



White paper

# Maximizing Financial Impact: Building the Business Case for Source-to-Pay



# Table of contents

Introduction .....3

Why building a business case matters ..... 4

What is source-to-pay?.....5

Beyond ROI – strategic S2P automation benefits ..... 6

Building the business case for S2P automation.....9

Why Esker .....13

S2P automation success stories .....16

Conclusion .....21

About Esker .....22

Sources.....23

# Introduction

It's no surprise to Finance professionals that it's a jungle out there in the world of sourcing, procurement and accounts payable (AP). Controlling spend and risk is becoming increasingly challenging due to a number of factors:



## Regulatory and compliance changes

Expanding regulations on data privacy, environmental sustainability, ethical sourcing and tax compliance often require teams to adjust their source-to-pay (S2P) practices.



## Combating inflation and recessions

Expensive manual AP processes and inefficient check payments add unwelcome operational expenses that make navigating inflation and recessions even tougher.



## Competition

Businesses in every industry face increasing competition from around the globe. When every cent matters, Finance teams are under intense pressure to find ways to save money while still sourcing and procuring quality goods and services.



## Unrealized savings

By not investing in their AP departments, companies are unable to benefit from reduced operating costs, improved vendor relationships, and enhanced decision-making and flexibility.



## Staffing shortages

As aging professionals retire, fewer specialists are entering the job market — creating intense competition for talent. Years of institutional knowledge walks out the door with exiting employees and isn't passed on to new team members.

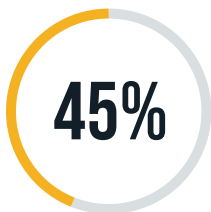


## Supply chain disruptions

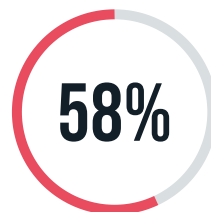
Considering today's geopolitics and climate change, increasing supply chain resilience is essential. Whether by diversifying their supplier base or reducing dependence on a single country, procurement's No. 1 priority is ensuring supply continuity.<sup>1</sup>

Without the right tools, it can feel like you're hacking through that jungle with nothing more than a dull machete. That's why more and more Finance teams are turning to S2P automation to help them not only keep up, but even gain a competitive edge.

## Industry trends



**of executives said they are accelerating digital transformation.<sup>1</sup>**



**of finance organizations surveyed are now using AI, compared to 37% last year.<sup>2</sup>**

Procurement and AP managers are acutely aware of the advantages that S2P automation has to offer. But it's never as easy as simply selecting a vendor and implementing a solution — at least, if you want your initiative to be successful long-term. Before an S2P automation project can hit the ground running, one critical hurdle must be cleared: getting buy-in from upper management and other key stakeholders.

# Why building a business case matters

Today's fast-paced and ever-evolving business landscape demands that upper management (i.e., the c-suite) focus on streamlining business functions as much as possible. This places greater emphasis on things like cash forecasting and analytics, growth management, risk mitigation and regulatory compliance.

As a result, members of the c-suite have a greater role to play in overcoming financial and administrative challenges. And they are increasingly concerned with finding solutions that deliver value, long-term flexibility, modularity and the ability to support data-driven decision-making.

However, assuming the c-suite and other key stakeholders are already on board with the concept of automation can kill a new initiative before it even begins. Therefore, it's the responsibility of S2P and Finance managers to demonstrate how S2P automation will not only modernize the Sourcing, Procurement and AP departments, but also translate into benefits for the entire organization.

By building a well-thought-out and strategic business case for automation, you will dramatically increase the probability of convincing the c-suite that:

- The benefits of S2P automation are too encompassing to take a back seat to other projects.
- The IT department will not be burdened with new infrastructure requirements or changes.
- Any new solution will not require transformative changes on the part of S2P staff or vendors.
- Automating the S2P process is not only a company cost-saver, it makes the jobs of all key stakeholders easier.
- S2P automation platforms have the flexibility to adapt to meet both the current and future needs of the business without disruption.
- Automation is not just a short-term fix, but a sustainable, strategic investment that can evolve with the organization to deliver long-term value.

## Understanding the c-suite mindset

S2P automation is mutually beneficial to both the c-suite and S2P and Finance managers (as this white paper will explore in detail), but differing priorities can make selling it difficult. While S2P and Finance managers are more inclined to care about S2P-specific factors such as process efficiency and error reduction, the c-suite has a broader vantage point that puts a premium on strategy and oversight on an organization-wide level.

Another common obstacle in building a case for S2P automation is getting the c-suite to reshape their perspective on S2P functions. Many members of upper management still think of Sourcing, Procurement and AP departments as back-office cost centers that add little value to a business. Failure to break them of this mindset all but ensures any new S2P automation project will be dead on arrival.

# What is source-to-pay?

Before going further, let's pause to define S2P. It's important that you and your automation project's key stakeholders are on the same page about what it encompasses.

S2P is the overarching, end-to-end process that includes all source-to-contract, procure-to-invoice, invoice-to-pay and supplier management activities.

The sourcing end of the process (source-to-contract) focuses on more strategic, big-picture actions, including supplier selection, contract negotiation, supplier relationship management and various analysis. The procurement side (procure-to-pay) handles the transactional processes of getting products or services from the supplier, including requests, requisitions, purchase orders (POs), goods receipts, invoice matching and payments.



## Beyond ROI

# Strategic S2P automation benefits

Highlighting ROI is a key component of any business case, but focusing solely on money without presenting automation's many other benefits means you aren't telling the whole story. Highlighting the five strategic benefits below can help every stakeholder understand how automation helps them win in their roles and showcases everything that the organization as a whole stands to gain.

Showing the financial impact along with other key benefits in the areas of sustainability, innovation, agility and risk management can tip the scales toward securing financial support for an automation initiative and maintaining cross-functional buy-in at the executive level. That cross-functional buy-in is especially crucial, because the goal of S2P automation is to replace previously siloed actions with comprehensive end-to-end digital processes. Sharing the grander, strategic advantages of automation will help everyone think outside of their silos and see the big picture more clearly.

## 01. Greater efficiency by integrating & streamlining cross-functional processes

S2P automation brings together the Offices of the CFO and CPO to form the ultimate power couple.

Often, there's a tendency for the Sourcing, Procurement and AP departments to focus on streamlining their own work without much thought to outside concerns. This reinforces silos in processes and data. Each function works and makes decisions independently, streamlining their own processes by implementing standalone IT systems and software programs. As a result, critical information hides within these separate systems – invisible to those trying to optimize the S2P cycle.

However, by bringing finance and procurement together into a single platform that can manage and automate the entire S2P process, organizations significantly enhance their decision-making, optimize costs, mitigate risks and drive sustainable growth. Integrating these functions is key to achieving operational excellence and delivering value to the organization as a whole.

In addition, S2P automation digitizes the many manual (and even paper) processes involved in sourcing, contracting, risk management, invoicing, expense reports, payment processing and reconciliations. This streamlines the back office, saves time and can reduce staffing needs. Digitizing invoicing and payments gives suppliers full visibility into the payment cycle, cutting down the number of status inquiries. Digitizing fraud monitoring across all types of spend also frees up staff time and avoids losses by flagging suspicious transactions before money changes hands.

## 02. More savings & improved working capital

The supply chain is typically one of the biggest costs in business. Streamlining the sourcing and procurement process with automation can yield significant savings in this area.

Firstly, it eliminates manual data entry for tasks like PO creation, invoice processing and vendor data management – not only saving time and labor costs, but also reducing the risk of human errors that can result in costly mistakes like incorrect orders or duplicate payments. Automated systems can also process purchase requests, approvals and payments more quickly, speeding up the procurement cycle and ensuring faster delivery of goods.

Secondly, automation reduces costs during the buying process. It can consolidate orders across different departments, allowing companies to save money by buying in bulk. Automation also prevents overspending by monitoring contract terms and ensuring adherence to pre-negotiated pricing. In addition, it reduces maverick spending by restricting purchasing to approved vendors, thereby preventing unauthorized purchases from unvetted suppliers.

Thirdly, it provides full visibility into current sourcing processes, supplier performance, types of spend and overall cashflow. As a result, it's easier to identify unnecessary overpayment, select the best vendors and negotiate more favorable contract terms. In addition, financial leaders can see a clearer picture of their real-time cash positions and upcoming invoices and payments.

Finally, an S2P automation platform can unlock more working capital by driving suppliers to accept virtual payments. Automatically uploading digital payments directly to vendor accounts receivable portals means suppliers get paid more quickly than paper checks, improving the supplier relationship and opening the door for negotiating better payment terms. Digital payments are processed more quickly, allowing the business to delay the actual cash outflow until the last minute and maximize their "float" period. They also help companies take advantage of early payment discounts by paying suppliers slightly ahead of schedule, further improving cashflow.

## 03. Increased risk mitigation

In a world full of hazards, every department in the company must do its part to mitigate risk for the business. S2P automation definitely pulls its weight in that regard by reducing risks in four key areas.

**Reputational risk:** No one wants their company associated with security breaches, sweatshop labor or other high-profile failures by their suppliers. By providing transparency into supplier performance and spend management, S2P automation helps Sourcing teams spot potential concerns in vendor relationships early so appropriate action can be taken. In addition, spend controls ensure no unapproved suppliers are used.

**Operational risk:** Climate change, political instability, labor issues — supply disruptions come in all shapes and sizes. S2P automation software helps Sourcing and Procurement teams closely monitor their vendors and build a resilient supply pipeline, ensuring the company has all the goods and services it needs to operate.

**Compliance and control risk:** Visibility and control over all spend is the foundation of compliance — and that's exactly what S2P automation platforms provide. They support effective vetting of suppliers and third parties, which is critical for complying with various regulations. They provide clear records of exactly who did what throughout the entire S2P process and enforce proper approvals at every stage. They can also check that incoming invoices comply with indirect tax regulations such as VAT.

**Budgetary risk:** Effective S2P processes help companies meet their financial targets via better accountability for budget owners. Every time a manager approves a purchase — even on their mobile phones — they can immediately see the impact of the transaction on their budget. S2P automation approval workflows can include financial leaders on expenditures that go over a certain dollar amount or meet certain criteria for even more budget accountability and control.

■ ■ ■ **“If you don’t invest in risk management, it doesn’t matter what business you’re in, it’s a risky business.”**

■ ■ ■ **Gary Cohn**

Former Deputy Director of the National Economic Council

## 04. Larger ESG impact

Environmental, social and governance (ESG) metrics are becoming increasingly important to company leadership, customers and the public in general. One of the biggest contributing factors to a company's sustainability performance is its supply chain.

Although you might not immediately think of S2P automation as a tool for improving ESG, it can actually have a major impact on supply chain sustainability by helping you leverage spend as a driver for positive change.

During the sourcing phase, S2P automation makes it faster and easier to identify suppliers aligned with your sustainability objectives through calls for tenders, requests for information or pre-qualification questionnaires. These processes can consider sustainability criteria alongside pricing factors. This encourages suppliers to adhere to and report their ethical standards such as fair-trade practices, respect for labor rights and responsible sourcing of raw materials.

Once a relationship is established with a supplier, S2P automation systems can establish mechanisms to monitor the sustainability performance of suppliers, establish improvement targets and even collaborate with them to promote ongoing ESG efforts. They can also track supplier ESG indicators. These indicators can be monitored and updated in real time, alerting you if they deteriorate for a specific supplier.

During procurement, S2P automation facilitates purchasing eco-friendly and energy-efficient products and services. Lifecycle assessments can evaluate the environmental impact of products and services from production to disposal. Punch-out catalogs can feature the CO2 impact of each product, helping users make informed decisions when selecting items. In the back office, S2P automation digitizes paper-based processes, reducing the company's carbon footprint. It promotes transparency and traceability throughout the supply chain to identify and mitigate environmental and social risks while also making it easier to measure ESG impacts for reporting purposes.

## 05. Stronger supplier relationships

S2P automation solutions facilitate better supplier management by enhancing communication, collaboration and performance evaluation. It provides a clear, real-time view of the AP process for all stakeholders, so suppliers always know the status of their invoices. It monitors supplier performance so any issues can be addressed proactively. It also ensures the process stays in compliance with any supplier requirements. Of course there's also the obvious benefits of ensuring timely payments to suppliers, reducing fraud and all but eliminating manual errors.

All of this leads to stronger (and longer) relationships. Understanding and respecting your suppliers' needs in the S2P process and enabling regular conversations about performance fosters a culture of collaboration and mutual respect.



# Building the business case for S2P automation

Your project isn't the only one vying for approval and budget dollars within the organization. But a clear and comprehensive business case can convince stakeholders that S2P automation needs to be a top priority. Here's what to include.

## Define your overall objectives

In other words, identify the pain points in your current S2P processes you want to eliminate with your automation project. Evaluate each step of your company's sourcing, supplier management, procurement, contract management, AP and expense management processes to determine which areas need help.

Then pinpoint which phases in the S2P cycle you wish to automate and what type of solution you want to pursue. Do you plan on automating all phases of the S2P process, or just particular aspects like capturing data from vendor invoices or electronic document archiving? These details are essential to iron out before creating the business case.

Prioritize the critical areas that require attention over the "nice to haves" to ensure you're choosing an automation solution that addresses your biggest issues.

## Determine any IT system dependencies & requirements

Before bringing new software into your organization, you need a solid understanding of your current IT ecosystem and how an automation platform should ideally fit into the puzzle.

The most important aspect to consider is your ERP or financial system. An S2P automation system needs to be able to synchronize seamlessly and dependably with the master data in your existing ERP platform so it can share supplier, invoice, procurement and accounting information. This allows for precise data matching with POs, goods receipts, invoices and contracts.

Make a note of which ERP system (or systems) your organization uses, plus any other software systems involved in sourcing, procurement, invoice processing and payments. Learn if there are any plans to upgrade or change any of these systems, as this may impact your project.

Involve your IT team in the project. Find out the specific system security, hosting or ongoing maintenance requirements your IT department has for new software. Confirm they have the necessary resources to support the automation project. Request their input on which automation vendor to use.

As you begin vetting automation platforms, ensure they can provide a stable connection to your ERP, can integrate cleanly with other related business systems and meet the expectations of your IT team. Showing stakeholders that you've done your due diligence in this area will alleviate any infrastructure-related concerns they may have.

## Quantify the benefits of S2P automation

Convincing the c-suite to invest in automation is more liable to be successful if you include strategic advantages beyond just dollars and cents. However, that doesn't mean ROI isn't a vital component of a business case. Financial and business leaders want to see the hard money impact of an automation investment.

S2P automation is a tool to more precisely control spend. In a world with so many chaotic and unpredictable external pressures (higher prices, higher interest rates, fluctuating sales forecasts, etc.) that can't be controlled, organizations must focus on what they CAN control: spending practices. S2P automation reveals how money is being spent across the organization so leaders can make data-driven decisions that will keep the company profitable. It gives visibility into company finances for better forecasting, cashflow management and working capital oversight.

In a nutshell: The more you control, the more you save. Companies that use S2P automation are considered best-in-class spend managers. Let's start by looking at how S2P automation impacts spend control during sourcing and procurement.

***The more precisely you control spend, the more you save. Companies that use S2P automation are considered best-in-class spend managers.***

### Sourcing & procurement automation ROI

By leveraging automation, best-in-class organizations optimize sourcing decisions, control rogue spend and errant suppliers, and mitigate a range of risks such as price fluctuations, savings leakage and contract non-compliance.

These enterprises regularly outperform their peers across critical procurement, sourcing, compliance and supply management metrics. For instance, they **source 23% more of their addressable spend competitively** and have **42% more electronically-enabled suppliers**.

Best-in-class businesses **influence more than 90% of their spend**. Considering every new dollar of spend placed under the Procurement team's control can result in **6-12% savings**, organizations that adopt automation technology stand to see significant savings as a result.

For every dollar that's spent off-contract, the enterprise **loses 12-18% on average**. Best-in-class enterprises minimize their savings leakage by driving a significantly higher percentage of compliant spend.<sup>3</sup>



**Spend under management**

3. CPO Rising 2023: CPO at the Crossroads Report by Ardent Partners

**Best-in-Class**  
91.5%

**VS**

**All Others**  
57.1%

### Accounts payable automation ROI

On the AP side, S2P automation enables best-in-class enterprises to achieve reduced processing times and costs, fewer exceptions and enhanced efficiency — all of which help the company save money. Compared to the average enterprise, best-in-class businesses experience:<sup>4</sup>

- 77% lower invoice processing costs
- 81% faster time to process a single invoice
- 59% lower invoice exception rate
- 2.1 times higher rate of straight-through processing (STP)
- 47% more of their suppliers submitting electronic invoices
- 51% less time responding to supplier inquiries



## Invoice cost & process time

4. The State of ePayables 2023: Paving the Way for a Smarter Future Report by Ardent Partners

### Best-in-Class

Cost: \$2.81  
Time: 3.4 days

VS

### All Others

Cost: \$13.70  
Time: 17.9 days

Another way S2P automation platforms support best-in-class AP and spend management is by providing ePayments solutions. Streamlining the payment process via options like AHC or virtual cards not only optimizes cashflow, enhances security and strengthens supplier relationships, it also offers additional savings. For example, virtual card rebate percentages can range from 0.5-2% of the total transaction value. If a virtual card offered 1.0% cash back, a business would receive \$10,000 back for every \$1 million spent.

## Create convincing arguments for key stakeholders

Each main stakeholder group has unique concerns and areas of focus when it comes to automating S2P. A strong business case should address how your automation project will specifically support their teams and goals. Here are important points to share with the three main stakeholder groups involved in S2P automation.

### Selling automation to IT stakeholders

IT leaders can be skeptical of bringing in outside software for a few reasons that you'll need to address when selling them on the idea of S2P automation.

First, IT teams typically prefer to use software from their current ERP provider because there's already a relationship and it means fewer points of contact to deal with when issues arise. While some ERP providers may offer modules that seem to do the same things as an S2P automation platform, they're not specifically designed to improve spend management and streamline cashflow holistically through the entire S2P cycle. Also, ERP modules often have limitations and can have complex user interfaces that a manager from outside finance who's trying to submit a purchase requisition may have trouble using correctly.

Second, a new software solution has the potential to cause integration issues or add complexity to your current IT landscape, which makes more work for the IT team. Modern, cloud-based S2P automation software offers easy integration, no internal maintenance and automatic upgrades. In fact, your automation project could actually free up your IT team's time by replacing a patchwork collection of old, on-premise finance solutions.

As you put together the specific business case for your IT department, make sure you clearly explain the automation solution's impact on the organization by answering questions such as:

- What resources will be required from the IT team during implementation?
- Will the solution require ongoing support from IT in terms of maintenance and regular upgrades?
- How will the solution work with existing systems, especially your ERP?
- How will the solution support future improvements in your business or IT infrastructure?

### Selling automation to Finance stakeholders

Getting financial leaders on board is all about showing them the money. They want to see rapid, credible ROI from your automation project. Share ROI examples from peer companies who have implemented S2P automation. Refer to the "Quantify the Benefits of S2P Automation" section above for data on how automation saves money via stronger spend management.

In addition, Finance managers want reassurance that the project will be low risk, so presenting a solution with a proven track record is essential. Share case studies or offer reference calls with companies already using the solution to prove the vendor's credibility and your business case.

Also, don't forget to highlight automation's "soft benefits," including better risk and compliance management, sustainability and the ability to respond to market fluctuations with greater agility.

Finally, just like for IT leaders, S2P automation can reduce workload and alleviate stress for the Office of the CFO. Specifically, it can improve visibility into spend and deliver more accurate cashflow and accrual reporting.

### **Selling automation to Sourcing & Procurement stakeholders**

Those who work closely with the supply chain are under intense pressure to show results in a variety of areas, especially sustainability/ESG, supply costs and reliability, and risk mitigation. S2P automation helps with all three.

When it comes to improving sustainability and meeting ESG goals, an S2P automation platform supports:

- **Supplier evaluation and selection:** Create supplier ESG questionnaires, monitor third-party indicators for ESG scores and report on diversity criteria from the moment suppliers are registered and throughout the business partnership, thereby improving supply chain sustainability.
- **Green purchasing:** View the CO2 impact of products to facilitate the procurement of eco-friendly and energy-efficient products and services.
- **Greenhouse gas (GHG) emissions tracking:** Extract the carbon emission metrics (Scope 2) from utility bills and calculate Scope 1 and 3 emissions from various data sources, enabling your team to gain insights into the environmental impact of your supply chain and identify areas where emissions can be reduced.
- **Paper elimination:** Digitize the entire S2P process, taking it off of hard-to-track paper and putting it all into one easy-to-access system.

Ensuring reliable supplies of goods and services at the best possible costs is another challenge an S2P automation platform is specifically designed to assist with. It enables better supplier management and optimizes sourcing processes, making your company more nimble in preparing for and responding to supply chain snarls. It also provides improved spend insights you can use to negotiate better prices and payment terms.

S2P automation is also a powerful ally in strengthening risk mitigation. A streamlined sourcing and procurement workflow within one system encourages everyone to comply with company best practices, supplier contract terms and legal regulations, reducing maverick spending and non-compliance. It's also very easy to spot when something isn't in compliance so it can be addressed right away. In addition, S2P automation software helps analyze risks associated with supplier selection and contract language to help preemptively avert potentially damaging supplier relationships.

# Why Esker

If you're reading this white paper, you're probably seriously considering Esker as your S2P automation platform. As the global authority in AI-powered business solutions for the Office of the CFO, Esker leverages the latest in automation technologies to optimize working capital and cashflow, enhance decision-making, and drive better collaboration and relationships with customers, suppliers and employees.

When presenting Esker to your stakeholders for consideration, emphasizing these features and functionalities shows the powerful impact the solution can have on your S2P cycle.

## Esker Synergy AI

As the carefully designed and specially trained set of technologies powering the Esker S2P suite, Esker Synergy AI improves speed and accuracy throughout the S2P cycle, takes on redundant tasks, analyzes data to make predictions, helps suppliers get paid faster and so much more.

### Invoice data capture

Esker Synergy extracts key information, automatically enters it into your systems and even matches the data against your own references. It embeds deep learning technology on top of OCR for high recognition rates starting day one. Plus, machine learning's ability to remember how you manage documents and exceptions means it becomes even more accurate and efficient over time.

### Predictive invoice coding

After the data is extracted from an invoice, Esker Synergy automatically matches invoice lines with the corresponding POs and goods receipts for touchless processing when no exception occurs. Faster processing means faster payments – and that means happier suppliers.

### Automatic responses to supplier inquiries with GenAI

"What's the status of my invoice?" With Esker Synergy, your team no longer has to dread those questions. It analyzes inbound supplier requests, queries your internal systems for the answer and creates a response your team can send using GenAI. It even uses sentiment analysis to classify incoming questions based on their language and customize the response appropriately. Your team spends less time chasing down answers and your suppliers receive faster responses – everyone wins.

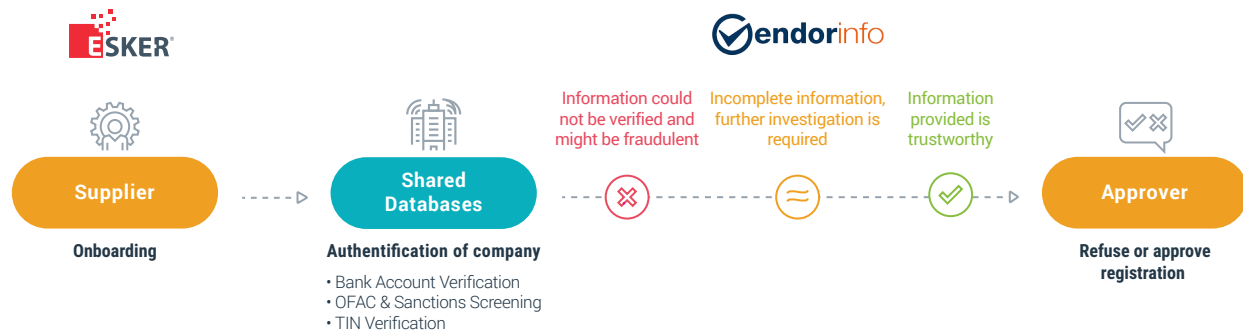
Not only that, Esker Synergy can analyze conversation transcripts to identify recurring issues so your team can make improvements and continue to exceed your suppliers' expectations.

## Supplier risk management

### Automatic Bank Account Verification (BAV)

Esker Supplier Management includes BAV, eliminating the risks of manual verification and protecting both you and your suppliers from financial loss, payment errors, disputes and even legal consequences. Suppliers simply input their bank details for a trusted third party to verify. Having a BAV program in place shows your organization takes the security of financial transactions seriously.



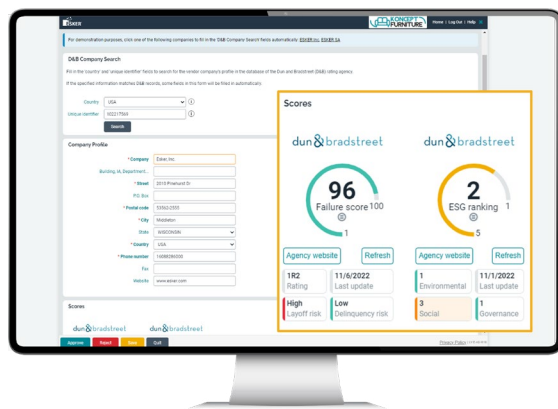


## ESG tracking & reporting

A company can't claim a commitment to sustainability and responsible business practices without requiring that same commitment from its suppliers – so it's essential to know how your suppliers are performing in the ESG arena. Esker tracks supplier certifications, monitors compliance documentation, and sends alerts for expiration or non-compliance, reducing the risk of legal and reputational issues.

## Integrated risk indicators

Powered by Dun & Bradstreet, Esker Supplier Management includes a robust set of risk indicators tracking:



- Failure score (likelihood to cease business in the next 12 months)
- Delinquency risk (likelihood to pay suppliers late in the next 12 months)
- Layoff risk (likelihood to lay off employees in the next 6 months)
- D&B rating (overall financial strength and risk)
- ESG risks
- ESG rating (company's resilience to long-term, industry-specific ESG risks)

With real-time visibility of all scores for every supplier and alerts whenever indicator scores change, Sourcing and Procurement teams have the data to select the most dependable, sustainable suppliers.

## Streamlined supplier qualifying & onboarding

Collecting, inputting and verifying supplier data is easy with Esker. GenAI creates onboarding questionnaires in multiple languages that can be customized for specific needs. After a supplier completes the questionnaire via Esker's supplier portal, integrated e-Attestations automates the screening of supplier documents, licenses and compliance records. In addition, bank details are third-party verified by Sis ID and VendorInfo. Once your team approves a supplier's information, it's automatically sent to your ERP and becomes part of your supplier master data.

## Automated eSourcing

Esker's eSourcing solution by Market Dojo automates the time-consuming, manual aspects of sourcing so your team can more quickly find and procure goods and services at the best possible prices.

Perform all your tender activities in a single dedicated platform. Run eAuctions, RFIs, RFPs and RFQs with scoring, event weighting and document uploads. Even conduct complex weighted events with

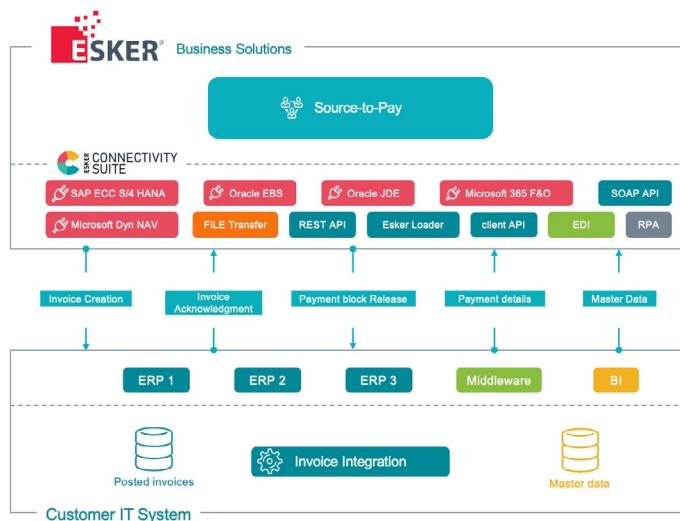
multiscoring. The easy-to-use template system lets you replicate part, or the entirety, of a previous event so new events can be created quickly and in a consistent format.

GenAI helps you build weighted questionnaires with different question types, tables and document inclusions. Automatic and manual scoring ensures consistently formatted answers. All supplier information and tender activities are centralized within the eSourcing solution. Plus, data is fully auditable and can be easily exported as a spreadsheet for reporting and post-event reviews.

## Effortless ERP integration

Whether due to M&As, spinoffs or divestitures, most organizations' ERP environments are a patchwork quilt of multiple instances of the same ERP or a combination of disparate systems. However, introducing Esker's S2P automation platform into such a complex situation is surprisingly simple.

Whether you use SAP®, Oracle, Microsoft, another ERP or a combination of multiple ERPs, Esker seamlessly integrates with your ERP applications without any additional hardware or software requirements – or disruptions to your current ERP landscape. In fact, Esker successfully **integrates with more than 70 ERPs** via middleware, flat-file exchange over secure connections and web services or APIs.



## Payment automation

Supplier payments are often seen as a cost center, but when paired with automation, they can actually become a revenue generator in the form of internal cost savings, cash back, discounts and just-in-time payments.

Esker Pay confirms invoice data accuracy, ensures compliance and initiates payment to the supplier, speeding up the invoice cycle and reducing internal processing costs.

Esker's supplier self-service portal gives suppliers the option to choose and be paid using their preferred payment method. It enables your team to pay suppliers in 40 countries and 135 currencies, making the payment process faster and easier wherever your suppliers are in the world.

Esker also supports early payment discounts, giving suppliers the flexibility to choose when they want to get paid in exchange for a reduced price on the goods and/or services purchased. When suppliers propose early payment discounts on their invoices, your company can automatically schedule the payment on the discount expiration date to ensure you benefit from the discount, while improving the cashflow on the supplier's side.

You can also leverage Esker Pay to incentivize and enable your suppliers to use value-generating payment methods such as virtual cards that can provide cash back to your company on every purchase.

# S2P automation success stories



## Sourcing

### logitech

As a Swiss company with a 40-year history of innovation and quality, Logitech designs software-enabled computer hardware solutions for working, creating, gaming and streaming. Its products are available in nearly every country and it ships more than 3.5 million items each week.

#### Before automation

After years of outsourcing their procurement process, Logitech decided to bring it in house. However, their small internal team had no proper sourcing technology in place and struggled to manage their spend and data. As a result, their eSourcing and RFP work was inefficient and time consuming. They urgently needed a solution that would enable them to conduct more RFPs more quickly than they could use as needed without significant start-up costs or training requirements.

#### After automation

With Market Dojo, Esker's automated eSourcing solution, Logitech saw a complete transformation of their sourcing function almost immediately. Their team went from running one or two complex RFPs at once using spreadsheets and emails to managing handfuls of RFPs at a time.

Having previously struggled to run time-efficient RFPs with sufficient ROI, automated eSourcing means the team can impact more areas of the business with effective returns. As well as working on a greater number of events, the quicker turnaround times also enabled the team to modify their previous spend limits. In just one compliance tender using Esker, Logitech generated an impressive £300k saving, cutting their total spend in the category by one-third.

⋮⋮⋮ **“We could start getting involved in an extended range of projects that we wouldn't have before. With the eAuctions, we've seen that it's not only an efficiency play, but we're seeing very good results in pricing that I don't think we could have dreamed of in the traditional way of running RFPs.”**

David Latten | Head of Global Indirect Procurement | Logitech

[Read success story](#)





## Supplier Management



Agua Mineral San Benedetto is a Spanish-based manufacturer and distributor of bottled water and non-alcoholic beverages. It has a major focus on environmental responsibility, developing lightweight “eco-design” bottles made with highly recyclable polyethylene terephthalate (PET).

### Improved supplier relationships with automation

At the core of good supplier management is the ability to provide excellent service – and after automating their vendor invoice process with Esker, that’s exactly what Agua Mineral San Benedetto was able to do. As soon as a vendor invoice comes in, Esker software automatically captures the data, conducts 3-way matching and routes the invoice for approval. By speeding up their process, they can pay their vendors faster. And thanks to the complete visibility into their AP process that Esker provides, Agua Mineral San Benedetto can quickly answer supplier queries about outstanding invoices. All of this adds up to better vendor relations and increased supply chain efficiency.

**“It is important to look for efficiencies whenever possible, particularly in difficult economic times. Automating business processes improves profitability and delivers a clear business advantage.”**

Juan Francisco Cerezo | Director of IT | Agua Mineral San Benedetto

[Read success story](#)



## Procurement

**arco**<sup>®</sup>

As the U.K.'s leading safety experts, Arco has 135 years of experience providing safety equipment and training in a wide variety of industries and boasts the most comprehensive range of safety products on the market.

### More visibility = more control

When Arco began their S2P automation journey, one of their biggest goals was more visibility into cashflow and spend – and with Esker, that's exactly what they got. By implementing a two-point approval requirement in their procurement process, company-wide requisitions were subjected to greater rigor and accountability. As a result, Arco was able to identify and stop more rogue buying – protecting supplier contractual relationships and preventing unnecessary overspending.

The Procurement team at Arco can easily track the metrics and KPIs important to them using Esker's configurable dashboards and reports. When they spot an area that needs improvement, Esker's flexibility lets them make instant changes to management, buying and approval processes, allowing them to streamline their structures for better results.

■ ■ ■ **“Three words to describe Esker: user friendly, adaptable and seamless.”**

■ ■ ■ Josh Smith | Procurement Lead | Arco

[Watch success story](#)



## Accounts Payable



Established in 1901, the Boston Red Sox Baseball Club are one of the most revered and storied franchises in all of sports, boasting nine World Series championships.

### Before automation

In late 2022, the Red Sox began processing invoices for several additional subsidiaries of its parent company to the tune of 5,000 or more invoices every month. Their existing homegrown AP solution required a lot of maintenance from their IT department and lacked necessary capabilities like data scraping and dynamic approval workflows. It was critical for the Red Sox to improve their processing efficiency and implement stronger internal controls in their AP process.

### After automation

The Red Sox chose Esker Accounts Payable for its AI-driven data capture, touchless processing and ability to auto-learn how they code invoices. In addition, the solution is user friendly, easy to maintain on the back end and could be customized to conduct tasks such as auto-calculating use taxes on invoices and flagging 1099 invoices. As a result, the Red Sox now enjoy:

- 25% decrease in average DPO
- New revenue/savings opportunities thanks to increases in early payment discounts and eliminated late fees
- Increased supplier satisfaction thanks to quicker turnaround of invoices and timely payments
- Enhanced visibility into essential information such as which invoices belong to what supplier and which invoices awaiting approval need to be accrued by month-end

⋮⋮⋮ **“Esker Accounts Payable had the capabilities we needed to drastically improve our AP invoice processing efficiency and mitigate any issues caused by higher volumes.”**

Ryan Scafidi | VP of Financial Planning & Operations | Boston Red Sox Baseball Club

[Read success story](#)



## Payment

# LUXASIA

The Luxasia Group is a luxury retailer and distributor with headquarters in Singapore and 15 locations across Asia. Its portfolio consists of brands such as Burberry, Dior, Ferragamo, Hermes and Prada.

### Faster payment cycles with automated AP processes

As a rapidly growing company in the luxury beauty industry, Luxasia decided to establish a Shared Services Center (SSC) in Malaysia to centralize its Accounting department and automate the processing of its 36,000 annual supplier invoices. By digitizing and automating their procurement and AP functions in Esker, the organization more than doubled their invoice processing rates and increased their invoice processing capacity by 2.5 times.

Faster invoice processing has translated to faster supplier payments and standardized payment cycles across all their locations. Esker's supplier payment portal gives Luxasia's suppliers the option to submit invoices and accept payments online, allowing for completely touchless processing and more early payment discounts for the company.

■■■ **“We have been able to standardize our payment cycles across eight countries with none of the backlogs we encountered prior to using Esker.”**

■■■ Zulaifah Abdul Ghani | Country Finance Lead for Malaysia & Indonesia | Luxasia

[Read success story](#)

# Conclusion

As you make the case for S2P automation in your organization, don't forget the final (and perhaps most important) ingredient: passion. AI-driven automation is enabling businesses to achieve profitability and efficiency they could only dream about before. It's an exciting solution that has the potential to make tremendously positive impacts not only in the Finance department but throughout your entire company.

So let your zeal shine through as you present your business case. Seeing how much you believe in it can inspire those around you to view S2P automation as more than just a software implementation, but a gateway to a future full of new possibilities.

# Hi, we're Esker

Founded in 1985, Esker is the global authority in AI-powered business solutions for the Office of the CFO. Leveraging the latest in automation technologies, Esker's Source-to-Pay and Order-to-Cash solutions optimize working capital and cashflow, enhance decision-making, and drive better collaboration and human-to-human relationships with customers, suppliers and employees.



**40**

years of experience with 20+ years focused on cloud solutions.



**1,000+**

employees serving 850k+ users & 2,500+ customers worldwide.



**15**

global locations with headquarters in Lyon, France, & Madison, WI.



**€178.6**

million in revenue in 2023, with 90%+ of sales via SaaS activities.



## Business success is best when shared

At Esker, we believe the only way to create real, meaningful change is through positive-sum growth. This means achieving business success that doesn't come at the expense of any individual, department or company – everyone wins! That's why our AI-driven technology is designed to empower every stakeholder while promoting long-term value creation.

# Sources

- 1 [Key Issues Study](#), 2023. The Hackett Group.
- 2 [The Current State of AI Use Within Finance](#), August 23, 2024. Gartner.
- 3 [CPO Rising 2023: CPO at the Crossroads Report](#), 2023. Ardent Partners.
- 4 [The State of ePayables 2023: Paving the Way for a Smarter Future Report](#), 2023. Ardent Partners.

