

CASE STUDY: PROCURE TO PAY (P2P)

AT A GLANCE:

WHO WE WORKED WITH:

A global Engineering & Construction company

CHALLENGES FACED:

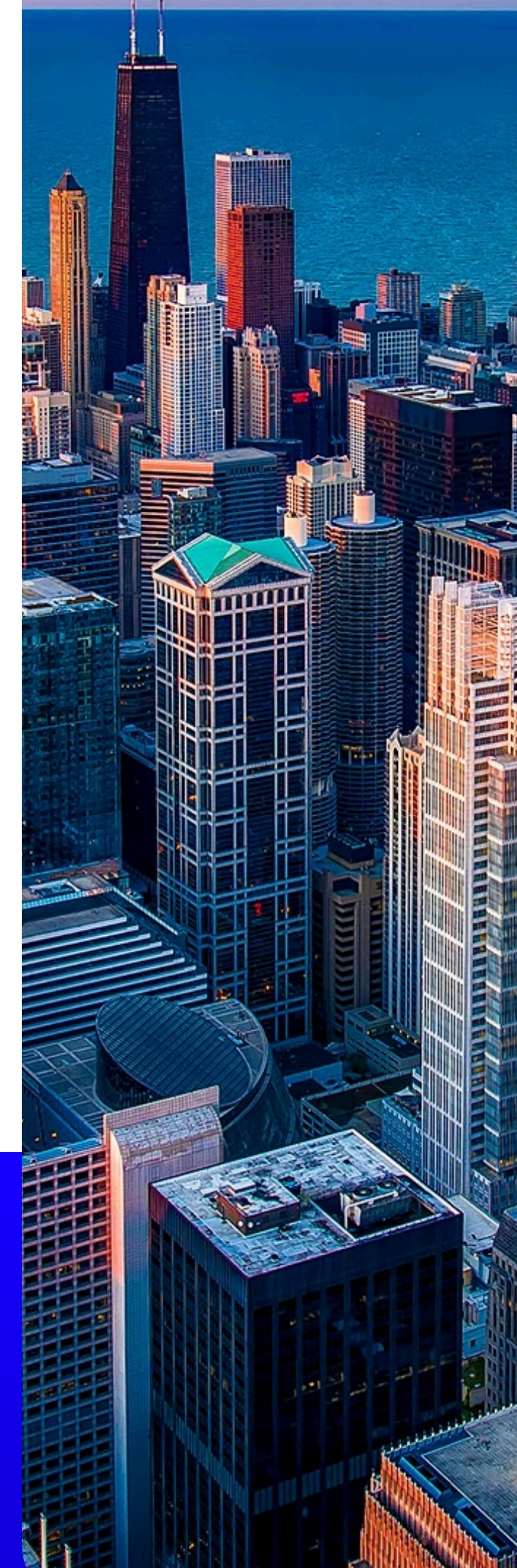
- Invoice processing is time consuming and lacks a streamlined workflow
- High Error Rates due to lack of controls
- Late Payments and Missed Discounts
- Limited Reporting and Insights due to unavailability of tools

HCI SOLUTION:

- Map out the existing Accounts Payable process and identify areas to be improved and implement Best in Class practices
- Implement sufficient controls and reconciliations to ensure that there are no errors and duplicates
- Implemented dashboards and reports that tracked KPIs like invoice cycle time, outstanding liabilities

RESULTS ACHIEVED:

- Improved efficiency, Company reduced average invoice processing time.
- Increased Productivity, completing the activities with half the resources in a 12 month period.
- Error Reduction, Significant improvement in Invoice Recording Reconciliation process



CHALLENGE

ADDRESSING PROCUREMENT POLICY AND PROCESS GAPS

As a global Engineering & Construction Company, processing thousands of invoices and managing millions in annual spend, the company needed a more efficient procurement and accounts payable system. Despite implementing a market-leading procure-to-pay (P2P) platform, challenges persisted, including policy non-compliance and complex processes that lacked centralized oversight. Limited performance tracking also made it difficult to hold users accountable, frustrating both employees and suppliers

The root cause was not technology, but poor integration of the platform with business practices. Inadequate change management and training further hindered adoption. A comprehensive review of policies, governance, and user experience was essential to drive improvements

SOLUTION

TRANSFORMING P2P FOR AGILITY AND EFFICIENCY

Our approach focused on enhancing the user experience, standardizing processes, and strengthening governance across procurement and accounts payable. By identifying key bottlenecks, we restructured policies to align with business objectives and introduced solutions to drive compliance and efficiency.

We also facilitated much-needed change management to help users understand the changes to the P2P process to help the team meet its goals. As part of this transformation program we:

- Simplified and transformed P2P processes and policies, including supplier onboarding
- Strengthened the supplier base by introducing robust governance and recommended ways to consolidate the number of vendors
- Cut 50% of supplier master-data entries by, reducing the number of duplicates
- Put in place guidelines for suppliers on how to submit invoices, which reduced the number of invoices the company received after the payment due date
- Implemented alternative buying channels to minimize low-value transactions
- Revamped the purchasing card (P-card) program, importantly policy and usage instructions
- Delivered end-user training and adoption support for the P2P platform to users internally and suppliers
- Created automated dashboards and improved P2P reporting and performance measurement

IMPACT

UNLOCKING VALUE THROUGH PROCESS OPTIMIZATION

By aligning P2P processes with strategic business goals, the company achieved significant improvements in procurement and accounts payable operations. Key outcomes included:

- **Payment Efficiency:** Increased on-time payments from 58% to 90%.
- **Faster Supplier Onboarding:** Reduced onboarding time by 60%.
- **Approval Speed:** Accelerated purchase order approvals by 70%.
- **Improving goods receipt first-pass-yield** on the P2P platform from 40% to 72%
- **Improving PO compliance** through robust governance on the P2P platform
- **Increasing P-card usage**, which cut invoice volumes by 5%

This transformation not only improved supplier relationships but also unlocked substantial value for the organization.