The Future of Purchase to Pay Software

i2B

Whats inside...

The Future of Purchase to Pay Software

Purchase to pay software is revolutionising the modern supply chain.

At i2B, we recognise that chasing suppliers can be a huge drain on resources, yet many companies are still resorting to phone calls, faxing, complex spreadsheets and general firefighting techniques to manage their inefficient purchase to pay process.

However, there's a positive shift emerging, in that many organisations are now realising the power of Purchase to Pay Software (P2P). Unlike eProcurement software, P2P deals with the part of the purchasing and supply chain after the order has been made. It handles the messy side of things that ERP systems typically cannot help with. ERP and financial software are great in their own right, but are incapable of pulling the communication together between purchasers and supplier.

At i2B we are proud to be at the cutting edge of P2P. Our system i2B Connect integrates seamlessly with any ERP or financial / business management system, providing purchasing teams a comprehensive way to monitor their business and communicate with suppliers.

This is where the future is pointing.

![i2B logo]

In the Clouds

Your supply chain joined in the cloud

Cloud computing is rapidly becoming the new norm, and it's thought that the end of 2015 saw 90% of UK businesses using at least one cloud service.

Where companies previously ran applications on installed software to their computer or server, cloud computing lets you access everything using just your normal internet browser.

This shift in technology has made P2P software so effective. Systems and processes are shifting in the business environment, and as many other tools you're probably also using within the office, most of them are all hosted within the cloud. Even your Microsoft office system and Outlook is all now available within the cloud. So it's the next natural step in business to move the supply chain over too.

With benefits including improved efficiency and cash flow, that's not surprising.

90%
of UK business using cloud services

Keeping it LEAN

Streamline your processes with P2P

Making sure your purchasing process is as slick as possible is key for speeding up your overall business operations and reducing wastage – and that's an ethos becoming more and more popular with the rise of LEAN methodoloy to working.

Just as 'Just in Time' has always been key within manufacturing sectors, being a LEAN organisation is all about continuously working to improve your processes by eliminating waste in everything you do, and it's all about benefitting the customer, giving them more value, building and maintaining a 'flow' in your operations and having an ongoing drive for perfection.

Working faster and smarter is crucial for achieving a LEAN organisation, so with more companies adopting this approach, P2P processes will come under the spotlight.

We believe the future of P2P means an increase in accessible data, streamline communications and lack of waste, making P2P a compelling reason to work within LEAN and 'just in time' environments.

Why will people start investing in P2P?

Control in the cloud

Operating efficiencies that can be created by investing in an effective P2P software will become more apparent – no more endless back and forth via email, no more picking up the phone unnecessarily, no more errors because you or your supplier haven't been updated. It will become apparent to purchasing teams that this is a way of getting tighter control and better processes in place.

Dashboards are here to stay

Real time analytics

Organisations are moving more towards having centralised points for all their data.

Previously, while it would have been considered standard practice to wait a few days – sometimes a week – to pull together management reports, data is now expected to be seen in real time – and from any device.

P2P software is able to show users dashboards with:

- Full transparency and information updated in real time
- Streamlined data
- Supplier 'self-service'; suppliers can log in and send updates on shipping orders etc – therefore opening up supplier partnerships
- New and amended purchase orders that can be displayed in the same format as if they were received in the post. Changes are also tracked and logged against each order.
- A full document repository for contracts, delivery schedules, shipping confirmations, overdue alerts (which suppliers receive automatically), drawing specifications and KPIs
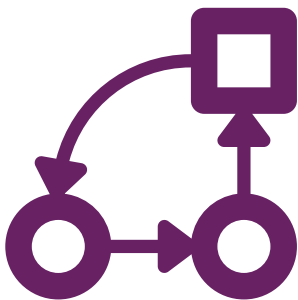
The future of purchase to pay can also be about globalisation – and any software chosen should be able to work in multiple languages too.

The importance of transparency

Clearer communication in the cloud

One of the key features that makes P2P software so effective is the transparency it allows between a purchasing team and their supplier. Updated in real time for all parties to see, it helps to build true partnerships and collaboration throughout the supply chain.

After a purchase order is raised and sent out, the software lets purchasing teams and suppliers work in partnership by keeping track of it and alerting updates every step of the way - from order acknowledgement to letting you know that it's been shipped.

Improving traceability – and sustainability

A clearer audit trail

Working smarter and leaner can minimise waste not only in your organisation, but potentially on a global scale, all through enhanced 'traceability'.

Traceability allows companies to track the journey of their products at every single stage of the process, from manufacture, to transportation, to arrival. This not only increases efficiency, but depending on the product, can have a huge impact on sustainability too.

One example of traceability through P2P software in action is with one of our clients, Princes Foods. Known for their food products, including tuna, Princes Foods use i2B Connect to implement cutting edge technology in tracking each of their shipments.

For each of their tuna can shipments, Princes are able to receive the following details from their suppliers:

- Vessel Name (of the ship itself)
- Route (which UK or European port it's arriving at)
- Shipping Line (which company is being used)
- Container Number (if relevant)
- Method of Transport
- Can Code (for each can of tuna)

They can receive all of these details directly through i2B Connect P2P software.

The can code is especially important in this case – simply stamped onto the can (or whatever packaging is used), it provides the customer with the best before date, and the manufacturer with information like where the product was sourced, time of packing and health certificate numbers.

Cans of multiple codes are then packed into shipments, and the supplier sends a list with details of the can codes in each container. When the shipment arrives, Princes can then add it in batches to their own system.

From the boat the fish was caught on, to the branch of the shop that sold it, traceability from P2P software gives the purchasing team visibility throughout the whole process.

Work together – better

Staying on the same page

P2P software doesn't just help you work better with your suppliers – it allows you to collaborate more effectively with members of your own team too.

Finance managers, purchasing teams – everyone can be on the exact same page.

The rise in P2P jobs

With growth comes development

As P2P becomes a more integral part of internal processes – for large and small companies alike – the amount of vacancies available in this area also continues to grow, across the US and Australia as well as the UK.
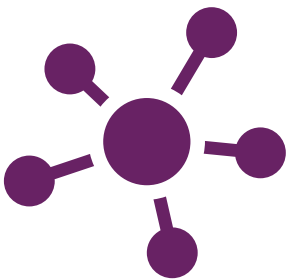
With jobs in purchasing/procurement rising around 8% a year within the UK, it shows the increase in employer demand for this talent area. Regionally, the North appears to be the biggest area in terms of growth in procurement roles, with London and the South East also seeing a rise.

This also sees the start of a shift from contract roles to the recruitment of permanent purchasing and supply chain employees.

Stepping up to the meet the future

Faster, slicker, smarter and leaner.

The main factors of a successful business are simple – people, products, systems and processes. Companies across the world are realising that to step up their game, they need to make their systems and processes faster, slicker, smarter, and leaner. As technology continues to develop, businesses need to continue to invest in systems that make the lives of their team easier – meaning happier, engaged people harnessing the power of the cloud.

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