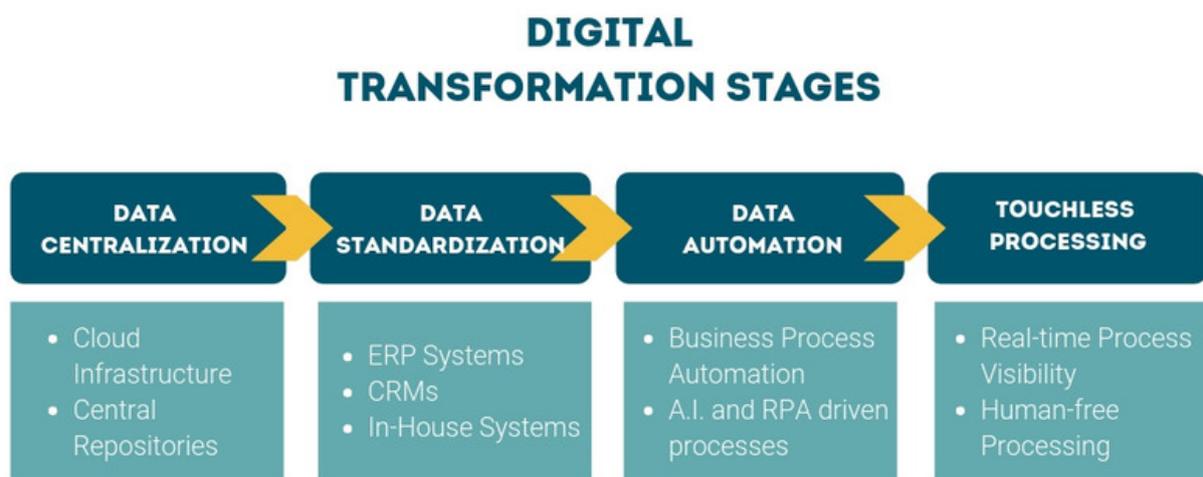
Bear in mind that some automation platforms might actually require an in-house IT specialist that will have to be hired or trained extensively! This is why cloud-based platforms that offer managed services are usually the better solution in such circumstances. They're quick to implement, easy to use, and can be accessed from multiple locations and devices.

1. Technological Capabilities

Does Your Platform Provide True Automation?

This might sound redundant, but the truth is that scanning, storing, and sending documents to your partners is a large part of the process, but it's not really automation.

Your documents should also be checked for errors, enriched with additional data, automatically validated and stored, while configurable rules for these processes should be the standard, not a bonus. In other words, both the transfer process and the approval chain should be human-free!

DIGITAL TRANSFORMATION STAGES

DATA CENTRALIZATION	DATA STANDARDIZATION	DATA AUTOMATION	TOUCHLESS PROCESSING
• Cloud Infrastructure • Central Repositories	• ERP Systems • CRMs • In-House Systems	• Business Process Automation • A.I. and RPA driven processes	• Real-time Process Visibility • Human-free Processing

What Is the Implementation Time?

Implementation time is obviously important to your IT department, as they'll be responsible with adapting to the new system and employee training. However, implementation time is far more important to your finances, as it is decisive to the ROI of a P2P automation system!

One other thing to take into account is the time it takes for your provider to implement any type of additional change to your business rules. For example, DocProcess can implement its solutions in just 1 to 3 months, while a change in business rules can go into production in 24-48 hours.

Does Your Provider Integrate the Latest Technologies?

This is less a question of technology as it is one of mindset. As more and more technologies such as blockchain, deep learning, or microservices are integrated into the transformative process known as "digitalization", a lot of companies are tempted to take a step back and stick to the familiar. An innovation oriented provider should have its own R&D center and offer you updates that will keep your company ahead of the competition.

2. Electronic Invoicing

Invoicing is a core component of a P2P system, mainly because manual invoice processing is highly demanding, generating extensive paperwork and extra working hours. Automating this process removes human error, saves you time and money, and enables reconciliation.

Is Your Invoicing System Legally Compliant?

This is the first question you should ask any P2P automation provider. Due to the 2014/55/EU European directive, electronic invoicing is mandatory when doing business with a public entity. Therefore, when replacing your multiple inbound invoice formats with a single, company-wide format, you should also have compliance in mind.

The ability to save document actions in log files is also important, as the resulting audit trails are often necessary in audits or tax controls from authorities.

Are Invoices Processed in Real Time?

Invoicing automation means that you can act in real time when receiving, sending, or checking the status of your invoice. Exception and error management should also be done instantly, as automation eliminates the need for lengthy phone calls or e-mails. As a bonus, a real-time invoicing service will always allow fast posting, thus allowing you to capture early-payment discounts.

How Flexible Is Invoice Control?

As we stated above, automation involves much more than just scanning and sending files. In fact, most buyers complain about the problems of non-standard invoicing (the documents are sent in the wrong format), high error rates (many times caused by using wrong POs) and missing data.

Your P2P automation provider should feature configurable rules and robots that can check for format and content accuracy, without human intervention. For example, our platform, DocProcess, features robots with over 200 unique rules (and counting) including n-way matching, content enhancements, status messages and automatic exception and error handling. With such a system, error rates can be cut from 35% to 0.1%, as our client, a large European retailer found out.

How Broad Are the Automation Capabilities?

While invoices are at the core of your orders, other documents that facilitate trade should also be automated and archived. Your P2P automation provider should also allow you to electronically receive dispatch advice from suppliers and to send receipt notes that will make both their and your work easier. This also includes having an updated product catalog (or a master data harmonization tool, in corporate jargon), as any acquisition process must start with accurate data in both the supplier's and the buyer's database. A solid catalog will allow you to keep tabs on the different file versions and have a single source-of-truth for your documents. Therefore, data harmonization and dispute management are part of a solid catalog's qualities.

3. Content Management

Automation is your main priority, but a document's life does not stop at the receipt note. Storing documents and creating reports based on them is equally important.

Is Content Available Company-Wide?

While on-premise systems have their merits, storing your data securely in the cloud should be prioritary. This will make the content available for any employee, team or department, without the structural and geographical limitations of repositories. Cloud storage enables decision-making, improves productivity, and enhances business agility. Furthermore, constant updates and patches are also easier to implement in cloud.

Many platforms, including our own, offer automatic upload flows that, once configured for your business rules, eliminate all need of deciding where and how to store your documents.

What About Electronic Archiving?

As opposed to simple storage, archiving also involves legal compliance (from audit trails to GDPR and data residency requirements), but also other, more advanced features such as metadata search and traceability.

An electronic archive should feature configurable retention rules as well as user permissions. Furthermore, digital signatures and time stamps should also be available, to ensure the ownership of each store document. In other words, electronic archiving is not so much a way to store files, as it is a fully configurable electronic repository for your valuable documents.

Is Reporting Available Out-of-the-Box?

The presence of a reporting option is vital for the contextualization of your financial data. Reporting and analytics should be available from the start and also configurable to client business rules, covering everything from standard parameters (PO number, order date, approval status etc.) to exceptions.

Reporting also allows full visibility within all processes and data flows from PO status (received, approved, in transit, delivered) to payment status.

What about Analytics?

While your accounting and financial departments will benefit the most from P2P automation, it's the manager who will enjoy the added bonus of analytics. The latter will allow them to get a better view into the company's economic outlook.

The insights P2P analytics can provide are not constrained to financial data, as a well-informed manager can easily use them to improve customer experience, boost the company's cashflow and refine the product catalog.

3. Content Management

4. Growth

Can Suppliers Easily Join In and Can Their Documents Be Processed?

Purchase-to-Pay is not a one lane road, so it's only fair that your suppliers or partners should be able to easily join or connect to your platform. Rapid supplier onboarding should always be available in order to help with the accounts receivable process, from uploading invoices and checking their status, to receiving shipping notes and payments.

A platform's ability to harmonize and automate intercompany processes, without the need for additional code or changes, bears the name of interoperability. For example, our solution offers both integration with the supplier's ERP (with more than 200 compatible systems), but also an easy-to-use cloud portal for those that aren't technologically capable to send electronic invoices.

4. Growth
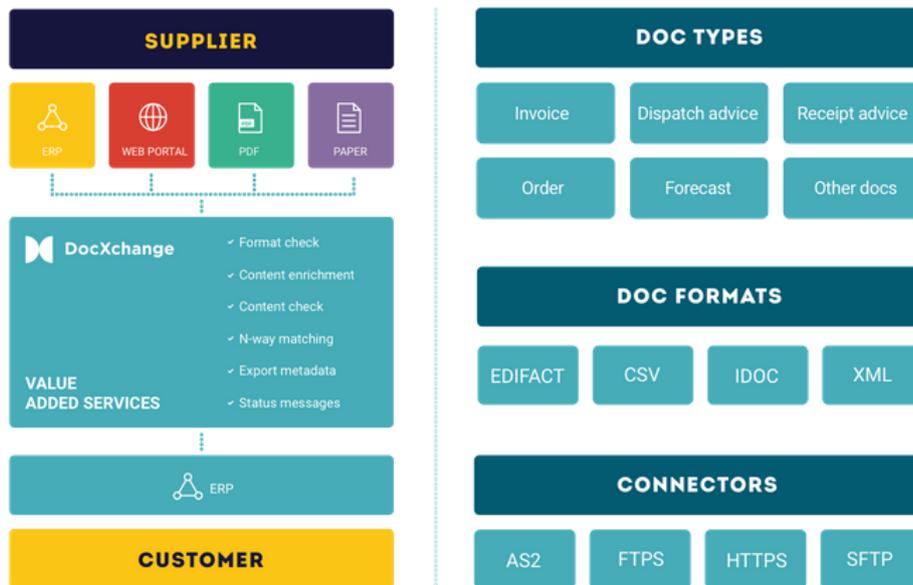
Does Your Platform Allow Internal Growth?

Sure, when you first choose your platform, two users might be enough to manage your P2P process. However, as your company grows, you will need configurable workflows for the multiple users that will have access to both your automation and your content management systems. So, will your P2P automation provider be able to help with the integration of future users?

For example, DocProcess features a single, integrated workflow engine with the ability to trigger workflows from any object or a combination of objects (user, business unit, department, category, item price, item volume etc.) based on the profiles of any users/roles in the system.

Does Your Platform Allow Internal Growth?

Over time, your company might need to expand internationally. Will your P2P automation provider be able to expand with you? As we've mentioned earlier, the European market has already established some ground rules regarding electronic invoicing, so your provider should be able to offer compliance, as well as compatibility to the most widely used formats on this market (like EDIFACT, for example).

However, just having the technological capabilities to expand is not enough: your P2P automation provider must have a global vision, one that would allow it to open HQs in other regions or host its servers globally.

5. Final Considerations

Does Your Provider Have the Right Credentials?

Has your platform of choice ever dealt with the complexity of a company such as yours? What are your P2P automation provider's most recognizable customers? What do these customers have to say about their collaboration? Even more, some managers might be rightfully interested in the sustainability of their partners.

DocProcess' clients include large retail companies such as Carrefour, Cora, and Altex, but also a number of other recognizable companies such as Leroy Merlin or Mondelez. For such clients we've managed to get results such as a 95% supplier onboarding rate or an error rate reduction to 0.1%. We've digitalized over 100 million documents, saving not only our clients' budgets, but also over 1800 tons of paper, 3000 tons of carbon dioxide, and no less than 9000 trees!

What About Support?

While each supplier guarantees optimal support, it's important to go beyond terminology. You should check if support is available not just by e-mail or phone, but also through a knowledge base or personalized training programs.

Aside from that, you should always know who's in your project team. Is it just a technical consultant who has to answer to a myriad of queries or does the team include the expertise of a business consultant and an account manager?

Last, but Not Least: The Price

Judging a vendor by its listed price is not as useful as it may seem, especially since many providers might hide implementation prices and additional costs and just budget a small set of operations. The correct way to assess an automation vendor's offer is to apply a simple value pricing model: are the long-term savings greater than the costs?

In order to properly calculate those costs, you should bear in mind that automation can generally be considered an operational expense (Opex), rather than a capital one (Capex).

Although the savings P2P automation brings affect the entire supply chain and inventory, its general costs are rather small. They usually consist in minimal implementation and integration fees, as well as a small monthly or volume-based recurring fee.

Therefore, P2P automation is a long-term investment whose costs can be immediately absorbed.

The DocProcess Offer

With offices in Romania and France, DocProcess has always been in the forefront of financial digitalization, being a strong promoter of electronic invoicing, supported by Machine Learning, OCR, and RPA. Our complete automation solutions are currently used in finance, accounting, acquisitions, insurance, and logistics by over 3200 clients and more than 25 000 unique users.

The main advantage of using DocProcess is interoperability. DocProcess' cloud-based solutions can handle all formats (from paper to .pdf, .csv, .xml, and .ldoc), standards (EDI, UBL, OpenPEPPOL) and communication protocols (FTPS, SFTP, AS2, AS4, HTTP) and integrate through smart connectors with any ERP.

DOCPROCESS RESULTS

ACCURACY
OUR CLIENTS CUT INVOICE ERROR RATES FROM 35% to 0.1%

PROFITABILITY
THE RETURN ON INVESTMENT CAN BE SEEN IN 2-8 MONTHS

EFFICIENCY
A 60-80% DECREASE IN PROCESSING COSTS

Furthermore, our platform is backed by over 200 rule robots that check for format and content accuracy, as well as provide n-way matching, content enhancements and exception handling. Our content management systems can ensure perfect compliance, while also allowing differentiated access to the stored documents, as well as audit trails.

Not only that, but our best-in-class support will help you through the entire onboarding process, and our extensive knowledge bases will always be at your disposal.

Contact Us

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