

# AP and Procurement Collaboration

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# AP and Procurement Collaboration

Explore in this session how Procurement and Accounts Payable collaboration drives overall business process improvement. Which KPIs should Procure-to-Pay (P2P) focus on together. Who owns which part of the supplier relationship. What does a great relationship look like for a successful P2P collaboration.

- Process cost per Order & Invoice
- First Pass Match Rate
- Three Way Match / Two Way Match
- Percent of Spend on P-Card
- Percentage of Spend on “Standard” terms
- Active Suppliers, 80% of Spend, 80% of Transaction Volume
- Electronic P2P Opportunities

# Process cost per Order & Invoice

Why is this important?

Total cost per transaction (Not including Payment)

- Quality of PO
- Quality of Invoice

How do we work together - Vendor Scorecards

- PO Acceptance
- Invoice rework
  - Rejections
  - Duplicates
  - Billing error rate

# First Pass Match Rate

Everyone in the room, what is your organization's definition of First Pass Match Rate?

What is MY definition of a First Pass Match Rate?

Why is this important for AP and Procurement?

See Notes....Hackett's industry standard definition

# Three Way Match / Two Way Match

Do you know how many PO invoices you have versus Non-PO?

Which methods do you use? Which do you prefer?

What is your companies Policy on PO invoices?

How does AP and Procurement work together to get compliance to the policy in your organization?

See Notes....Hackett's industry standard definition

# Percent of Spend on P-Card

Does your organization use P-Cards?

Why or why not?

How does AP and Procurement work on P-Card utilization together?

See Notes....Hackett's industry standard definition

# Percentage of Spend on “Standard” terms

Does AP work with Procurement to track the percentage of Standard terms?

Why or why not?

How frequently does AP meet with Procurement to review this?

See Notes....Hackett’s industry standard definition

# Active Suppliers, 80% of Spend, 80% of Transaction Volume

What does AP & Procurement focus on?

What should AP & Procurement focus on?

# Electronic P2P Opportunities

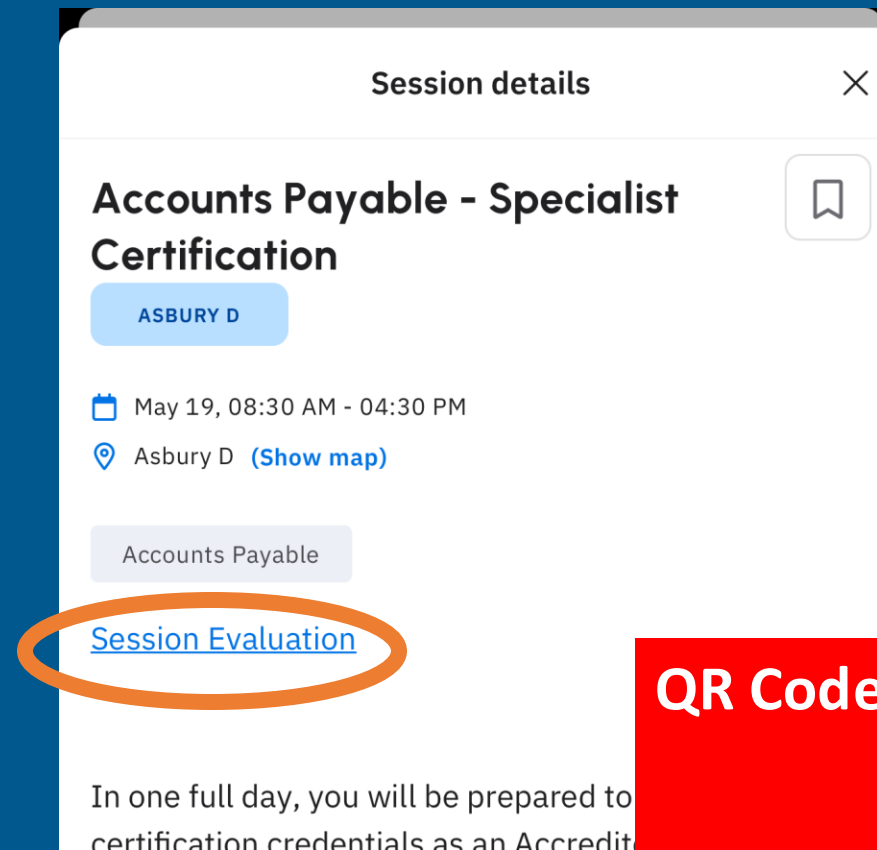
- Catalogs
- Card Utilization
- EDI
- ERS
- PO Flip
- Etc....

# Actionable Takeaways

1. AP & Procurement collaboration sessions
2. AP & Procurement Vendor Scorecards
3. AP & Procurement alignment/roadmap

# Please tell us what you think!

- Please scan this QR code using your mobile to access a short feedback survey →
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QR Codes will be shared closer to event

# QUESTIONS?

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