The presentation will begin shortly. Audio will be streamed directly via your computer speakers. Enjoy the webcast!

SAP Concur
Leveraging Technology to Streamline your Payment Processes
A Solution Series Webinar

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Agenda

Challenges

Trends & Changes

How technology can streamline & improve the payment process for all sizes of organizations
The Challenge with Payables:

Cash flow management remains a top priority for CFOs

30% of payables are still managed manually

14.3 days to process an invoice for the average business

22% can forecast their mid-term cash needs with 5% accuracy

65% still pay invoices with paper checks

78% manual payment processing costs - higher than virtual payment
There’s a lot of payment types to manage!

- Checks
- ACH
- Cards
- Domestic wires
- X-Boarder FX wires
Understanding the Payables Mix

- Checks
- ACH
- Cards
- Domestic Wires
- Int’l Wires
- Int’l Low Value (int’l ACH)
Leaving the Check Behind

How does your company stack up?

Check Use for B2B Payments
Among U.S. Based Larger Corporates is Declining
Overcoming Barriers Is Critical to Success

Executives cite the following factors as the main barriers preventing their move to electronic payments:

- Resistance to change from suppliers: 38%
- Difficulty of integrating with financial system: 36%
- No compelling reason to change: 28%
- Risk management issues: 25%
- Cost of new technology required: 25%
- Difficulty changing payments processes: 21%
- Risk of damaging supplier relationships: 19%
- Lack of support from the top: 13%
- Difficulty coordinating with multiple banks: 8%
- Other: 6%
A perfect payment is one that is paid on time while using the lowest cost payment method and delivering the highest incentive discount to the paying organizations.
Payment Optimization

- Increased operational efficiency
- Decreased operating costs in payment processing
- Extension of Days Payable Outstanding (DPO)
- Capture rebate/discount opportunities
- Seamless, automated reconciliation process
Payment Optimization
Payers Have More Influence Than They Think

Understanding the Evolution Of Network Payments

ACH Challenges
- Collecting & validating bank account details
- Flexible remittance formats and delivery channels

Card Challenges
- Merchant discount ranging form 1.30% - 2.65% based on payment size
- Flexible remittance formats and delivery channels
Payment Optimization
Payers Have More Influence Than They Think

How much negotiating power do you have over the method used to pay your suppliers?

- Low Degree of Control: 63%
- High Degree of Control: 37%

How likely would you be to accept card payments if mandated by your customer?

- Unlikely to Accept Card: 18%
- Likely to Accept Card: 82%
Technology and Innovation have changed the way companies do business.
What the CFO/Financial Leader wants?

- Ability to Forecast Cash Flow
- Improve Working Capital
- Visibility into all Liabilities
- Data Analytics

Integrate Data to Existing Systems
Easy and Intuitive Systems
Improved Efficiencies – Save Time
A strategic plan designed to maximize financial resources through the most effective use of vendor relationships, disbursement timing and payment channels.

What is the right payment strategy?
Ways to Automate Spend

Payment Initiator

Payment Aggregator

Banks

Non Bank Providers
Ask yourself…

What are your organization’s goals?
- Fixing Payment Type(s)
- Available channels
- DPO
- Discounts/Rebates

What are the downstream impacts?
- Vendor relationships
- Buyers
- JIT/Supply Chain
Technology/Partner Considerations

Compatible Solutions

Who Does the Work

Who owns the Data/Relationship

Think Long term /Vendor Maint.
Expeditied Processing + Improved Cash Visibility + Payment Optimization = Cash Flow Optimization
Questions?