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Three problems that lead to unsuccessful P2P implementation

The procure-to-pay (P2P) workflow is one that is likely familiar to most businesses. But familiar doesn't always equate to proper understanding.

The P2P process is a component that is as overlooked as it is essential. For organizations aiming to drive transformation, it is a critical asset that can drive significant growth. By optimizing workflows from procurement to payment, companies can achieve efficiencies that enhance their financial performance. Additionally, stronger supplier relationships and increased transparency in financial transactions are among the advantages that elevate the P2P function as a pivotal aspect of modern-day business strategy.

Yet a successful P2P implementation is harder than you'd expect, with many organizations failing to align the overall strategy to the business as whole. Based on a webinar on P2P implementations, explore three key problems that hinder success and start learning how to craft the right approach for your organization.

1

The mishap of misalignment

An issue that can quickly unravel a successful P2P implementation, is the lack of a collaborative approach that brings together all relevant departments. Without the input of what other teams require, you have no clear way to make a decision that leads to a P2P solution that can holistically achieve business goals.

By fostering open communication before your purchasing decision, you can ensure that each department's needs and concerns are being addressed, while also keeping everyone aligned with overarching procurement goals. Procurement is a function with potential benefits to many stakeholders which makes it crucial for the chosen solution to have an all-encompassing perspective behind its purpose. This means making sure all relevant parties, like suppliers and finance departments, are finding as much value in the software as the team it is meant for.

2

The root of the issue

In the context of P2P implementation, the second problem—attempting to customize the selected system extensively post-selection—highlights the importance of really understanding what the solution is supposed to solve.

It's not about choosing which software is currently being touted as the best — it's really all about your organization's goals. While one facet is about finding a software that has the specific capabilities to fix the issues that are affecting your P2P workflow, another facet is to see what can be streamlined even before you purchase. By keeping these two aspects in mind, you're able to leverage the inherent efficiencies of the P2P system and enhance them further with the solution, ultimately leading to improved functionality, enhanced user adoption, and a more streamlined overall process.

3

The significance of your suppliers

Supplier onboarding challenges in P2P implementation need to be prioritized for success, especially as one of the primary users of any solution you choose to utilize.

Understanding the supply base, including segmentation and the needs of diverse suppliers, can significantly streamline the process. Companies should avoid a one-size-fits-all approach and instead tailor strategies to different supplier segments, ensuring robust communication and training. Additionally, fostering strong relationships with suppliers, employing a supplier portal for transparency, and potentially conducting onboarding pilots with key suppliers can enhance the implementation process. Providing autonomy and visibility to suppliers not only benefits them but also reduces the support burden on procurement and accounts payable teams, driving a significant return on investment (ROI) for the organization.

To wrap up..

If there was one word to summarize the three problems explored above, it would be communication. From having those conversations that act as the foundation for finding a solution that is beneficial for relevant departments to ensuring your suppliers are as on board as you.

If you'd like to learn more about successfully implementing P2P, we encourage you to watch this webinar, in which three procurement experts explore the finer points of procurement.

WATCH THE WEBINAR

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