**AP BEST PRACTICES**

# Overcome Your Invoice Payment Obstacles

A collection of tips and tricks to help you address your current accounts payable challenges

## Does this sound familiar?

Organizations with inefficient payment processes often share several characteristics. Typically, they:

- Have financial leaders that spend too much time signing paper checks. Even if their "signature" is a rubber stamp, the process still takes time they could better spend elsewhere.
- Are always playing catch-up with payments instead of being proactive and strategic
- Lack visibility into cash flow, which means they can't put a payment optimization strategy in place (e.g., paying bills in a timely manner, earning early payment rebates, and finding opportunities for freed-up working capital)

The problem? This kind of process can create frustration and put a cap on growth. Plus, you may miss opportunities to free up working capital, which could be used to improve processes, make investments in your business, and more.

## Invoice payment best practices

### 1. Take advantage of credit cards and digital payments

This is one of the quickest and easiest changes to make since you can earn cash back through the simple task of paying your bill. Be sure to have early-pay conversations with vendors. Not all will want payments early, but you may be able to secure discounts with those that do.

**Benefits:** Compared with manual payment systems, they're faster, more accurate, and rich in data that can improve decision making and reporting.

**Learn more:** 5 Ways it Pays to Pay Your Vendors on Time, SAP Concur blog post.

### 2. Gather data for negotiations

Vendors will often give discounts or special terms to customers that regularly make large-volume purchases. Even if normal terms can't be changed, you may be able to negotiate preferred pricing for supplemental or one-off cases. Be sure to start tracking data on how you've interacted with vendors in the past and have it ready on hand when it's time for a payment negotiation.

**Benefits:** You'll have an opportunity to free up working capital.

**Learn more:** Leveraging Technology to Streamline Your Payment Process, SAP Concur.

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## 3. Create a supplier portal

Let vendors self-serve and track the status of orders and payments within your workflow by simply logging into a Web site. Otherwise, it can be very time-consuming for them to reach out to you.

**Benefits:** Suppliers get round-the-clock visibility into their payment status, secure online access to their submitted invoices, and can easily see where their invoices sit in the reimbursements process – not to mention a significant decrease in the number of calls from vendors.

**Learn more:** Making Accounts Payable More Than About Automation: Putting Supplier Data First, Spendmatters.com.

# A different way to approach accounts payable

If you're curious about what the move from in-house to automated AP looks like, take a look at the SAP Concur infographic Your AP Process: Working Harder or Smarter?
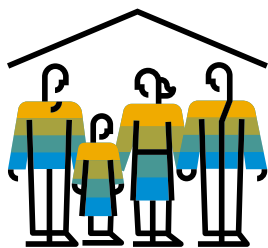
## About SAP Concur

SAP Concur has built a community of small and medium-sized businesses powered by connected solutions that help you drive growth and connected businesses that allow you to unlock knowledge and buying power.

Automating AP simplifies the process and eliminates costly errors. Concur Invoice for small businesses gives you full visibility into spending – so you can control it. You can catch duplicate invoices, speed up vendor payments, easily manage exceptions, and track and approve invoices on your smartphone.

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