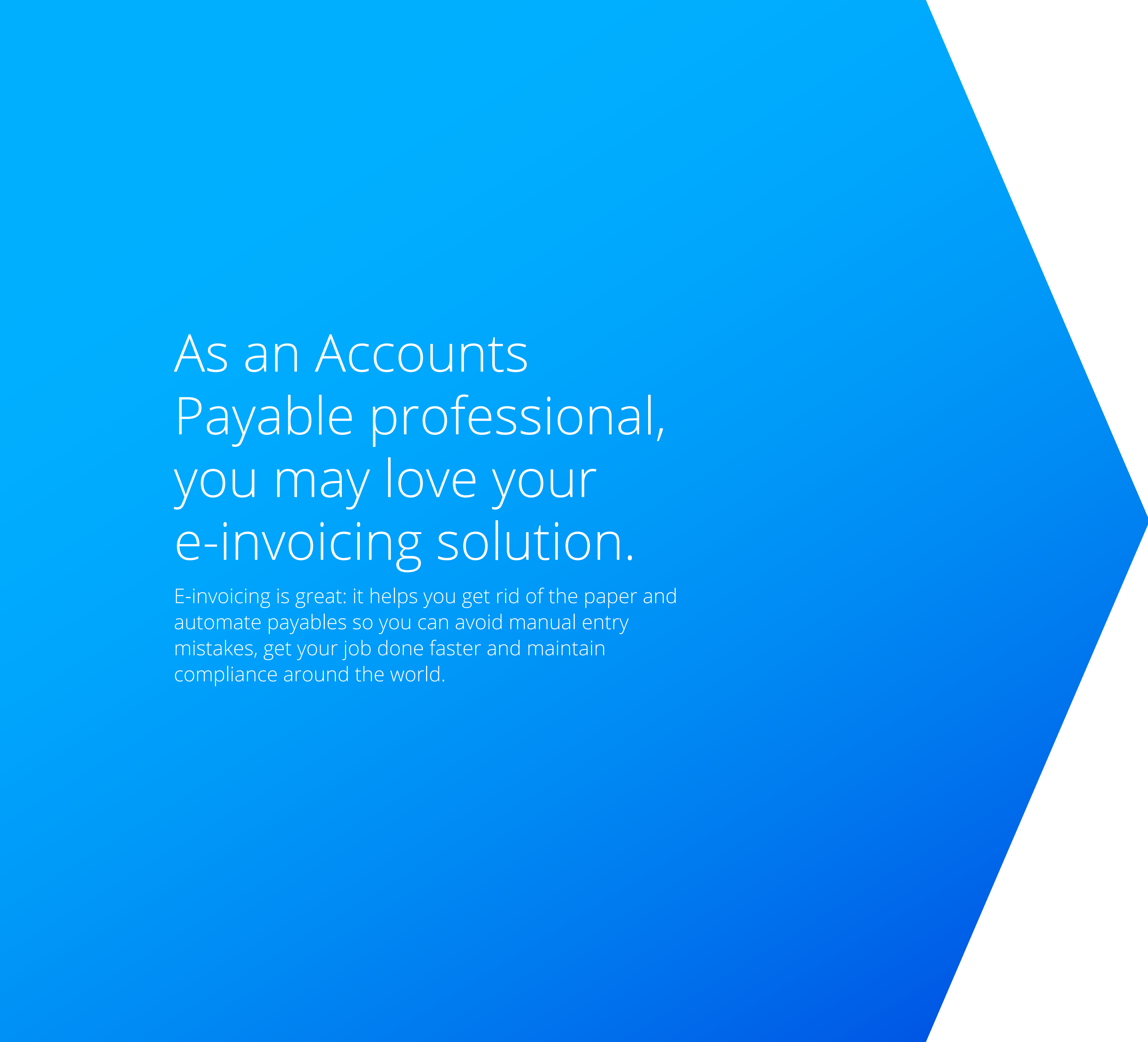PRO TIPS FOR ACCOUNTS PAYABLE

6 complaints suppliers make about e-invoicing— and what to do about them

TRADESHIFT®

As an Accounts Payable professional, you may love your e-invoicing solution.

E-invoicing is great: it helps you get rid of the paper and automate payables so you can avoid manual entry mistakes, get your job done faster and maintain compliance around the world.

One little problem: your suppliers aren't using your solution.

And if they aren't using it, you've got a supplier onboarding problem. In order to get results, you'll need to get a critical mass of your suppliers onboarded.

If you're an accounts payable pro that wants a better understanding of what your suppliers top concerns are, this book is for you.

"E-invoicing? Why does it matter to me?"

You've got one system that works, yet your suppliers are continually dismissing it. What gives? Traditionally, AP systems are put in place to benefit the buying enterprise, not the suppliers. It's no wonder suppliers are hesitant to adopt a new e-invoicing system when all the aggregate value is on one side of the equation and cost is on the other.

Pro Tip:

Sure you can use your clout as the buying enterprise to muscle suppliers into your e-invoicing solution, but you'll be eroding valuable relationships. Supply shortages are everywhere. You need your suppliers, and in some cases, more than they need you. Keep them happy and in your network.

"Don't make me work with your invoice format."

You spent a lot of time implementing an invoicing system to make life easier for your whole ecosystem, but your suppliers aren't buying in. For the supplier, the incentives might not be worth the cost, since many small and midsize businesses (SMBs) don't have the capabilities to do the back-end work needed to get their invoices to match your data formats.

Pro Tip:

Understand the technical challenges your suppliers face before you select an e-invoicing solution. It's critical to have plug-and-play integration for common ERPs and standardization of formats. If you already have a solution in place, work with your vendor to see how you can best meet your suppliers' needs. Or consider Tradeshift Pay, which provides a simple bridge to standardization by allowing SMBs to capture and convert invoicing data.

"I'm not the right person to help you."

Your AP automation project is important to you, but remember: you're asking a supplier to engage in a project that may be news to them. Did they initiate your AP automation project? Did they bless it? Did they plan to provide people to do the back end work? Nope. It came from you, an outside actor.

Pro Tip:

Make sure your supplier's broader organization is involved, not just the financial team. If an Account Manager thinks they'll lose business because of failed customer integration/onboarding, you tend to find plenty of ownership for the project.

"You're not my only customer."

You're strapped for time and resources—the whole point of your e-invoicing system is to give you more time. But so are your suppliers. Spending their time integrating with yet another customer invoicing system, each one different enough to require extra work, is burdensome. And don't even try telling them "being on a network is going to expose you to so much more business." You're talking to Accounts Receivable, not head of sales. It's not relevant to them.

Pro Tip:

Help AR understand what's in it for their larger organization, and how they can be a hero to their colleagues in marketing and sales. That extra work can be time well spent, resulting in better, closer relationships with customers. This is especially true if you're onboarding onto one network that boasts most of your customers and their processes. Have resources and technical training ready and available so they feel supported learning your system.

"I still need more information."

You're real tempted to ask why this is your problem: you're busy and don't want to waste time providing redundant information to every supplier who asks. But when there's a lack of communication and education, everything slows down, making payments lag. That means all that time you thought you saved with e-invoicing—access to earlier payments, higher efficiency, increased trading opportunities and better reporting data—got lost because it wasn't marketed to your suppliers.

Pro Tip:

Good marketing is fundamental to onboarding. If you don't tell the right people the right messages, then you end up with inertia, plain and simple. Make it a priority to connect with your e-invoicing solution provider to leverage marketing techniques to get suppliers onboard.

"I'm not your average supplier."

It's easy to forget that many of your suppliers are bigger than you, or own brands or components critical to your business. All of a sudden your procure-to-pay process that everyone has to follow is really someone else's order-to-cash process which you need to follow.

Pro Tip:

Your suppliers are varied and unique: help them understand how onboarding on an e-invoicing solution works for them. They'll be able to maintain their own company information, quickly collaborate with all their buyers, create and manage invoices in a fraction of the time, and get paid faster.

As an AP professional, these six supplier complaints can be frustrating, but getting a solution in place that works for you and your suppliers is well worth it.
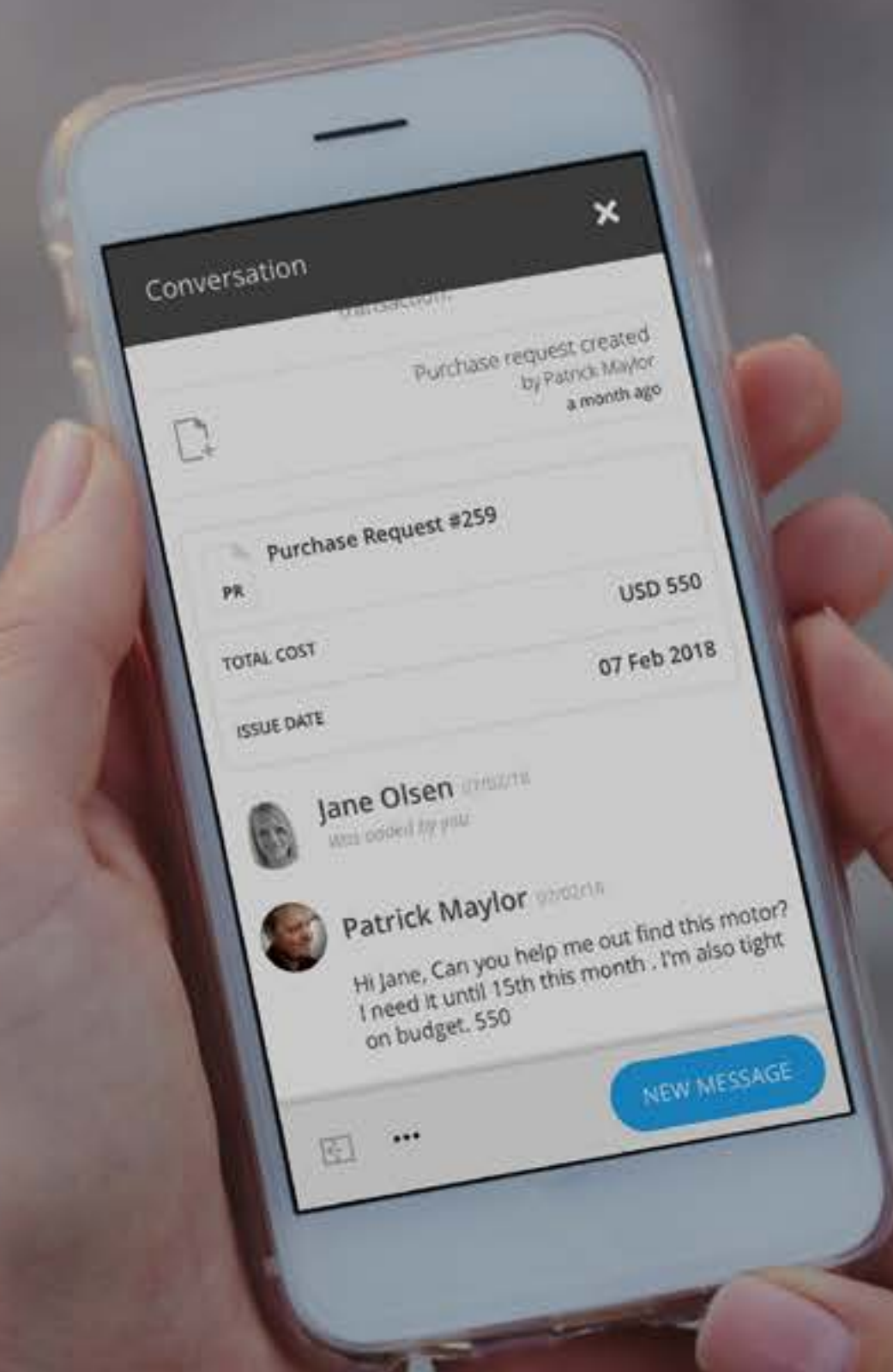
How Tradeshift helps

Tradeshift is the business commerce company. With Tradeshift Pay, you can manage invoices, working capital, payments, and all in points in between. All in one place.

To learn more, contact **sales@tradeshift.com.**

Want more pro tips for Accounts Payable? Sign up for the Tradeshift blog for regular updates on AP best practices and trends.

TRADESHIFT

To learn more call +1-800-381-3585
or email sales@tradeshift.com