Palette

Rolling out Purchase to Pay Automation Globally

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Taking P2P around the world

Technology is allowing businesses to improve operations, boost productivity and efficiency and keeping up with advances in technology is essential for growth. While large, multinational companies face particular challenges in ensuring finance functions take place efficiently, purchase to pay (P2P) software is now a well-established way to help them ensure smooth and effective invoice management and procurement – areas that have involved highly manual, time consuming and error prone work.

P2P software can deliver improvements worldwide. While it certainly makes sense to make useful technology available to all of your operations, a unified way of working will help you save time and money across the globe. Eventually, working from the same platform in all of your locations will become essential.

Deciding which P2P solution works for you will depend on a number of fundamental needs, but if your organization is multinational, your provider should understand and guide you through the process of global implementation. Still, there are challenges to be aware of. In this article we will outline well known challenges, solutions to overcome these and best practise to make global P2P roll outs successful.

The full P2P scope - USFarathane customer case study

USFarathane approached Palette to simplify its P2P cycles. The scope for the project began with invoice processing for a company with many facilities and satellite offices but grew to include indirect purchasing, contract management, expense reporting and budget. The results were 70% drop in cycle time, 43% reduction in processing costs and 20% growth in invoice volume without increase in headcount.

Read the full USFarathane case story

What challenges are involved?

There are potential challenges that have traditionally acted as a barrier to rolling out software globally. These challenges include:

→ **Roles and regulations**
When you roll out a solution in different countries you're often faced with a complex landscape of differing rules and regulations in each country. It often means that implementation is complex and lengthy, but with the right software provider and implementation strategy, you can overcome this challenge. Your provider should be able to clearly demonstrate understanding of the legal and regulatory frameworks that apply in each location you do business in, and work with you to lay the groundwork for expansion if there are areas you wish to develop in the future.

→ **Lack of local support for software**
Training and support are key to the success of any software implementation, but if your P2P software is only supported in the same country as your headquarters, your other operations across the world will never reap the full benefits of the solution. Effective support and training can be delivered internationally, but your provider needs to have the infrastructure and language capabilities in place to offer this.

$\rightarrow$ **Differing Setups**

Another factor to consider is the IT infrastructure used in each location. Is the company using the same ERP system in every country, or are different systems used? Do databases differ? It's essential to be aware of how existing software is installed, used and distributed across the company's locations as this will affect how the P2P system is installed and monitored.

How to achieve global success

In order to address these challenges and ensure a successful global roll-out, it is essential that the deployment process is managed and executed in the correct way. Key elements that should be included in a global roll-out strategy includes:

$\rightarrow$ **Step by step**

As regulations in each country of operation will differ, it is important to roll out your P2P solution country-by-country. If you operate in locations with very similar rules and regulations, these can be grouped together. Otherwise the most simple and successful implementations will take place incrementally.

Incremental Rollout for the Best Possible Results – Clas Ohlson customer case study

In 2016, Clas Ohlson began with a small-scale rollout of Palette in England. Lessons could be applied for even smoother implementation when Norway, Finland and Germany followed in 2017. The largest and most comprehensive part was done in May 2018 when Clas Ohlson linked to the Swedish company as well.

Read the full Clas Ohlson case story

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"We started the project and planning together with Palette's staff the first two months before we went live in England. The rest we have been able to handle on our own because the system is so easy to understand and user-friendly."

Jan Skarner, Head of Business Navigation

Clas Ohlson

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$\rightarrow$ **Assess all obstacles**
It's essential to assess all potential obstacles before rolling the solution out in each location. A software provider with experience from global roll outs will add necessary country specific knowledge and competence to your project.

$\rightarrow$ **Establish an implementation team in each location**
Wherever you're rolling out your P2P solution, you will need to ensure you have a dedicated team leading the implementation. Ensure the team includes those most familiar with the business' core goals and each of its financial processes.

$\rightarrow$ **Support in every country**
To ensure success, it is imperative that every team across the globe has access to effective training and ongoing support. Studies show that local support teams are contributors to customer success due to language, culture and regulations. Support from far away time zones should be considered carefully before chosen.

Why go global?

These challenges may make a global rollout of a P2P solution seem overly cumbersome and complex. However, with a strategic approach and careful management they can be easily overcome – and the rewards to be reaped are substantial.

$\rightarrow$ **Reporting**
When it comes to data and reporting, rolling your P2P automation software out globally will give you one central access point from which to run reports. This will enable you to easily see how the company is doing globally and compare and contrast performance in each country. In turn, setting, measuring and evaluating global strategy becomes far easier, and a truly holistic approach to your organisation's worldwide performance is enabled.

$\rightarrow$ **Supplier management**
With the right solution, you can interrogate supplier data, which help you to negotiate favourable rates with global suppliers. You can compare and contrast suppliers in different locations and enhance your logistics by working with the same supplier across multiple countries. A holistic view gives you a solid platform for negotiations of contracts and supplier evaluation.

$\rightarrow$ **Do it your way**
A flexible, modern P2P solution will conform to your way of working and your existing IT infrastructure to support your business goals in every country – and worldwide.

$\rightarrow$ **Simplified compliance**
You can set the system up to support rules and regulations in each country. Changes can be easily made if the rules change or if new rules come in.

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To respond to the EU's General Data Protection Regulation (GDPR), Palette introduced a clean-up tool to delete information that has been processed or make transactions anonymous. This can be done simply with no impact on the software's functionality, so those with employees and customers in the EU can use Palette in the way it's needed while adhering to GDPR compliance.

What to look for in a P2P solution

With all this in mind, global organisations should look for a global P2P system sooner rather than later. But how to choose the best solution for a worldwide rollout today, and global expansion tomorrow?

The first step is to seek out suppliers with a genuinely global reach, and tangible experience in delivering international P2P rollouts. Being the pilot case for a brand-new supplier is a risky game. When speaking with suppliers, ensure that you discuss the locations that you currently do business in, and any that you plan to expand into in the future. Make sure you understand how training and support are delivered to international locations.

While every business' needs will differ, the core business drivers for an automated P2P solution tend to be invoice management and procurement. Understanding that digitising and automating these processes are the ultimate goals of your solution from the outset will tend to make choosing the right supplier – and the right solution – easier.

It is also important to interrogate each step in the typical P2P process, and check that the proposed solution covers each stage in the process seamlessly. Typical stages include:

- Contract management
- E-purchasing
- E-invoicing and data capture
- Supplier management
- Invoice matching with purchase orders
- Invoice processing
- Expenses management
- Spend control
- Reports and dashboards
- ERP integration

Additionally, every organization will benefit when their P2P solution vendor provides:

Flexibility – an ability to offer different packages or levels of support according to your needs, and to scale up as your business grows.

Innovation – a 'continuous improvement' approach to developing new functionality and staying on top of evolving regulations.

Easy implementation – quick and seamless rollout, easy integration with your existing technology, and hands-on support and advice.

A global presence – with support available locally when you need it most.

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Grow With Your Supplier – Renta customer case study
The automation of the entire purchase-to-pay process with Palette's solution has brought Renta Group both cost- and process-related benefits.

"Equipment purchases are processed through Palette's system against pre-approved and category-specific budgets. This improves predictability, and we can see the situation of investment budgets and deliveries in the system in real-time. This makes planning of investments and cash management significantly easier. It's been crucially important that in addition to invoice processing, we are also able to implement purchases through Palette's system", says Lauri Matikainen, CFO of Renta Group.

Read the full Renta Group case story

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"It's important for us that our solution provider also acts as our development partner. We continuously develop our processes in cooperation with Palette. As requirements change along with our growth, a strategic partnership and a flexible solution that grows with us will support our business in the long run."

Lauri Matikainen, CFO

Renta Group

Palette is a market leading provider of financial process automation software with over 3 500 customers across the world. We help companies transform and automate their Purchase to Payment Processes utilising their existing ERP and finance system investment.

For more details on Palette's solutions, and to get in touch with Palette's experts to see how Palette can help you redefine your P2P processes globally, visit

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