

2017 Procure-to-Pay for Indirect Spend

Increasing Indirect Spend Control and Visibility with Procure-to-Pay (P2P) Automation

Q1 2017 | Featuring insights on...

- » Current Market Trends in Indirect Spend Management
- » The Benefits of P2P Software for Managing Indirect Spend
- » Features and Functionalities of Leading P2P Solutions
- » A Guide to Overcoming P2P Adoption Barriers
- » A Few Leading P2P Software Providers

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Introduction

Organizations spend billions of dollars on indirect goods and services each year, and thousands of hours ensuring that those goods and services are ordered, delivered, and paid for efficiently. For some companies, managing indirect goods (also known as non-inventory goods or any good that doesn't go into an organization's final product) is handled by a large, centralized team of procurement and AP professionals. Others forego a centralized process and rely upon individual department heads to make sure all spend is properly accounted for. However the process is managed, one factor that can have a substantial effect on the success of a company's Procure-to-Pay (P2P) lifecycle is its level of automation.

Manual P2P processes rely heavily upon email and phone-based requisitioning and order management, as well as paper-based invoice management and payment processing. Under a manual P2P process, organizations experience higher rates of process errors, limited visibility into the status of orders and payments, and very little insight into and control over indirect spend. Manual processes can lead organizations to spend millions each year in processing costs. On the other hand, when organizations leverage P2P software to automate processes, costs decrease and control increases. Procurement and AP departments gain visibility into how cash is moving and how employees and suppliers are interacting, and companies gain the ability to strategically manage cash flow.

Leading P2P software suites include solutions for electronic procurement (eProcurement), AP, and payments. These suites typically offer support for requisitioning, catalog management, order lifecycle management, receiving and reconciliation, invoice creation and approval workflow, supplier management, and electronic payments. The combination of these tools creates a more open and collaborative environment in back-office departments, and helps organizations accomplish some of their top P2P goals—increased visibility into and control over spend.

This report explores trends in indirect Procure-to-Pay among today's organizations. It also highlights the features and benefits of advanced P2P automation tools, including eProcurement, eInvoicing, supplier management, and ePayments solutions.

Organizations' P2P Pains, Goals, and Successes

In order to identify indirect P2P trends among North American organizations, PayStream Advisors surveyed over 250 back-office employees across several industries and market segments. This section focuses on some of the standard strategies organizations are using to manage indirect procurement, and how these processes are affected by a lack of automation.

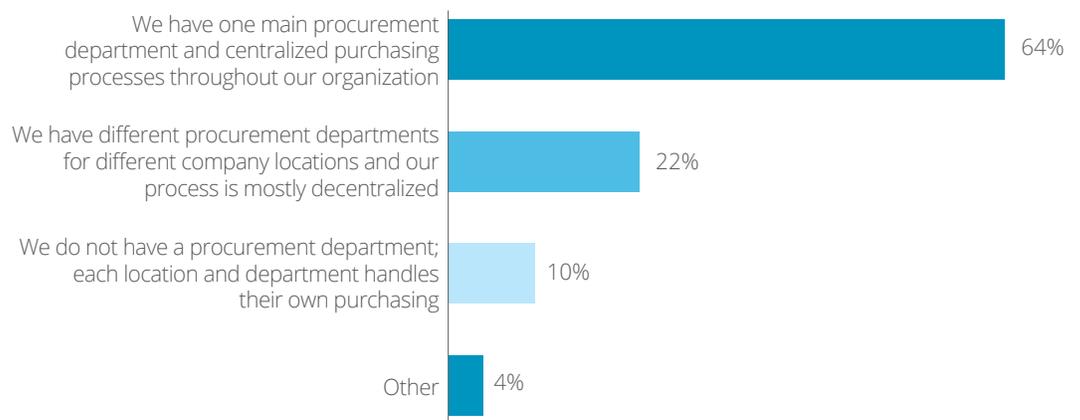
Centralized procurement is typically the best-case scenario for effective procurement processing, as it lowers the chances of many process issues that can arise from disjointed ordering and poor company-wide controls. Research shows that a majority of organizations have centralized procurement processes, see Figure 1. Understandably, size plays a role in this. Larger organizations are more likely to have decentralized processes than smaller organizations, as they typically have multiple locations. Smaller organizations are more likely to have no procurement department at all, as they will be the most likely to have too little spend or too small a budget to warrant a separate department.

Figure 1

Most Organizations Operate with One Procurement Department

"How would you best describe your current procurement process structure?"

RESPONDENTS' CURRENT PROCUREMENT PROCESS STRUCTURE



While many organizations have a centralized procurement department, most are not using effective tools for ordering goods and communicating with suppliers. For example, among organizations that are not using eProcurement, the majority send POs via email to suppliers, see Figure 2. Others call suppliers directly, or perform an online search for the goods and services they need.

HOW MAJORITY OF POs ARE SENT TO SUPPLIERS

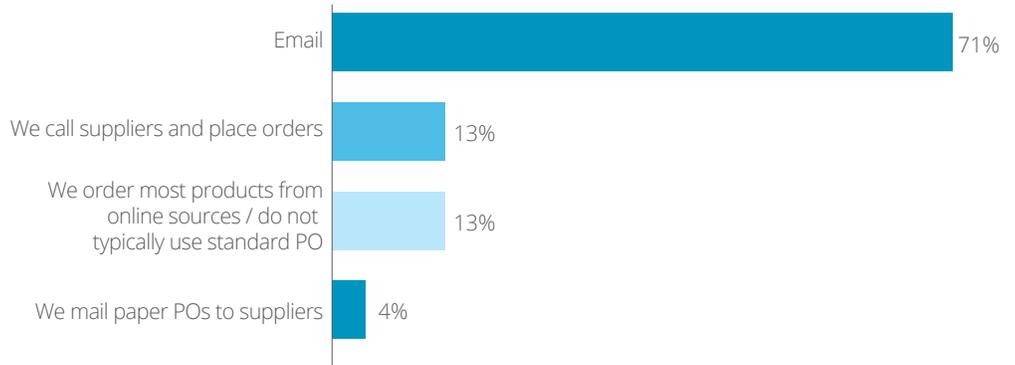


Figure 2

Most Organizations without eProcurement Send POs Via Email

“How do you send the majority of your POs to supplier?”

These manual methods lack purchasing controls and auditing capabilities. They typically lead to over-budget employee spend and unregulated purchasing against stagnant supplier contracts with unchecked or out-of-date pricing. They also provide managers with little insight into market prices, the value of suppliers' goods, or the success of past interactions with suppliers. In general, a manual process does not lend itself well to budgeting, project management, or inventory control; it requires managers to spend more time monitoring spend to maintain balance in those areas. Considering that some companies spend millions of dollars in indirect purchasing each year, inefficiently managing procurement spend can have a huge impact on a company's profitability.

PayStream has also found that organizations are heavily reliant upon email and phone-based methods to handle the order management lifecycle. This means they often call or email a supplier directly when they need to check on or change an order. This can slow down or disrupt order fulfillment, sometimes causing processing costs to exceed expectations, damaging supplier relationships, and wasting procurement staff's valuable time.

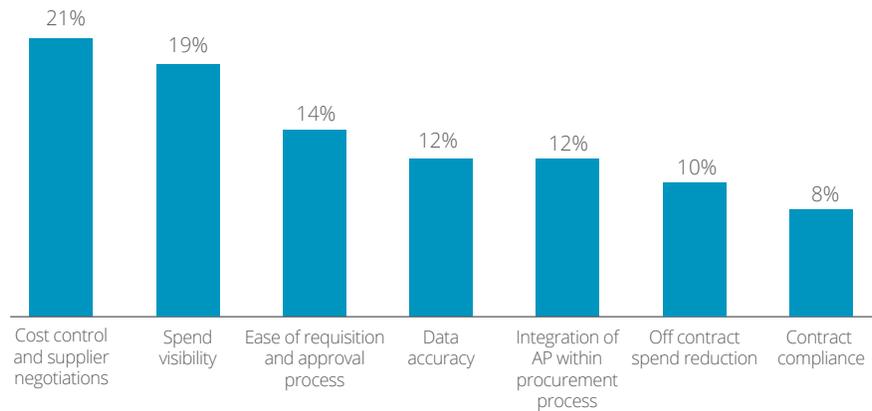
PayStream has found that manual procurement issues are reflected in organizations' improvement goals. When asked where they would like to see improvement, survey respondents replied that they would like more control over costs and contracts, more visibility into spend, and improved interaction between back-office departments, see Figure 3.

TOP OPPORTUNITIES FOR IMPROVEMENT IN PROCUREMENT PROCESS

Figure 3

Cost Control and Visibility Are Organizations' Top Improvement Goals

"In what area would you like to see the greatest improvement to your procurement process?"



Organizations are also concerned with the smooth transfer of order information between the procurement and accounts payable department. When one or more department operates under a manual process, the P2P lifecycle is longer, more costly, and more prone to error.

One key way to accomplish these goals is to automate the procurement process with an electronic procurement solution. Research shows that organizations that have adopted these solutions have achieved the exact goals that those without the software aim for, see Figure 4.

IMPROVEMENTS ACHIEVED THROUGH PROCUREMENT SOLUTION IMPLEMENTATION

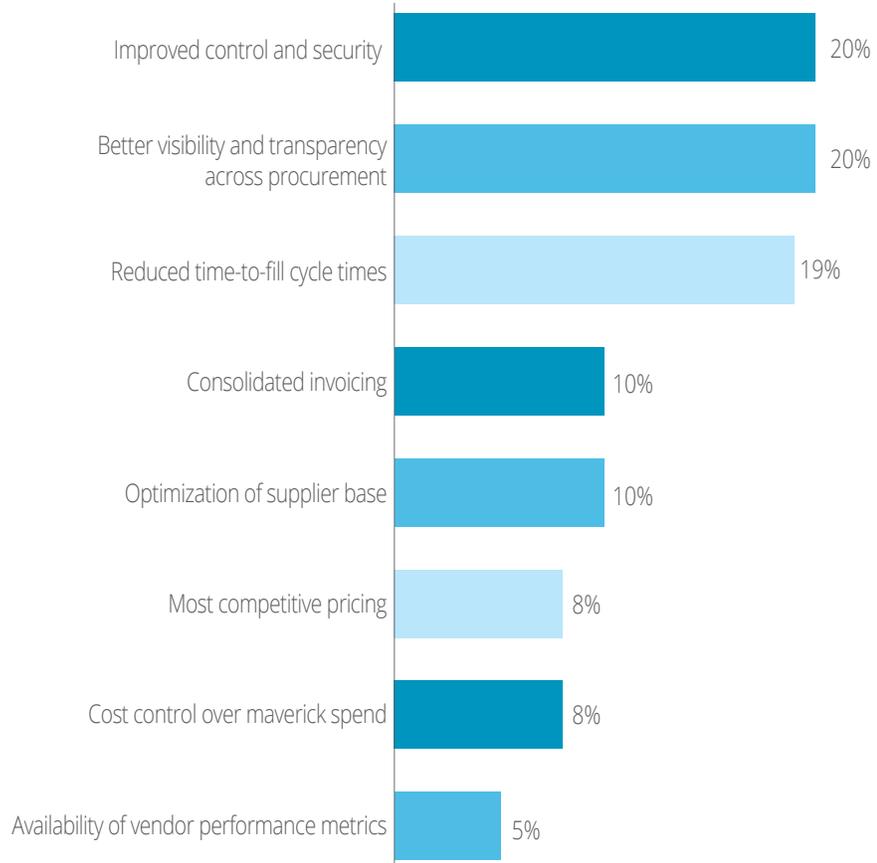


Figure 4

Organizations Achieve Improvements in Control, Visibility, and Cycle Times with eProcurement

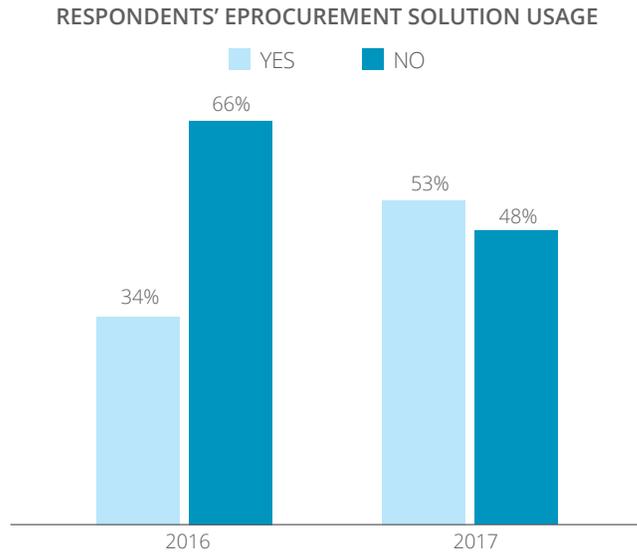
“Which of the following improvements have you seen in your procurement process since implementing a solution? (Select up to three)”

Survey results show that over half of organizations have adopted an eProcurement solution—a 56 percent increase from 2016, see Figure 5. PayStream attributes this growth in adoption rates to increased awareness of the value of eProcurement technology for improving control, visibility, and profitability.

Figure 5

eProcurement Adoption Rates Have Increased from 2016 to 2017

“Does your organization utilize an eProcurement solution?”



Similarly to procurement process structures, company size plays a role in whether an organization will adopt a solution. Adoption rates increase as company revenue increases, and smaller organizations are much less likely to adopt a tool, see Figure 6.

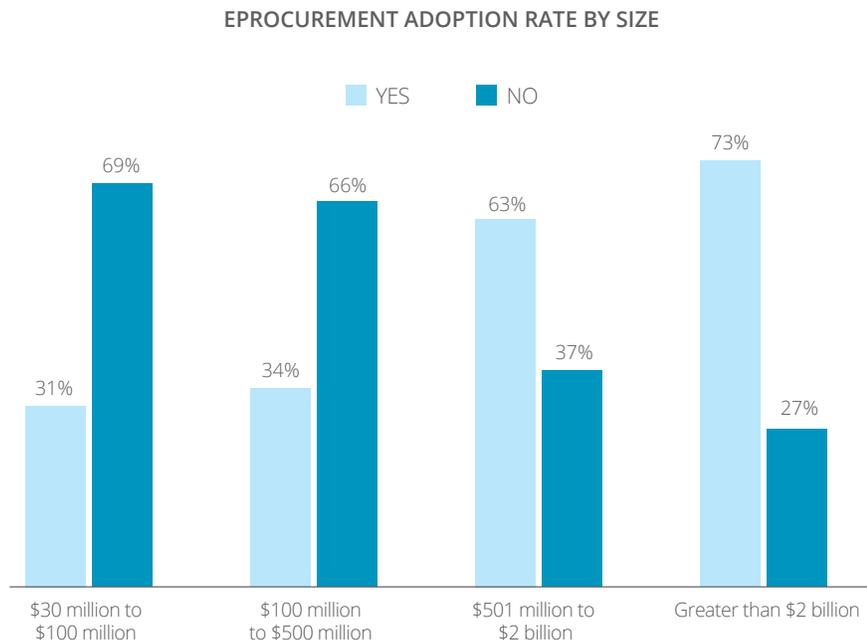
Figure 6

Large Organizations Are the Greatest eProcurement Adopters

“Does your organization utilize an eProcurement solution?”

&

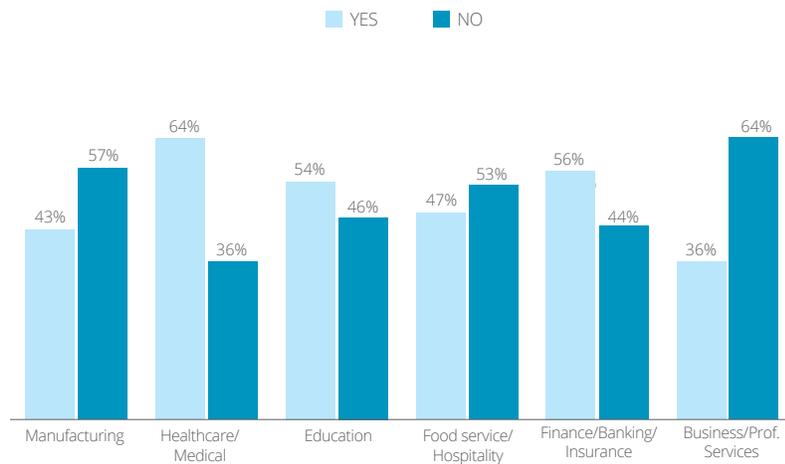
“What is your organization’s annual revenue in the most recent 12-month reporting period?”



Industry also has an impact on adoption, see Figure 7. PayStream attributes this to organizations' industry-related indirect goods requirements. Healthcare and education have the highest rates of eProcurement adoption, as they are typically running widespread, decentralized procurement operations with high volumes of indirect good orders. On the other hand, manufacturing and retail companies are more likely to be connected directly to their supply chains, with a direct goods-focused tool. Organizations in the finance and banking industry also have high eProcurement adoption rates; PayStream has found that this industry is consistently more progressive when it comes to adopting back-office software.

Figure 7

EPROCUREMENT ADOPTION RATE BY INDUSTRY



Healthcare, Education, and Finance Organizations Are Highest eProcurement Adopter Industries

"Does your organization utilize an eProcurement solution?"

&

"Please select the standard industry description that best fits your organization."

With P2P software, purchasing and accounting professionals can handle all their procurement and order management tasks from one electronic platform. Employees in purchasing and other departments can fill out a purchase request for an indirect good or service, then send that requisition through a pre-configured approval workflow for review. These solutions also facilitate synchronization between purchasing and payment by automatically flipping POs to invoices after receipt, and enabling real-time communication between departments. P2P software allows organizations to handle millions of dollars' worth of indirect spend in one intuitive system across multiple locations, department, and users.

The following section further highlights the features and services offered by P2P solutions tailored to indirect procurement.

P2P Features and Functionality

A P2P software suite typically includes automation for the entire back-office lifecycle of requisitioning, purchasing, receiving, paying for, and accounting for indirect goods and services. A fully automated P2P process usually creates a harmonious relationship between procurement and accounting departments, enabling more transparency into and control over indirect spend.

Emerging in the 1990's, early P2P solutions began as ERP-based, bolt-on purchasing and invoice management tools. They enabled organizations to see key process data more clearly, and integrated their disparate back-office processes. In recent years, the rise of cloud, or SaaS, technology has filled the market with more affordable and technically versatile options. These options are sold in holistic software suites or in modular forms, allowing organizations to automate processes as their growth and budgets allow. However, even if organizations automate gradually, full adoption of a P2P software suite should be the eventual goal, as it has long-lasting effects on profitability and competitive standing.

The following items summarize the features of each primary P2P module.

eProcurement and Order Management

Procurement technology's main features include requisition creation and workflow, in-house and punch-out catalogs featuring product information from thousands of suppliers, PO creation, and an order management interface that allows for full visibility into all order activity. These solutions often support PO flip to invoice and integration with AP as well.

An important element of eProcurement is the ability to route purchase requisition workflows to the appropriate team member, especially if it is common for an organization's non-procurement staff to request indirect goods. In addition, PayStream has found that most companies have varied methods of sending purchase requisitions, whether to one designated procurement manager, managers in individual departments, or to different managers on different occasions. This means that a flexible requisition workflow tool—one that can be

configured to operate across multiple departments, locations, and teams—is a must.

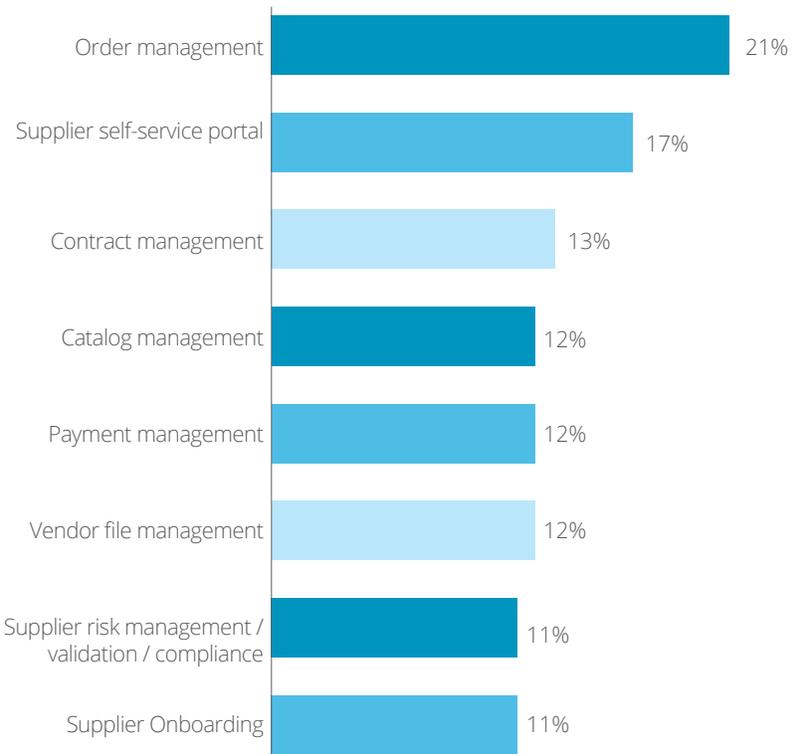
Another important aspect of eProcurement is order management—the tool valued most highly by organizations that have adopted eProcurement, see Figure 8. The order management module gives procurement departments real-time visibility into the status of orders at any point in the lifecycle. It also provides managers with control over shipping and receiving, and provides the ability to communicate with suppliers or internal stakeholders directly from within the solution. Order management is one of the most important tools for accomplishing organizations’ goals of increased visibility and control over spend.

Figure 8

MOST VALUABLE EPROCUREMENT SUPPLIER NETWORK SERVICES

Order Management and Supplier Self-Service Automation Are Adopters’ Most Valued Tools

“Which of these services, offered by an eProcurement supplier network, do you find most valuable? (Select up to three)”



Accounts Payable

AP automation involves paperless invoice processing through electronic invoicing and/or the scanning of paper invoices and data capture, invoice matching and exception management, approval workflow, and integration with electronic payments tools. Most P2P solutions integrate with AP software, facilitating seamless movement

from requisition to payment. Many AP solutions also come with working capital tools, including Dynamic Discounting and Supply Chain Financing (SCF) offerings to improve DPO, increase revenue, and promote faster supplier payments.

Electronic Payments

Many solutions either offer in-house payment capabilities or directly integrate with leading payment solution providers. ePayments tools include ACH, wire, and commercial card payments. Commercial cards come in a variety of types, including corporate cards, traditional purchasing cards, ghost cards, and Virtual Account (VA) programs.

Supplier Management

Most solutions offer some level of supplier management—either through self-service supplier platforms or simply via a searchable supplier directory. Other features include supplier data management, supplier risk assessment, and supplier analytics and reporting tools for insights and auditing.

Figure 8 shows that the supplier self-service portal is the second most valuable tool to organizations that have adopted eProcurement. PayStream attributes this to the improvements these portals can bring to supplier relationships. For example, 80 percent of organizations reported improved supplier relationships after adopting a supplier management tool.

Spend Management

Reporting and analytics tools allow purchasing, AP, and legal departments to pinpoint inefficient spend activity and identify areas for improvement. Features include out-of-the-box and/or ad-hoc reporting, interactive reporting dashboards with drill-down capabilities, integration with other analytics tools, and industry benchmarking for data analysis. Many P2P solutions also include audit trails and financial process support that automates accruals and postings.

Administrative Controls

P2P solutions facilitate complete, real-time visibility into all spend activity, and many offer components that promote consistent compliance with budgets for both general and project-based purchasing. An advanced P2P solution allows organizations to configure the solution to their unique business policies, and to designate different requirements, restrictions, and workflows for spend according to its characteristics (e.g., spend category, user, PO, or invoice amount). Many solutions also provide support for non-PO spend to ensure that these items are under the same level of control. This support can include special rules and workflows for non-PO invoices, as well as straight-through processing and automatic payment options for certain recurring invoices, such as utility bills.

Overcoming P2P Adoption Barriers

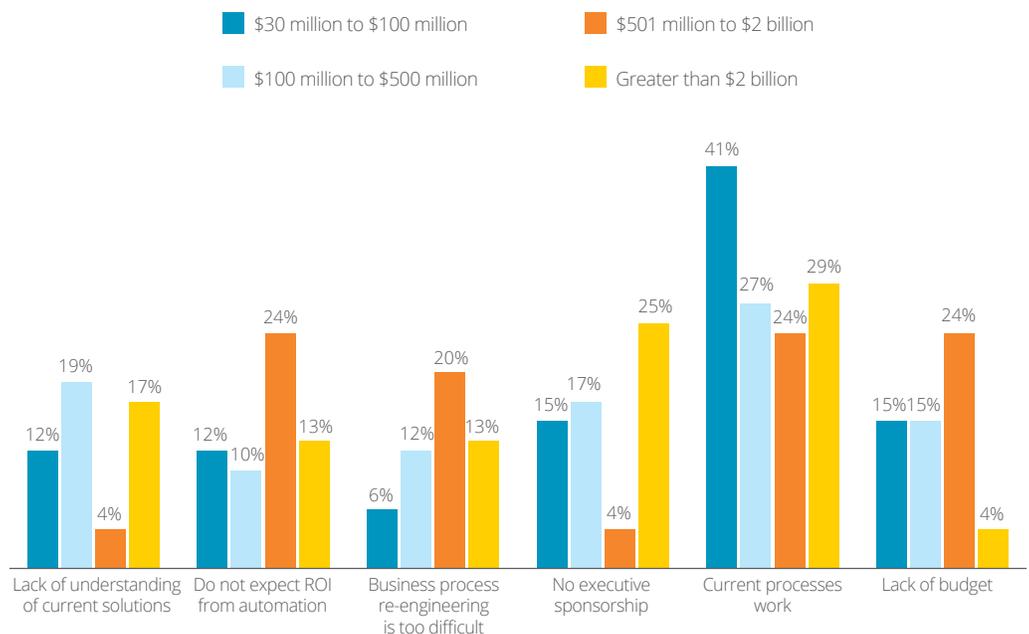
Despite the obvious value and benefits of eProcurement technology, many organizations choose not to adopt a solution. This is due to many reasons—most commonly, the belief that current processes are working. Other adoption barriers can vary based on the company's size, see Figure 9.

Figure 9

Large and Small Organizations Do Not Adopt eProcurement Because of Satisfaction with Current Processes

“What is the greatest barrier to procurement automation implementation in your organization?”

TOP BARRIERS TO EPROCUREMENT AUTOMATION IMPLEMENTATION BY SIZE



The following items address organizations' adoption barriers, and offer some solutions for resolving them.

Budget Concerns

Procurement automation can be expensive, and budget restrictions are a reasonable concern when it comes to adopting a solution. However, not all organizations fully understand what a solution will cost. PayStream found that while companies in the lower-middle market (\$30-100 million in revenue) tend to underestimate the cost of a solution, those with revenue between \$501 million and \$2 billion often overestimate the cost of eProcurement software implementation.

Any company that is hesitant to adopt a solution should try to gain a more accurate estimation of the software cost, then reevaluate adoption plans. As for smaller organizations, new solutions are emerging in the P2P market that are specifically designed for organizations with smaller budgets. These companies should make sure they are exploring the entire software market. In addition, they should also consider starting small—a company can begin with one procurement tool and plan to adopt more P2P solutions later on.

Stakeholder Resistance

The failure to gain internal buy-in typically comes from two similar causes: a lack of education on the purpose and value of the solution, and the belief that the software will produce no ROI. However, any sound investment decision should involve extensive research and analysis. If organizations want to be sure of the value a solution will bring, they must look at their current processes, and evaluate their metrics. This includes processing times, labor costs, error rates, and the annual costs of existing systems, including maintenance. Once organizations have a clear picture of their current state, they will be much more successful at determining the potential results of automation adoption.

There are many tools available for companies wishing to estimate the ROI of software adoption, including PayStream's recent [Pitching ROI for AP report](#). PayStream suggests that practitioners wishing to persuade key decision makers in their organizations should take advantage of tools like these to build a stronger case for automation.

Lack of Market Knowledge

Related to the problem of gaining executive sponsorship, this issue can be one of the most persistent barriers to adoption—but it is one that is easily corrected. If organizations are not aware of the better options that are available, they will continue operating under inefficient processes. PayStream suggests they take the time to research the market and its offerings, as well as the effects of automation. Beyond accessing research material like this report, organizations should talk to their peers about their own process struggles and automation initiatives (if applicable), and contact vendors for a demonstration of a leading P2P solution.

Business Process Engineering

Integrating a P2P solution with existing processes and systems can be challenging, especially for older and/or larger companies with multiple locations, or with legacy systems on which many back-office teams and processes are dependent. However, today's P2P software providers take these issues into account. These providers offer cloud-based technology and advanced integration tools that make it easy to plug their solution into even the most complicated infrastructure. Many providers also have teams of integration specialists to help IT configuration during implementation, as well as business process consultants to help structure current operations around more efficient, technology-based processes.

If organizations apply the strategies listed above, they will be able to identify their needs, areas for improvement, and possible savings, and they will be empowered to move forward toward P2P adoption. In order to help these organizations in their adoption journey, the following profiles highlight the features offered by some of today's leading P2P software providers.

Apptricity

Since 1999, Apptricity has deployed spend management and supply chain solutions for many global commercial and government clients, with application installments in over 100 countries. Apptricity's offerings include automation for Procure-to-Pay and travel and expense management, and its software helps to simplify purchasing, invoice management, and payment processes. Apptricity also improves visibility and process control by providing managers and auditors with easy access to historical and in-process purchases.

Founded	1999
Headquarters	Irving, TX, USA
Other Locations	London, England
Number of Employees	110
Number of Customers	60
Target Verticals	Aerospace & Defense, Banking & Securities, Business Services, Communications & Media, Education, Energy (oil, gas, nuclear), Healthcare, Insurance, Manufacturing, Not for Profit, Professional Services & Consulting Services, Public Sector, Retail, Utilities, Wholesale Trade
Partners / Resellers	Egencia, Get There (Sabre), Orbitz, Travelocity
Awards / Recognitions	Named among the 20 Most Promising Supply Chain Tech Solution Providers 2016 by CIOReview; notable mention in Gartner Group's January 2016 Magic Quadrant for Warehouse Management Systems

Solution Overview

Apptricity applications are built to integrate with over 45 ERP and legacy systems, including Oracle, SAP, Banner, PeopleSoft, Microsoft, Lawson, Sage, Infor, Workday, and QuickBooks. All Apptricity deployments are designed and implemented to meet strict security requirements, including the ability to operate in government- and defense-classified environments.

Procure-to-Pay

Appticity Procure-to-Pay features a web-based and mobile interfaces, where users can create purchase requisitions in compliance with the organization's purchasing rules. Each client may choose users may interact only with an online catalog, or may also be able to enter data directly. Clients can choose to limit users' ordering to preferred suppliers only, taking advantage of negotiated pricing, discounts, and contract terms.

Once submitted, requisitions are electronically routed for approval based on specific rules set by the organization. Approval workflow may be based on multiple factors, such as organization structure, requisition amount, and cost center, and includes support for unlimited forwarding and multi-point approvals. Delayed approvals can result in notifications and alerts to promote timely reviews.

Once a requisition is approved, it is converted into one or more electronic POs and automatically sent to suppliers. All documents are searchable within the Appticity system, which maintains a clear audit trail through the P2P process.

Once an order arrives, receipt documents and invoices may be scanned via OCR, entered electronically (by EDI, fax-to-image, or spreadsheet), or manually entered. The solution can perform 2- and 3-way matching. Invoices are routed for review and approval based on the organization's rules and structure, and workflow capabilities include automatic dispute resolution and invoice escalation. Once invoices are approved for payment, they are routed directly into AP systems for processing and payment.

Appticity's Supplier Connect supplier portal enables buyers to connect with suppliers, check on open orders, product availability, and shipment status, and post new orders for competitive bidding as soon as a requisition is approved. Supplier Connect offers suppliers the ability to view and update catalog information, generate invoices and advanced shipping notices, process purchase order acknowledgments, and address transaction disputes. Designated vendors can also create and submit invoices.

Appticity Procure-to-Pay offers both standard and client-specific reports. Out-of-the-box reports cover a wide range of reporting subjects, and are available in multiple formats. Appticity's Professional Services team also works with clients to define and develop custom reports in any format.

Appticity also offers audit capabilities for pre- or post-payment. For a certain percentage of transactions, administrator-defined criteria (department, spend amount, GL code, etc.) can trigger automatic audits.

Implementation and Pricing

Appticity Procure-to-Pay implementation cycles can range from a few weeks to a few months, depending on the client's needs. Appticity provides all training through "Appticity University," offering professional, instructor-led certification training with hands-on activities and real-world scenarios. Each Appticity customer is provided with a dedicated Customer Service Manager (CSM) for the duration of their relationship with Appticity.

Appticity typically prices its application software based on the number of executed transactions. For larger clients, Appticity will also license its software.

Customers may choose to deploy Appticity software on Appticity-hosted shared systems (Software as a Service, or SaaS), on dedicated systems hosted by Appticity (Platform as a Service, or PaaS), or on-premise at the customer's data center.

Aquiire

Formerly Vinimaya, Aquiire, Inc. offers B2B eCommerce and catalog management solutions to enterprise companies in a variety of industries. The company also works with state and local governments and higher education institutions, and has created personalized eCommerce marketplaces for several large group purchasing organizations (GPOs). Aquiire’s key product is the Aquiire Procure-to-Pay suite, which was officially launched in September of 2016. The suite offers real-time, cross-catalog B2B shopping capabilities, machine learning, and collaborative supplier enablement solutions.

Founded	2000
Headquarters	Cincinnati, Ohio
Number of Employees	80+
Number of Customers	55
Target Verticals	All verticals
Awards / Recognitions	Spend Matters Top 50 Companies to Watch; World Procurement Awards Finalist; IOFM Game Changers Award; Oracle Gold Partner

Solution Overview

Aquiire is ERP agnostic, and can integrate seamlessly with almost any ERP or financial system. Users can access Aquiire’s eCommerce marketplace solution from their mobile tablets, and can approve purchase approvals from any mobile device.

Aquiire hosts its solution with Rackspace, and leverages Rackspace’s resources to meet clients’ security requirements. It also leverages Rackspace’s anti-virus solution, powered by Sophos and Symantec. Aquiire software is also protected by a web application firewall and active intrusion detection.

Aquiire is also an Oracle Gold Partner. Aquiire’s B2B eCommerce marketplace and content management technologies are often used in tandem with Oracle’s ERP and eProcurement systems in order to complement and extend the systems’ functionality. This partnership helps to create a more consumer-like purchasing experience and stronger supplier content management for enterprises using E-Business Suite, PeopleSoft, and Oracle Cloud ERP.

Procure-to-Pay

Aquiire leverages real-time search functionality with the visual shopping tool, Klarity™, to allow users to instantly refine search results across all local and web catalogs (punch-out catalogs, hosted catalogs, and internal catalogs) in a single search. Aquiire returns search results into a single user interface with prices, availability, and contract compliance data. Upon checking out of the marketplace, the Aquiire solution will confirm price and availability of all products in the cart. It will also run a search on the manufacturer part number to determine if the product is available at a lower price from another vendor, a preferred vendor, or a specified Business-to-Consumer (B2C) provider (such as Amazon).

Administrators can easily review, approve, or deny purchases from an administrative dashboard. The system also flags any purchase that is off contract pricing or is not an approved product, based on clients' specific procurement rules. Aquiire allows for budget, department, and cost-center approval workflows. Once a requisition is approved and POs are sent to each supplier, Aquiire tracks order fulfillment progress using color-coded order status icons, updated in real-time.

Aquiire allows clients' suppliers to dispatch invoices and POs in their preferred method of communication, regardless of technical maturity. The solution supports most versions of protocol and forms of transactions.

In order to complete the P2P lifecycle, Aquiire is currently in collaboration with two companies (currently undisclosed) to provide ePayments, p-card payments, and temporary (virtual) procurement cards.

Aquiire's supplier management tool enables suppliers to easily upload hosted catalogs and set up punch-out catalogs. The system allows suppliers to see what their marketplace will look like to the buyer, allowing them to verify that they are providing the correct shopping experience and complete data (images, pricing, descriptions). Pricing and content can easily be edited and shared between parties, and the Aquiire support team is always available to aid in the onboarding and troubleshooting process. Contract compliance tools are also available to ensure that supplier prices remain consistent with what was negotiated.

Aquiire offers out-of-the-box reports using specialized software, covering many business process metrics, including requisition-to-PO, sign-in to checkout, and time saved per search. Aquiire can deliver these reports in multiple formats, and can make key reports accessible in individual users' dashboards.

Implementation and Pricing

Depending on the number of client suppliers, implementations generally run between 4 and 8 weeks. Aquiire provides full training through internal Jura service desk tools, live webinars, help content, video content, ongoing Q&As, and other training needs as realized. After implementation, the Aquiire customer support team provides full support via phone, email, and internal ticketing systems. The Aquiire software can also detect potential problems and alert the Aquiire technical team prior to customers experiencing a problem on the user end.

Aquiire's pricing terms include a one-time implementation fee, annual SaaS subscription fee, and optional development fees for any certain customized services.

GEP

GEP is a procurement technology developer with over 15 years of experience in deploying Procure-to-Pay and Source-to-Settle solutions. With its P2P/S2S platform, SMART by GEP®, GEP has made it possible for all tasks in the purchasing and payables processes to be carried out in one system and from any device. The unified platform is designed to automate and accelerate the management of a strategic indirect spend program, with automation for spend management, procurement, sourcing, contract management, order management, supplier self-service, and invoice processing.

Founded	1999
Headquarters	Clark, NJ
Other Locations	London, Prague, Mumbai, Shanghai
Number of Employees	c.2500
Number of Customers	>200
Target Verticals	All

Solution Overview

SMART by GEP is a highly secure, cloud-native procurement platform developed on the Microsoft Azure Cloud. All of GEP's development, data handling, and operational facilities and systems are certified to SSAE16 standards. GEP uses a web-based methodology to integrate with its customers' third-party systems. The solution is mobile-native and works on any browser and platform

Procure-to-Pay

SMART by GEP's procurement offering covers requisitioning, PO management, receiving, and reconciliation. The solution features many types of purchasing catalogs, including punch-out, supplier-hosted, managed, and internal (buyer-side managed). The solution also includes multi-variable and multi-stage requisition approval workflows with failover, delegation, and escalation controls. Purchase requisitions are flipped into orders upon approval, and the POs can then be processed through additional workflows, if necessary. POs are submitted directly to the suppliers through the SMART by GEP portal or through direct integration with the suppliers' systems.

SMART by GEP's accounts payable functionality allows users to handle all P2P documents in one place. SMART by GEP natively accepts invoices originating from suppliers through the SMART by GEP portal. SMART by GEP also integrates with supplier systems for the purpose of order and invoice transmission using EDI and/or cXML standards.

After invoice submission, GEP's platform and Invoice Reconciliation solution conduct field-level matching based on business rules, automatic re-routing of incorrect invoices back to suppliers, and PO flip on validated invoices. Due to SMART by GEP's comprehensive platform, the matching function can handle requisition, order, delivery note, receipt, and invoice matches. The platform also provides compliance tools to match invoices to contracted prices or prices bid at the sourcing stage. GEP's Invoice Reconciliation features allow for the routing, revision, matching, and management of invoices that fail automatic matching.

SMART by GEP includes access to the GEP supplier network for customers that wish to have access to a global supplier base.

To address suppliers that are not yet registered in SMART by GEP, GEP offers a managed, supplier onboarding service tailored to each customer's need. With SMART by GEP, suppliers have access to the platform's entire P2P offerings, as well as a robust set of supplier self-service and B2B collaboration tools. This includes profile management, certificate management, procurement catalog information management, and the ability to handle order-to-invoice processes.

SMART by GEP is built upon a data warehouse model for reporting and dashboards, providing the end user with access to all data across the procurement landscape. Its reporting services include dashboards and drag-and-drop, ad-hoc reporting functionality that allow users to create reports based on any parameter captured within the system. Users can create custom reports, which can then be added to the dashboard, viewed in graphical format, exported in multiple file formats, and scheduled at a desired frequency. The SMART by GEP platform supports customization of dashboard views per individual users' requirements.

Implementation and Pricing

Implementation of SMART by GEP solutions includes configuration to the client's business processes and robust customer support to drive end-user adoption. Post-implementation, GEP provides phone and web-based support. GEP's global customer support staff is based out of three regions (US, Europe, and APAC) and is available 24/5.

SMART by GEP is an annual subscription-based service priced on a function-by-function basis, largely according to the number of users of each function for each year of the contract. The different factors considered for pricing include number and type of users, interface languages, contract and template configuration requirement, and support services.

Paramount WorkPlace

Paramount Workplace offers advanced web-based and native mobile requisitioning, procurement, and expense solutions for mid-market organizations across a range of industries, worldwide. The user interface and experience offer flexible P2P automation and robust expense reporting that is easy for employees, effective for management, and powerful for accounting.

Founded	1995
Headquarters	Metro Detroit
Other Locations	Washington, Georgia, Virginia; Ontario and British Columbia, Canada
Number of Employees	26
Number of Customers	750 customers, 110,000 users
Target Verticals	Healthcare, Life Science, Pharmaceutical, Sports, Entertainment, Hospitality, Government, Non-Profit, Education, Utilities, Agriculture, Services, Telecommunications, Public Transportation
Partners / Resellers	Tribridge, Professional Advantage, RSM, BDO Canada
Awards / Recognitions	President's Club for Microsoft Dynamics; Blackbaud Financial Edge and NXT Procurement Platform of Choice; Microsoft Gold Development Partner, Sage Gold Development Partner

Solution Overview

Paramount WorkPlace solution can be deployed in cloud-based, hosted, and on-premise environments. It is offered as a stand-alone solution as well as certified extension of many leading ERP's. Paramount WorkPlace offers seamless out-of-the-box integration with Microsoft Dynamics (GP, NAV, SL, and AX), Blackbaud (Financial Edge and Financial Edge NXT), Sage (100, 100c, 300, 300c, 500), Intacct, and NetSuite via ERP specific API's. For system security, the solution leverages role-based controls and several industry driven authentication protocols including single sign on, LDAP, active directory, OAUTH2, and 2-factor authentication.

Procure-to-Pay

The requisition solution can be tailored to different types of users, roles, department, and vendor marketplaces. Internal WorkPlace catalog system and punch-out capabilities allow requestors to search for indirect goods through punch-out and catalog style shopping experiences, as well as a traditional transaction style interface.

The solution is built to support accounting considerations during the purchasing process; it can default financial coding for GL Accounts and financial dimensions at the line-item level, and can process both PO and non-PO requests. It offers cost controls that integrate with and help enforce organizations' budgets, vendor contracts, and project rules, as well as an automated 3-tier tax engine for effective financial integration and reporting.

The solution supports centralized purchasing across multiple locations, allowing users to request, enter, and process transactions under the same controls company wide. This capability allows organizations to better contain and control indirect spending whether their processes are centralized or decentralized. Line level multi-company and inter-company capabilities provide a single centralized procurement portal for larger organizations to integrate with multiple entities in their ERP.

Purchasing approvers can approve requests within the application, on their mobile device, or from notification emails. The solution's robust independent parallel, line-level approval engine offers approvers unlimited approval levels and approval paths. Built-in collaboration tools include email notifications, web form questionnaires, delegation, automated escalation rules, ad-hoc approval routing, and logged communication notes throughout the approval workflow. Depending on an organization's preferences, POs can be automatically generated and issued to vendors upon approval, or reviewed and consolidated by central purchasing teams. The solution also includes full PO and change order management. Document retention, revision number tracking, quantity status, and a detailed audit log are available for every PO line and for users involved throughout the purchasing lifecycle.

Paramount Workplace's solution offers multiple user-tailored receiving options, including filtered desktop receiving, one-click PO receipt, and detailed transaction entry. Users can automatically be notified when their requests have been fulfilled, unmatched invoices have been received, or when their expected orders are not received by the specified delivery date. Upon receipt of an order, the solution supports both 2 and 3-way matching with automatic purchasing accruals

that can be integrated at the GL journal level. Invoice exceptions automatically initiate pre-configured approval workflows.

Company suppliers have a no-fee self-service vendor portal with automatic PO notifications, the ability to submit RFQ responses, and purchase order/non-purchase order invoices. Suppliers can manage their own contact information, and the system automatically syncs approved changes with the client's associated ERP.

Paramount WorkPlace includes over 70 out-of-the-box printed reports, dashboard charts, and metrics that cover all P2P modules. The solution also includes ad-hoc reporting capabilities and an optional Dashboard Metrics and Reports engine that allows customers to add unlimited custom reports and dashboards to the solution.

Implementation and Pricing

Implementation of Paramount WorkPlace will vary depending on the organizational size and the licensed solution. The typical go-live duration is 60-90 days. One-to-one comprehensive training, department-wide training, as well as training workshops and on-demand custom training are offered by Paramount WorkPlace and authorized resellers. After implementation, customers are offered unlimited ongoing support, including free technical support via toll-free phone, e-mail, or chat, and access to an online customer center with learning materials.

Pricing structures entail perpetual annual license or monthly SaaS payments.

Zycus

Zycus is a global provider of Source-to-Pay and procurement automation solutions. Founded in the US and headquartered in Princeton, NJ, Zycus launched its first spend analytics product in 2002, and has consistently expanded its product suite to include eProcurement, eInvoicing, spend analysis, contract management, supplier management, electronic sourcing, financial savings management, and project management.

Founded	1998
Headquarters	Princeton, NJ
Other Locations	Chicago, Atlanta, London, Melbourne, Mumbai
Number of Employees	650+
Number of Customers	250+
Target Verticals	Vertical agnostic with several key verticals including Banking & Financial Services, Manufacturing, Utilities, Health Care Services, Pharmaceuticals, Food & Beverage
Partners / Resellers	Nitor Partners, Accenture, Protiviti, Wipro
Awards / Recognitions	Leaders in Gartner Magic Quadrant for Strategic Sourcing Application Suite – 3 years in a row; Featured in the PayStream Navigator Report with high rating on P2P functionality; Buy Side Leaders in the Forrester Wave™: Contract Lifecycle Management, 2016; Declared one of the Top 50 Providers to Know for procurement technology in 2016 by Spend Matters

Solution Overview

Zycus customers can integrate easily with any third-party applications through an API/file-based approach. This is accomplished using iConsole, a Zycus-developed API console that is based on open industry standards and HTTP REST software architecture.

The Zycus mobile app currently allows users to approve or reject requisitions, purchase orders, and invoices. Zycus is currently developing the app to include indirect shopping and requisitioning tools.

Procure-to-Pay

The Zycus solution supports the Procure-to-Pay lifecycle from requisition to payment reconciliation. Zycus also offers integrated sourcing, contract management, and supplier management capabilities, allowing users to flip requisitions into sourcing events, flip contract line items to a catalog, and gain more visibility into supplier transactions and relationships.

Users can populate requisitions from catalog and non-catalog items, and the solution supports requisitioning from both hosted and punch-out catalogs. The Zycus solution allows buyers and suppliers to upload catalogs in multiple formats, including CIF, cXML, XLS, CSV, and OCI. Zycus allows suppliers to easily upload and manage catalogs from the Zycus Supplier Network (ZSN), which is free for suppliers to use.

In order to enable better control over indirect spend, Zycus has recently introduced “Guided Buying”. This feature helps improve purchasing compliance by guiding users to preferred catalogs/contracts/vendors from free-text searches. If a user cannot find an item in a catalog, they can also use Guided Buying to access category-specific search forms that provide more detailed purchase requests.

Requestors can create a requisition on behalf of someone else, mark a requisition as urgent, and/or leave comments for suppliers and internal stakeholders. For requisition approval, Zycus offers a workflow engine that allows routing for full requisitions, and routing by line items or item category. Workflows can be configured based on multiple business rules and logic.

The Zycus solution supports the ability to receive partial quantities, receive against open/blanket POs, validate quantities against POs, and return goods post-inspection by creating a return note. Users can confirm receipt of ordered goods by line item using the web browser, and can assign asset codes to each received good. Zycus also provides capabilities for centralized receiving and receiving into inventory.

Zycus supports processing for both PO-backed and non-PO backed invoices. Suppliers can send invoices electronically via cXML/EDI, or flip POs to invoices within ZSN. They can also send the invoices over email or through the mobile app, after which the invoice is scanned using automatic OCR capability and saved as an electronic invoice.

Zycus supports 2- and 3-way matching of PO, invoice, and goods receipt, and provides approval workflows for managing invoice exceptions. Tolerances can be configured based on business requirements regarding invoice value, taxes, quantity, and freight, and cost centers; GL codes can also be assigned for these invoices. Zycus also allows clients to set automatic matching and payments on designated invoices to allow straight-through processing.

Once invoices are approved, they can be sent to the client's ERP. Once the payments are made by the customer's payment tool, relevant payment information is sent back into the Zycus system, and is visible to both AP and suppliers. Zycus supports p-card reconciliation, and offers a dynamic discount module that suggests discount programs based on the savings target selected by the organization.

Zycus offers a supplier information management solution that allows the user to identify what data is to be captured from the supplier and approve any changes before a supplier is active in the system. The solution enables organizations to capture many types of supplier information, including for financial risk assessments, regulatory reports, and localized requirements. It offers workflows to help capture this information from new suppliers, as well as to help manage onboarding requests.

Zycus' reporting and analytics offerings include a wizard-driven interface that guides users through steps to generate their own reports from the basic templates available out-of-the-box. Packaged reports include GL account summary, requisition status, purchase order status, and invoice status. The solution also tracks full audit trails to help clients track all P2P processes.

The solution offers multiple reports to analyzer receiving processes, such to compare committed dates to actual received dates, or track rate of returns against total goods ordered. This data can be used to automatically score suppliers using the supplier performance management solution.

Implementation and Pricing

Depending on the size and complexity of an implementation, Zycus customers are typically up and running between 4 and 8 months. Using the a train-the-trainer approach, Zycus provides on-site training to groups of users, and offers WebEx training for business users and suppliers. For customer support, Zycus provides a dedicated

project team for 6 weeks after the go-live date, a technical account management (TAM) team after the 6-week period, and access to staffed customer support 24/5. The Zycus solution is available with a pricing structure based on the number of users. SLAs are available for system uptime, performance, and supplier onboarding.

About PayStream Advisors

PayStream Advisors is a research and advisory firm focused on business process automation in sourcing, supply chain management, procurement, accounts payable, payments, and expense management. PayStream's team of experts provide targeted research and consulting services to address the changing needs of finance and procurement professionals. In short, PayStream is dedicated to maximizing returns and minimizing risks associated with technology investment. PayStream's research reports, white papers, webinars, and tools are available free of charge at www.paystreamadvisors.com. PayStream Advisors is a division of Level, an IT consulting firm specializing in technology strategy, design, architecture, and DevOps.