

Fast Track To Supplier E-Invoicing

Key to the success of any e-invoicing project is getting Suppliers and Buyers to join you in your new venture. In most cases, persuading Customers to view invoices online instead of receiving them on paper is straightforward. But getting Suppliers to both view purchase orders online **and** send you invoices electronically can be more difficult. Or is it?

This article first explains how e-invoicing works for Suppliers and then takes a look at the Supplier Adoption Process, discussing the different strategies Accounts Payable departments can use to migrate their suppliers to e-invoicing quickly and simply.

Supplier E-Invoicing – How Does It Work?

Once you have successfully integrated an EIPP service with your existing finance system, you can exchange financial documents with your trading network and manage them online. For your Suppliers, this means that they can receive electronic purchase orders from you and send you electronic invoices, saving time and money throughout the invoicing process. All new and archived documents are presented and managed using a secure password protected Supplier E-Invoicing Portal, which can be accessed at any time using a Web browser such as Internet Explorer. The following section explains how it works;

1. Receiving E-Purchase Orders

Your Supplier receives email notification that they have been sent a purchase order (PO). A link in the email takes them directly to their PO online. From the PO document screen they can download and import the data into their financial system if required.

2. Sending E-Invoices

Your Suppliers can create and send e-invoices in five different ways;

- a) They can generate an invoice as normal using their existing finance system but select a special “virtual printer” instead of their normal printer, which captures the data and creates the e-invoice.

- b) They can select the “flip to invoice” button on the PO screen, which automatically generates an e-invoice using data from the PO.
- c) They can upload batch invoice files in any format from their existing finance package to the EIPP system.
- d) They can generate ad-hoc invoices manually by using a web-form in the Supplier E-Invoicing Portal.
- e) They can create and send e-invoices automatically, direct from their existing finance package using one of the available plug-in modules.

3. Queries and Remittance

Suppliers are able receive and respond to your queries online. Queried invoices are highlighted on the Supplier E-Invoicing Portal with additional notification sent by email if required. Two-way communication via the Supplier Portal means an easier, quicker settlement process. Once a query has been resolved and payment has been received, the Supplier can automatically send you an electronic remittance document.

Managing Migration – A Step-by-Step Process

It is not feasible to plan a single-step switch from paper to electronic. Migration will follow a normal adoption curve with some Suppliers being very receptive and others steadfastly refusing to adopt any form of e-invoicing, with the majority gradually moving over time. Therefore communicating with Suppliers effectively in the early stages of the adoption process is critical. Your EIPP vendor should assist you with this and work with you to plan the best adoption process for you and your trading network. For the purpose of this article, here is an example adoption process:

Step 1. Identify Compliant and Reactive Key Suppliers

Put together a list of Suppliers who you know will take part and approach them first. Find out what their main concerns and issues are and address them as part of the general adoption process. Migrating your friendly Suppliers first will help you identify any potential problems early on, and create a smooth adoption process for other Suppliers.

Step 2. Inform Suppliers About Your Project

Let your Suppliers know that you have implemented an e-invoicing service and want them to take part. Communication should be company branded and personalised as much as possible. For example, a personal telephone call could be followed by a letter and supported by further information in the post. This could include documentation that educates Suppliers on the benefits of e-invoicing such as FAQ datasheets and case studies.

Step 3. Register and set-up

Once a Supplier agrees to take part they complete a simple registration process. They can quickly be set-up on the EIPP system and begin receiving and sending electronic documents.

100% Adoption with Scanning and Data Extraction

Most public sector organisations transact with thousands of different suppliers, ranging from huge corporations to sole traders. Getting all Suppliers onto an e-invoicing service will not happen overnight, and if the migration process is not managed effectively, it can turn into a long, drawn out process.

However, some EIPP vendors offer to take care of everything for you. With this kind of Managed Service, the EIPP vendor takes over all paper document processing. This involves scanning them, extracting the data and turning them into electronic documents on the EIPP system. As far as you are concerned your switch to e-invoicing happens immediately.

A Migration Team set up by the EIPP vendor will then work with your trading network to migrate Suppliers onto the deployed system over a longer period. This service allows you to eliminate paper from day one, whilst listening to your suppliers needs and keeping them happy.

Summary

Invoicing is big business in the public sector. Some organisations send and receive hundreds of thousands of paper invoices each year which consumes vast quantities of resources including paper, envelopes, stamps, time and manual input from finance staff. Automating the invoicing process by taking it online can drastically reduce processing costs and improve efficiencies for everyone in the supply chain.

The Supplier adoption process requires careful management and good communication to maximise the benefits. Once onboard, Suppliers have the ability to send electronic invoices from their existing finance package to any of their Customers, not just you. They can also manage invoices queries online and receive e-payments, resulting in a faster, more efficient invoicing process.

More Information

Accountis provides secure financial document exchange and payment systems to companies globally. With state of the art security, the Accountis system provides all the functionality of an EIPP solution with the additional benefits of being able to manage, present and receive financial documents such as quotes, purchase orders, invoices, statements and manage the payments associated with these documents. The trusted Accountis platform is compliant with relevant legislation worldwide to facilitate smooth cross-border trading. Processing over 1 million transactions every day, Accountis is used by many of the world's largest corporations to leverage existing systems and maximise efficiencies across the financial supply chain.

Telephone: 0845 120 8050 | Email: sales@accountis.com | Web: www.accountis.com