

Payables Strategy Series: Part 4

EFFICIENCY IN PAYABLES



CRAIG JEFFERY

Managing Partner, Strategic Treasurer

JACK SEVIER

Director of Product Management, Comdata



WHAT.

Foundational elements for improving efficiency with card payments.



WHEN.

Thursday, November 5, 2020
2:00 PM – 3:00 PM EST



WHERE.

Live Online Presentation
Replays at StrategicTreasurer.com



Presented by Comdata and Strategic Treasurer.

ABOUT THE SPEAKERS

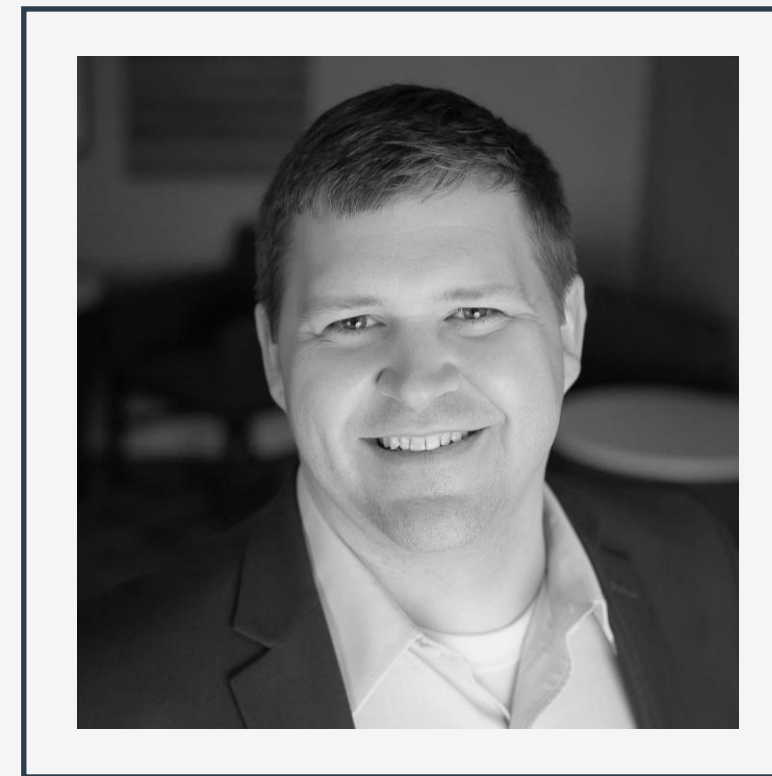
GET TO KNOW TODAY'S SUBJECT MATTER EXPERTS



CRAIG JEFFERY

Craig Jeffery formed Strategic Treasurer in 2004 to provide corporate, educational, and government entities direct access to comprehensive and current assistance with their treasury and financial process needs.

His 30+ years of financial and treasury experience as a practitioner and as a consultant have uniquely qualified him to help organizations craft realistic goals and achieve significant benefits quickly.



JACK SEVIER

Jack Sevier is a Director of Product Management for Comdata. He is responsible for product strategy and development for the company's corporate payments products and supplier solutions. Prior to joining Comdata, Jack led corporate strategy in logistics, partnerships, pricing and inventory for transportation and logistics organizations.

Jack holds a bachelor's degree from the University of Mississippi, a master's degree from Middle Tennessee State University, and an MBA from Rutgers Business School.

TOPICS OF DISCUSSION

TODAY'S KEY AREAS OF FOCUS

Efficiency may be a never-ending quest, but most organizations know they have far to go to move into the leading practice/world class practice area in this space.



**PAYMENTS IN
CONTEXT**



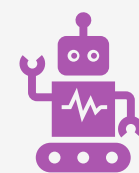
CARD OVERVIEW



FOCUS ON EFFICIENCY



STREAMLINE & SLACK



**AUTOMATION
BENEFITS**

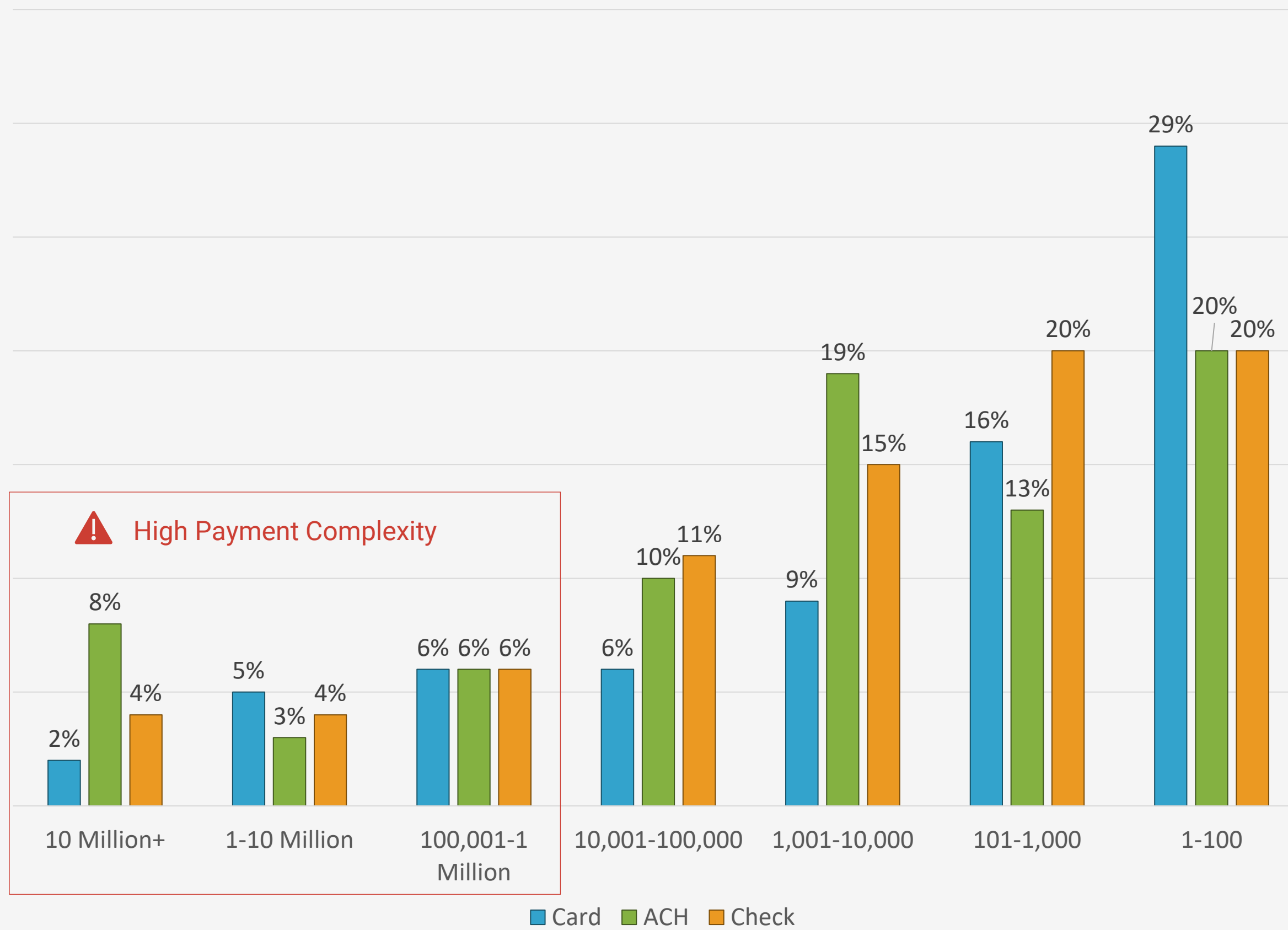


KEY TAKE-AWAYS

PAYMENT MIX

MONTHLY PAYMENT VOLUMES

» What is your approximate volume of payments generated globally per month?

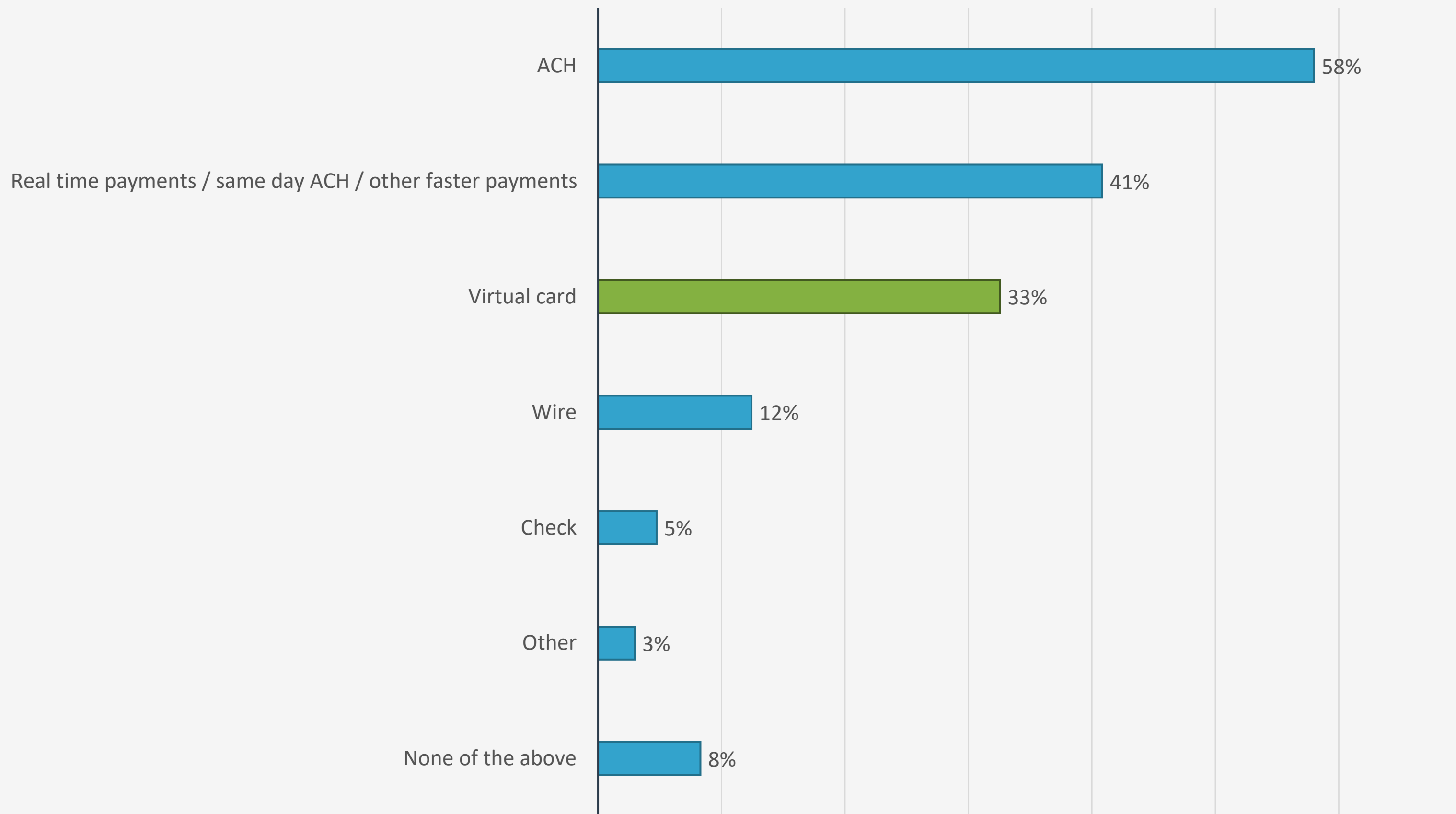


Corporates making more than **100,000** payments a month with:
 Card 13%
 ACH 17%
 Check 14%

FUTURE USE

SIGNIFICANT INCREASE OF ADOPTION

» Which of the following payment types do you plan to increase your use of over the next 12 months? (Select all that apply)



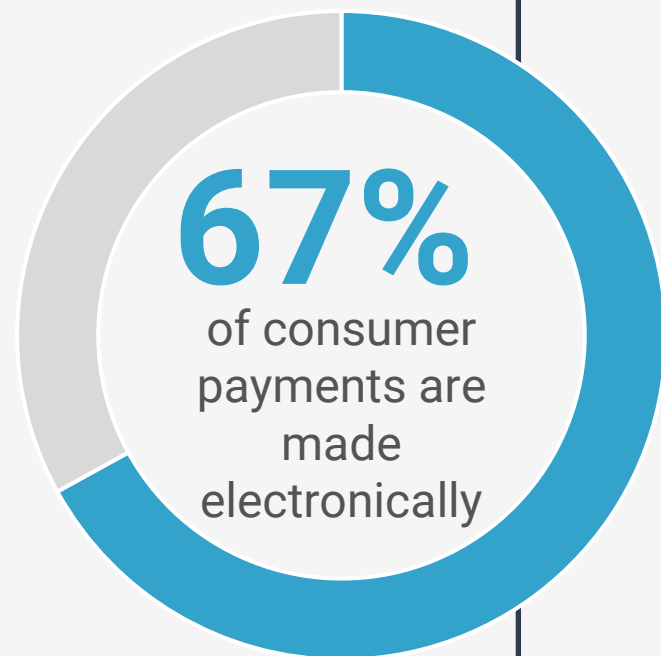
MAKING PAYMENTS

PERSONAL vs. BUSINESS



AT HOME

- One Provider
- Online Bill Pay
- Almost Zero Checks
- E-Bills
- Banking Apps
- Remote Check Deposit
- Instant Fraud Notification



AT WORK

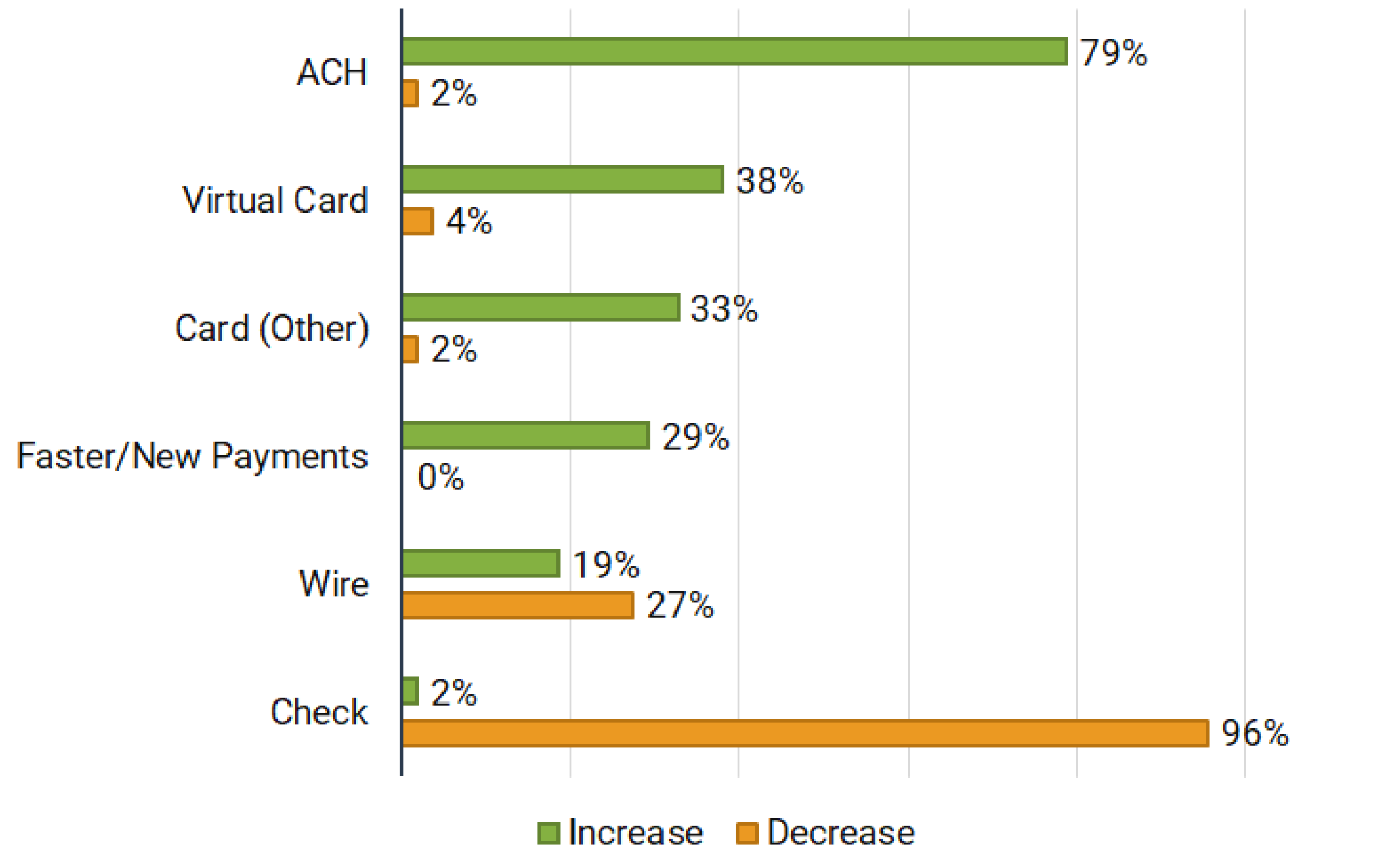
- Numerous Providers
- Paper Invoices
- Paper Checks
- Manual Data Entry
- Filing Cabinets
- Searching for Lost Payments
- Tracking Down Approvals
- Answering Calls from Suppliers



BUSINESS PAYMENTS ARE 30 YEARS BEHIND.

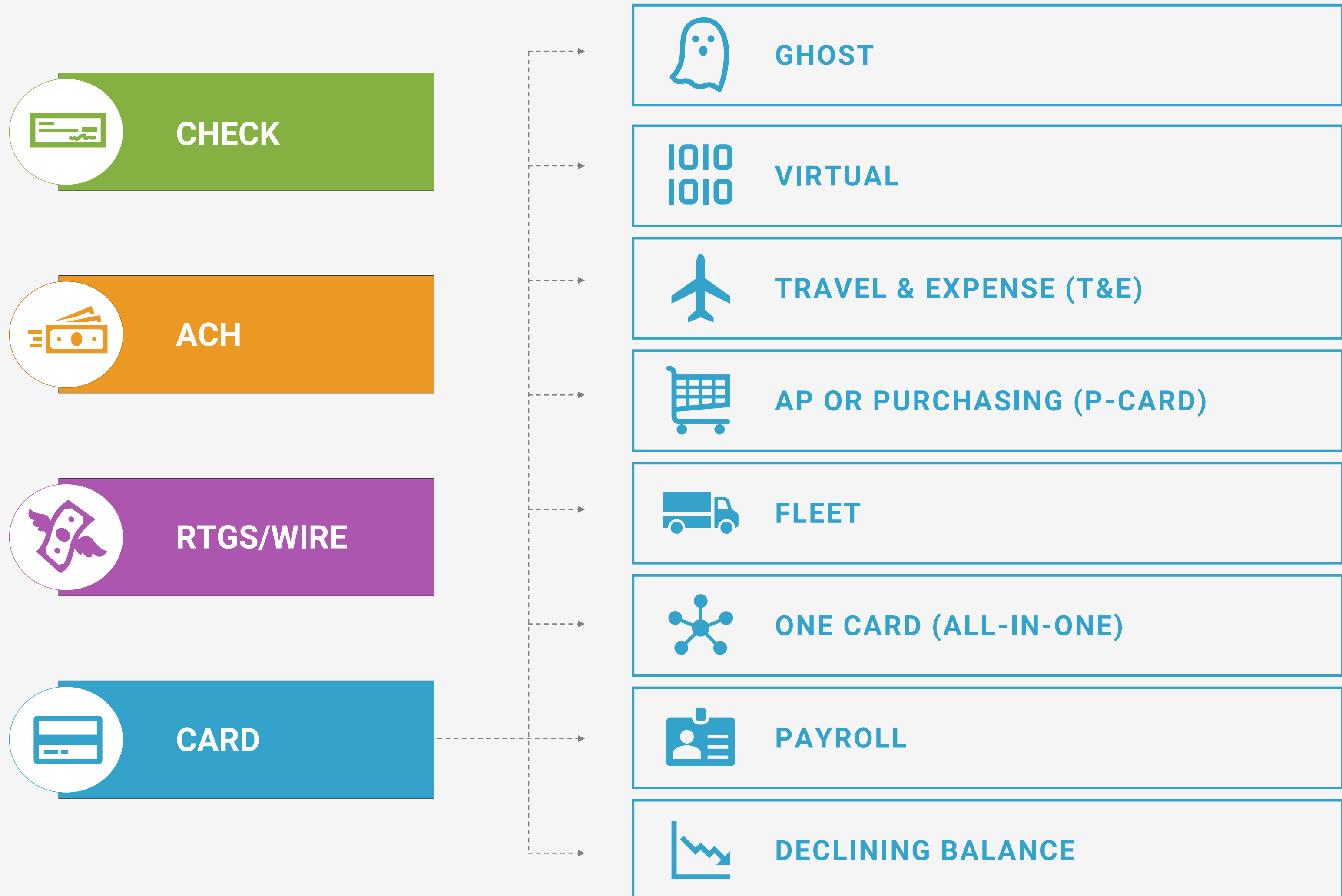
POLL QUESTIONS

Over the next 12 months we plan to INCREASE our use the following: (Select all that apply)



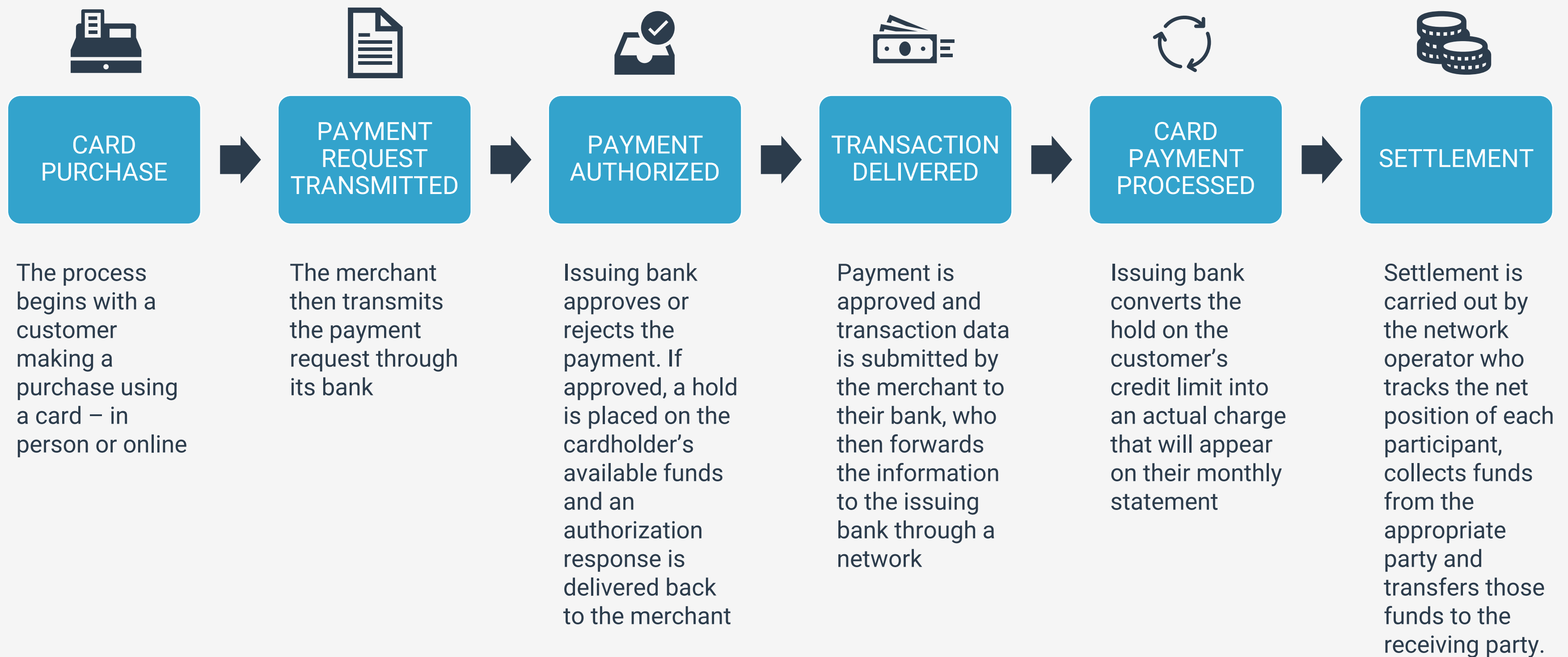
PAYMENT SPECTRUM

EQUIPPING AP & TREASURY WITH FLEXIBLE OPTIONS



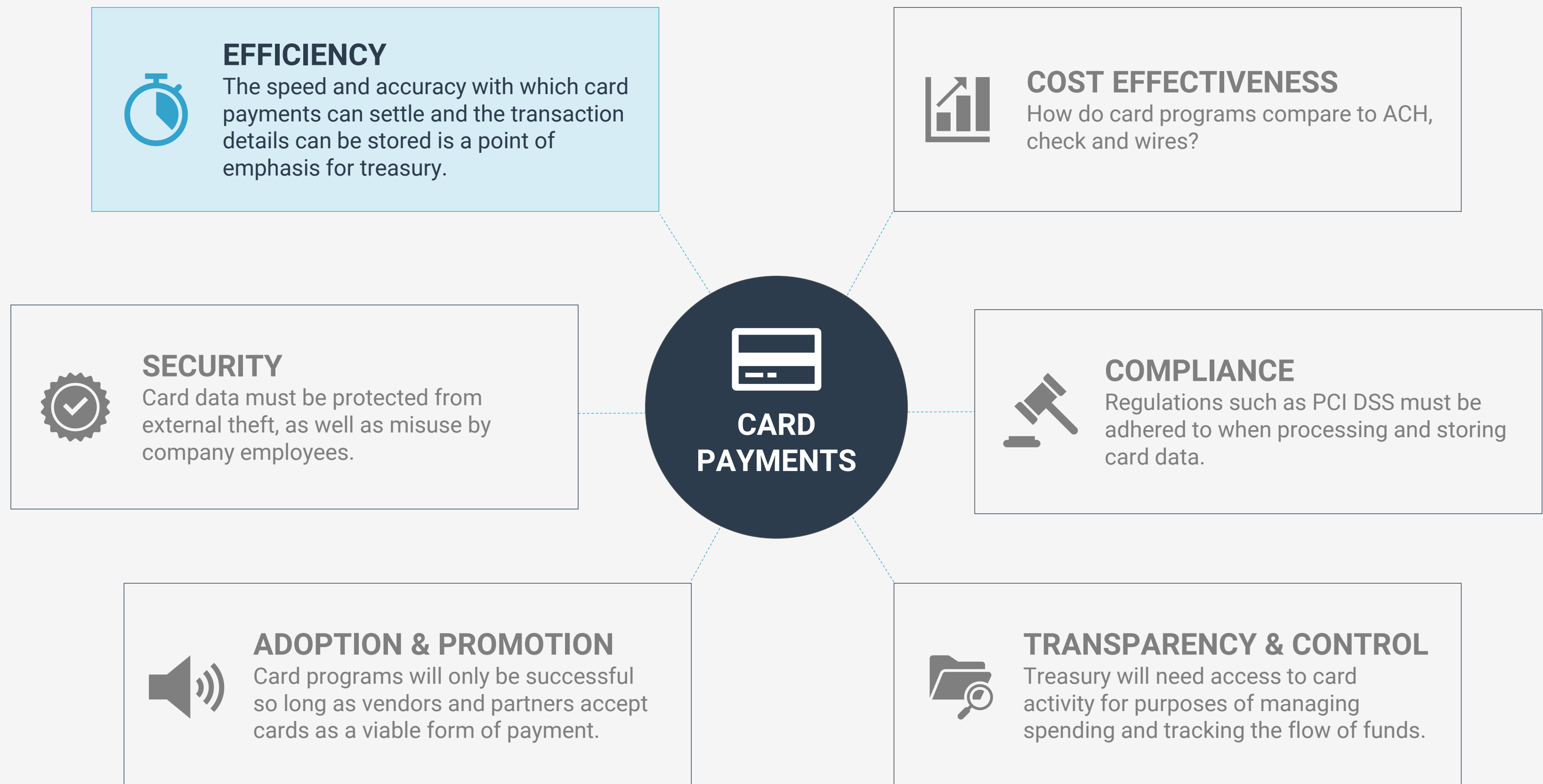
CARD PAYMENT PROCESS

IN SIX STEPS



KEY PAYMENT CONSIDERATIONS

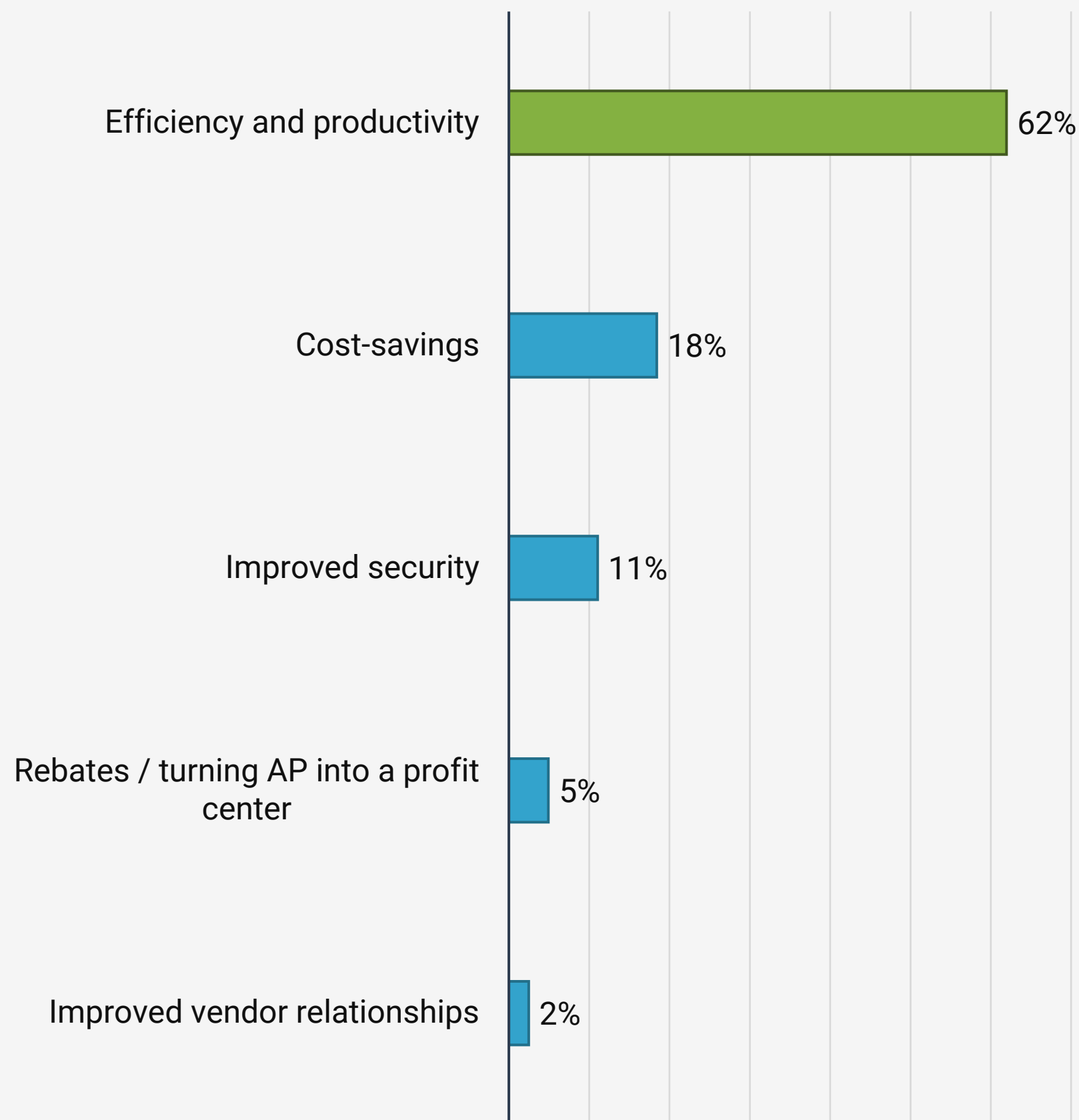
FOR AP & TREASURY



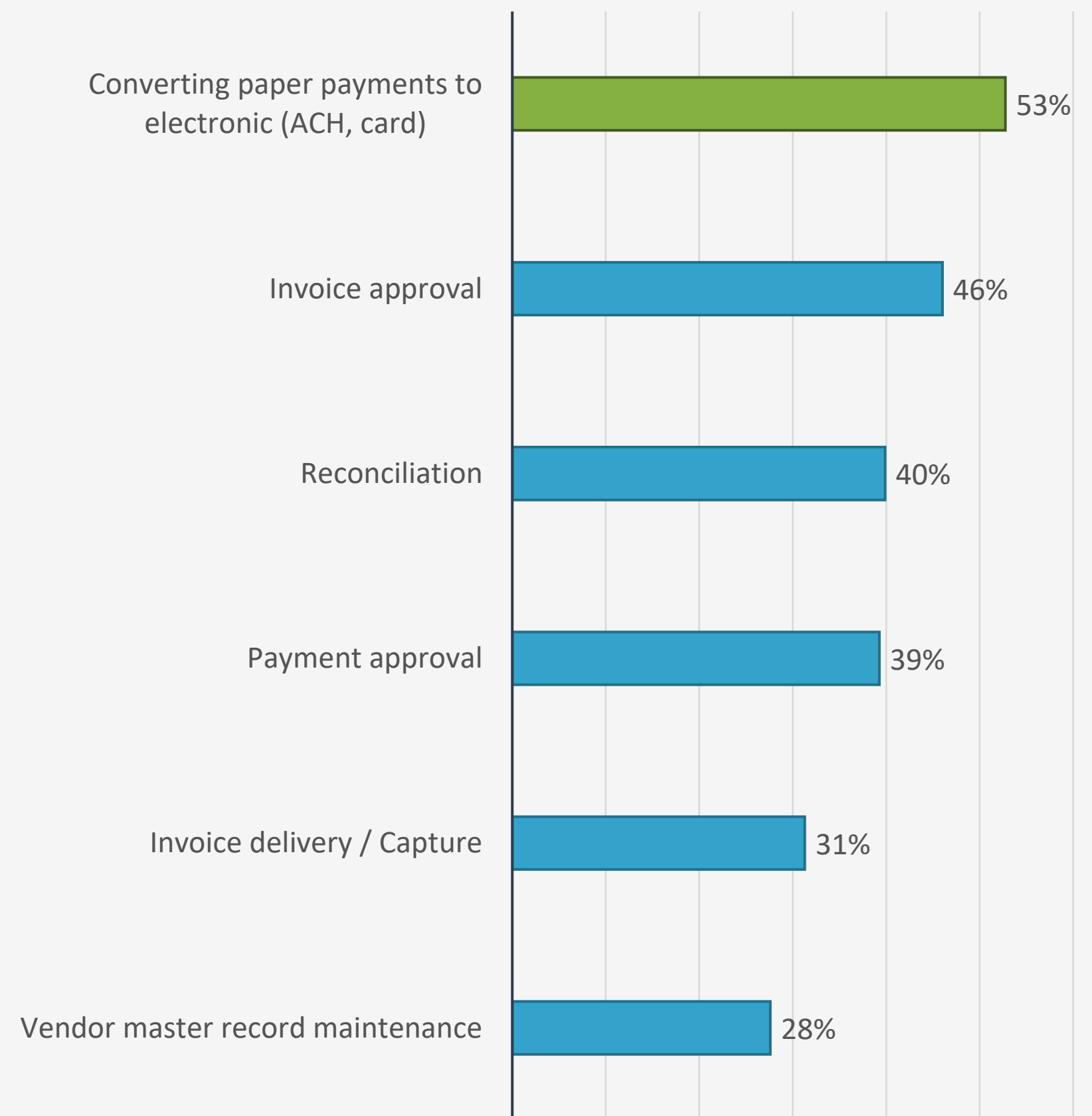
EFFICIENCY: TOP AUTOMATION DRIVER

BY A WIDE MARGIN

» With regards to accounts payable, which MOST drives the desire for process automation?

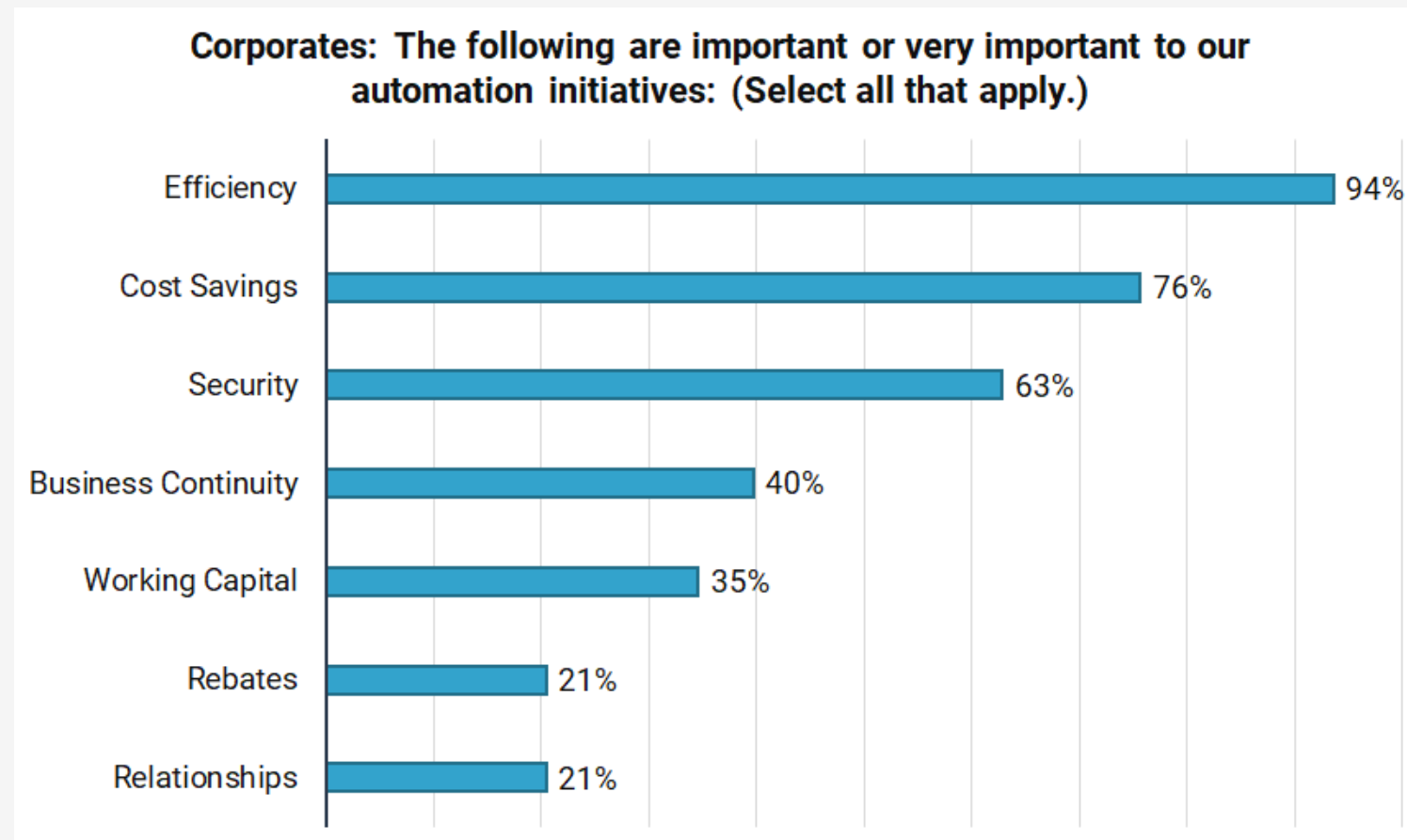


» What are the most important components of the accounts payable process for gaining efficiency through automation?

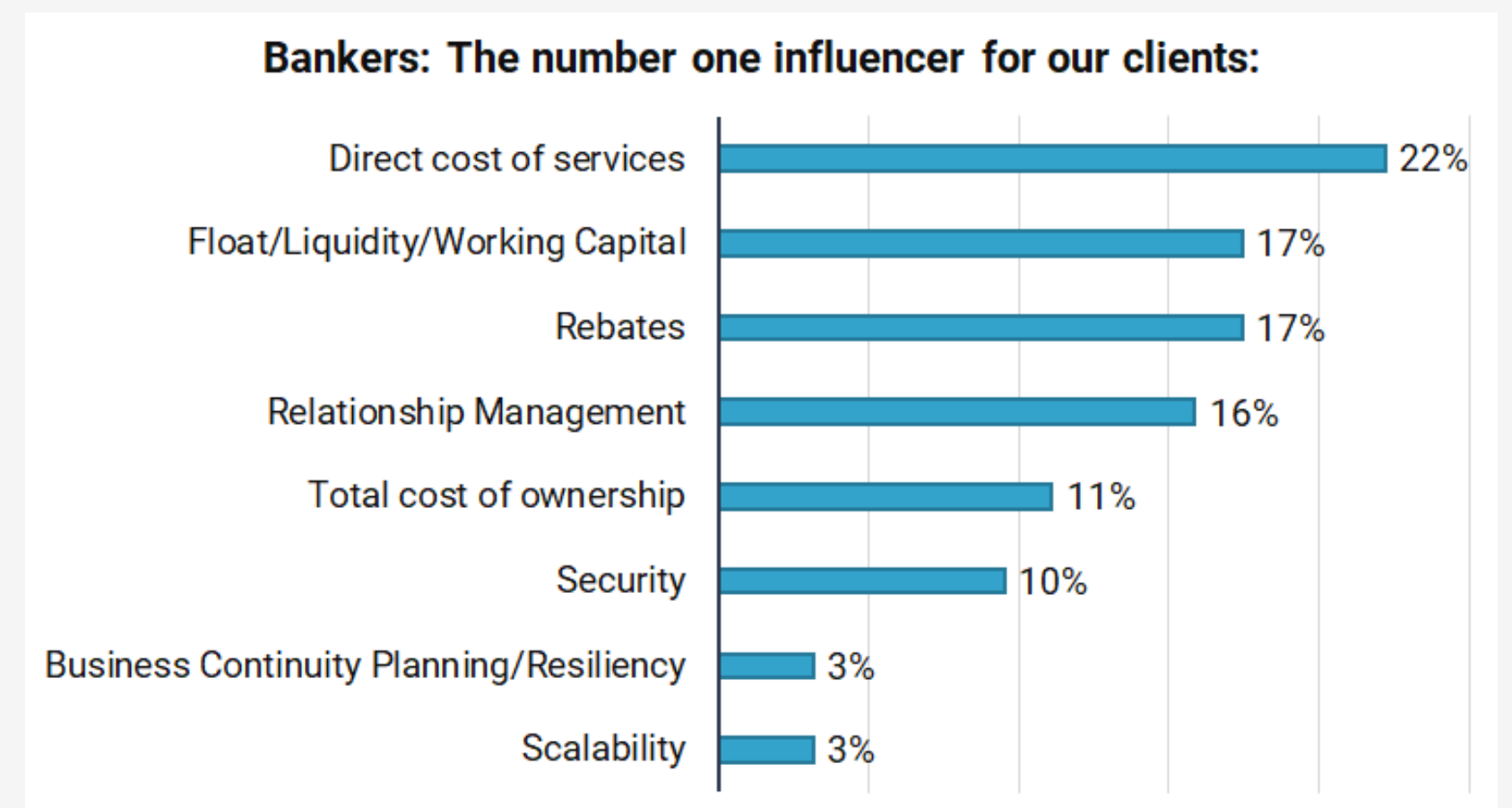


POLL QUESTIONS

CORPORATES



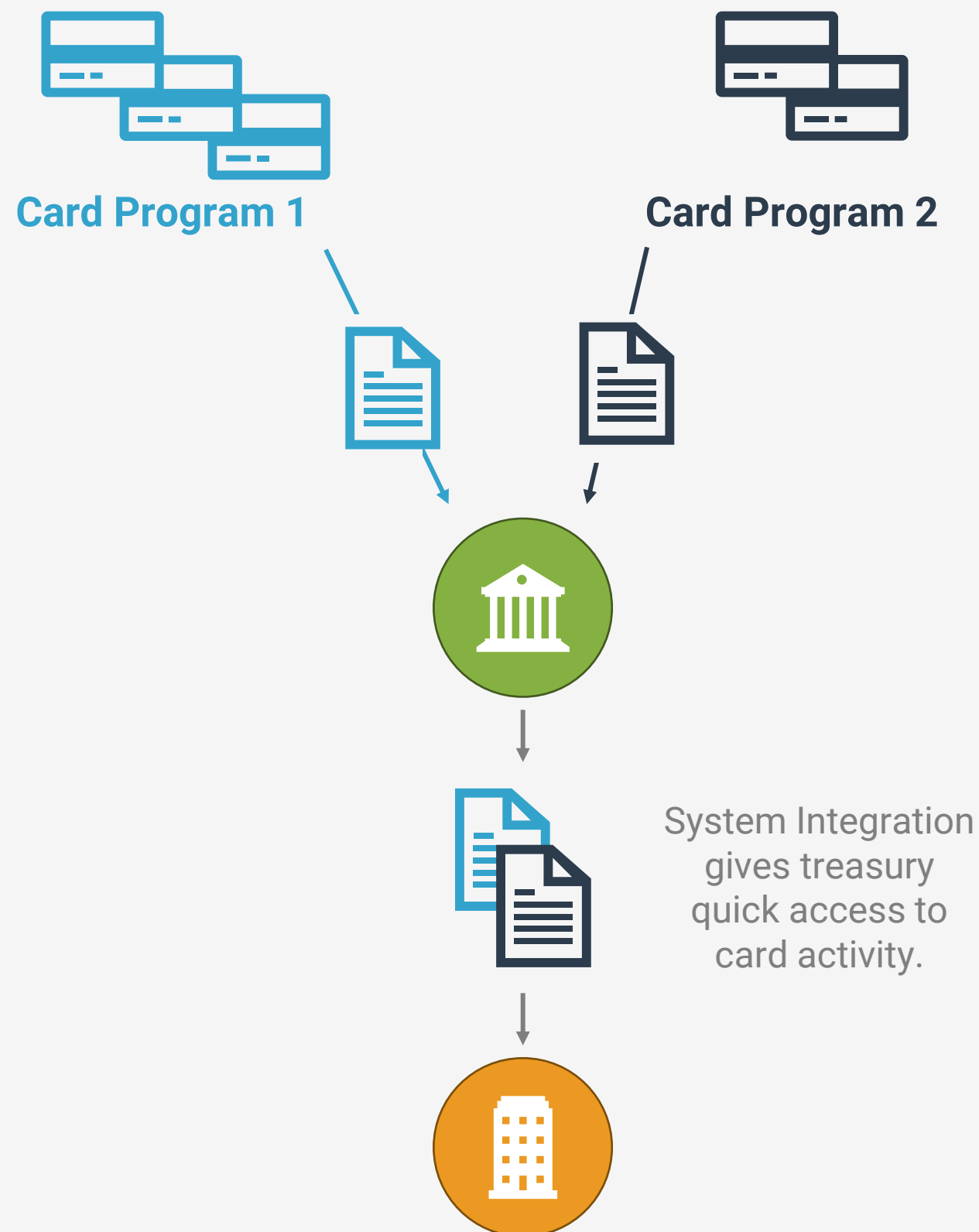
BANKS



STREAMLINING THE WORKFLOW

EFFICIENCY & COST-EFFECTIVENESS

Unique card programs for different purposes giving treasury insight into specific purchases and activity.



Timely receipt of transaction activity allows treasury to manage working capital, cash flows, budgets, etc.

COST vs. OTHER PAYMENT METHODS



Treasury must understand what alternative payment options are available. Proper utilization of a card payment program can change the focus of an A/P department from a cost center to a profit center.

REBATES/DISCOUNTS



As many vendors or card issuers offer rebates on purchases made via card, these savings must be included in cost evaluations, as they can provide significant liquidity benefits if used properly.

VENDOR PARTICIPATION



Reviewing which vendors accept card payments and regularly checking for ongoing changes.

PAYMENT SLACK

REMOVE SLACK, GAIN EFFICIENCY

ORDER TO PAY (O2P)

ELIMINATE THE SLACK



Time



Information



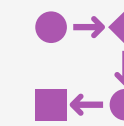
Value

ORDER TO COLLECT (O2C)

IMPROVE THE EFFICIENCY



Handoffs



Processes



Cash Flow

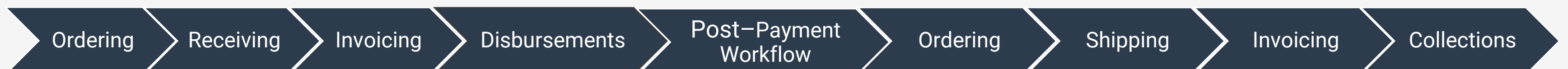
End to End View of O2P



End to End View of O2C



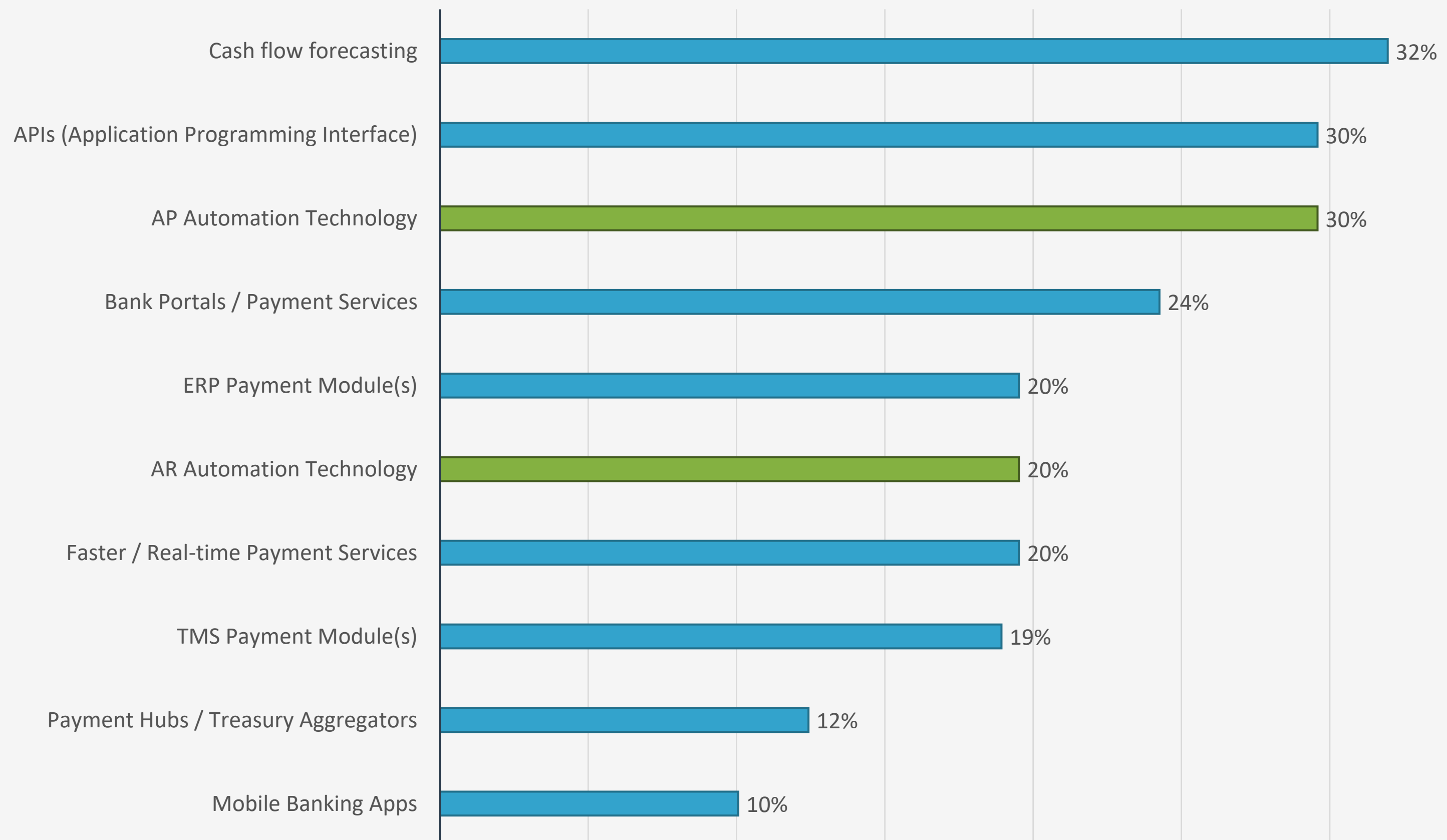
End to End to End View



INVESTING IN AP/AR

AUTOMATION TECHNOLOGY

» What types of payment technologies do you intend to invest significantly in over the next 12 months? (Select all that apply)



AP AUTOMATION OPTIONS

THREE PATHS

VIRTUAL CARD ONLY

- Convert 25-50% of check payments
- Eliminate 1099 card reporting
- Earn 1-2% cash back monthly on payables
- Concierge service for portal payments
- Proprietary payment rails with rebates

SINGLE DISBURSEMENT FILE

- Single file transmission for all types
- Offsite check & mail center
- Settlement via current bank account

MANAGED AP SERVICE

- Pay 100% of invoices electronically
- Multi-level workflow payment approval
- Eliminate 1099 card reporting
- Reallocate 1-2 FTE in AP to strategic tasks
- Earn 1-2% cash back monthly on payables
- Risk mitigation on fraud
- Decrease transaction costs by 70%

SIMPLE

ROBUST

FACTORS TO CONSIDER

CARD CONSIDERATIONS THAT AFFECT EFFICIENCY



VENDOR ADOPTION

Vendor preferences for different payment types vary



CARD PAYMENT SECURITY

Fraud continues to impact the corporate environment and treasury in particular



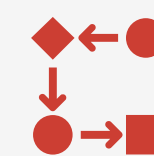
FUTURE ADVANCES

Don't implement a service or solution that quickly becomes obsolete or not widely implemented



VALUE & LIQUIDITY MGMT.

Cards often have cumulative fees and/or rebates available that are typically not offered with wires, checks, ACH, etc.

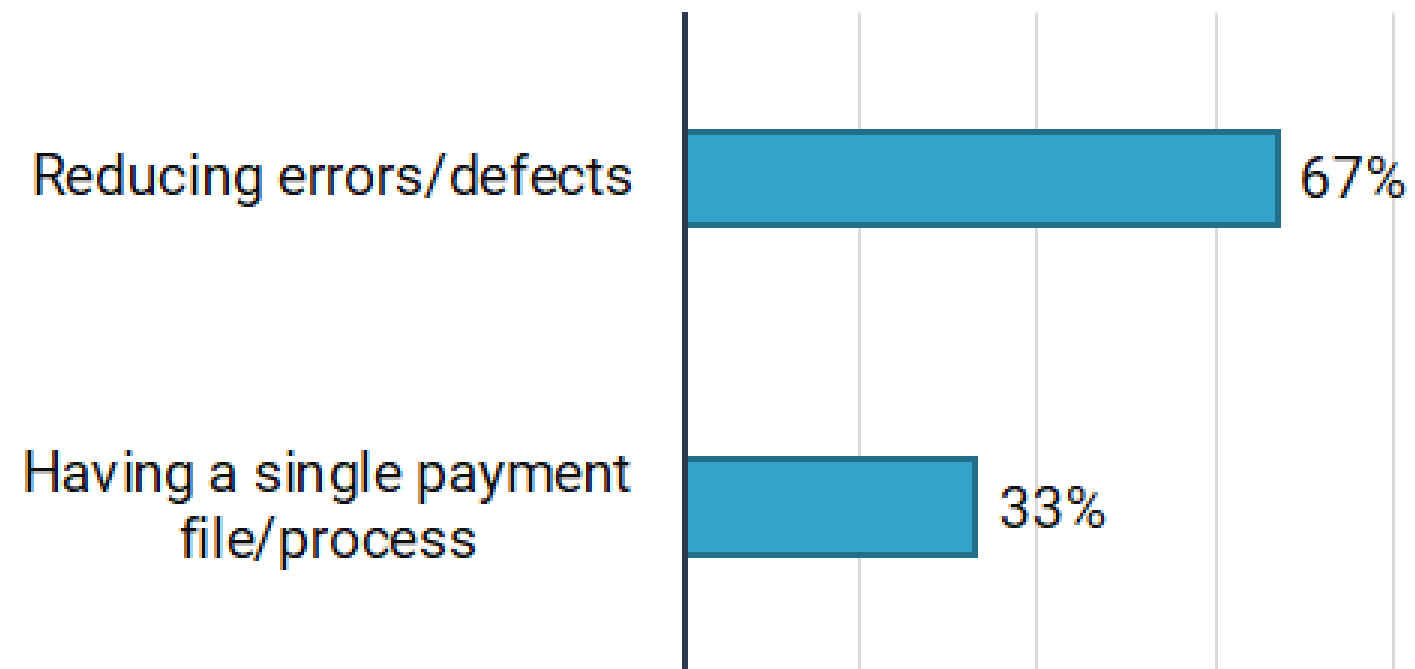


EXISTING WORKFLOWS

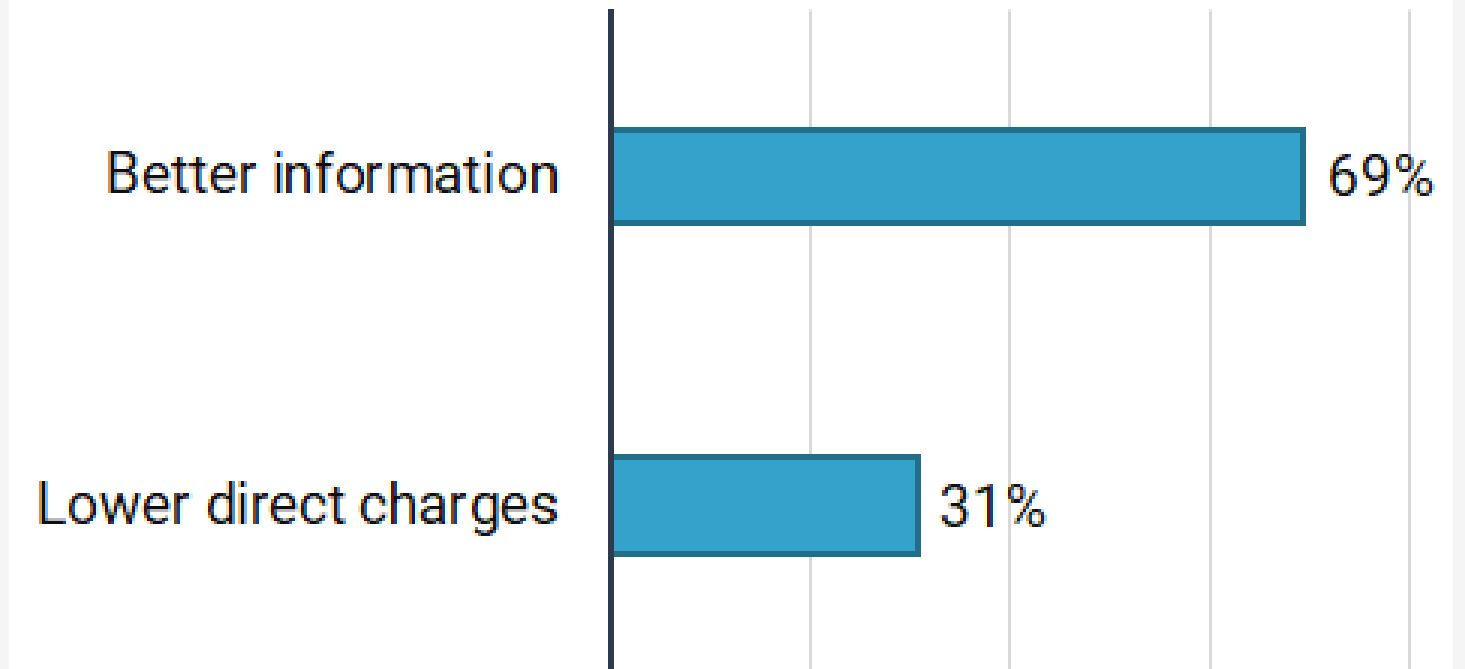
The adoption of a card program can simplify the workflow or fit into an already efficient process easily

POLL QUESTION

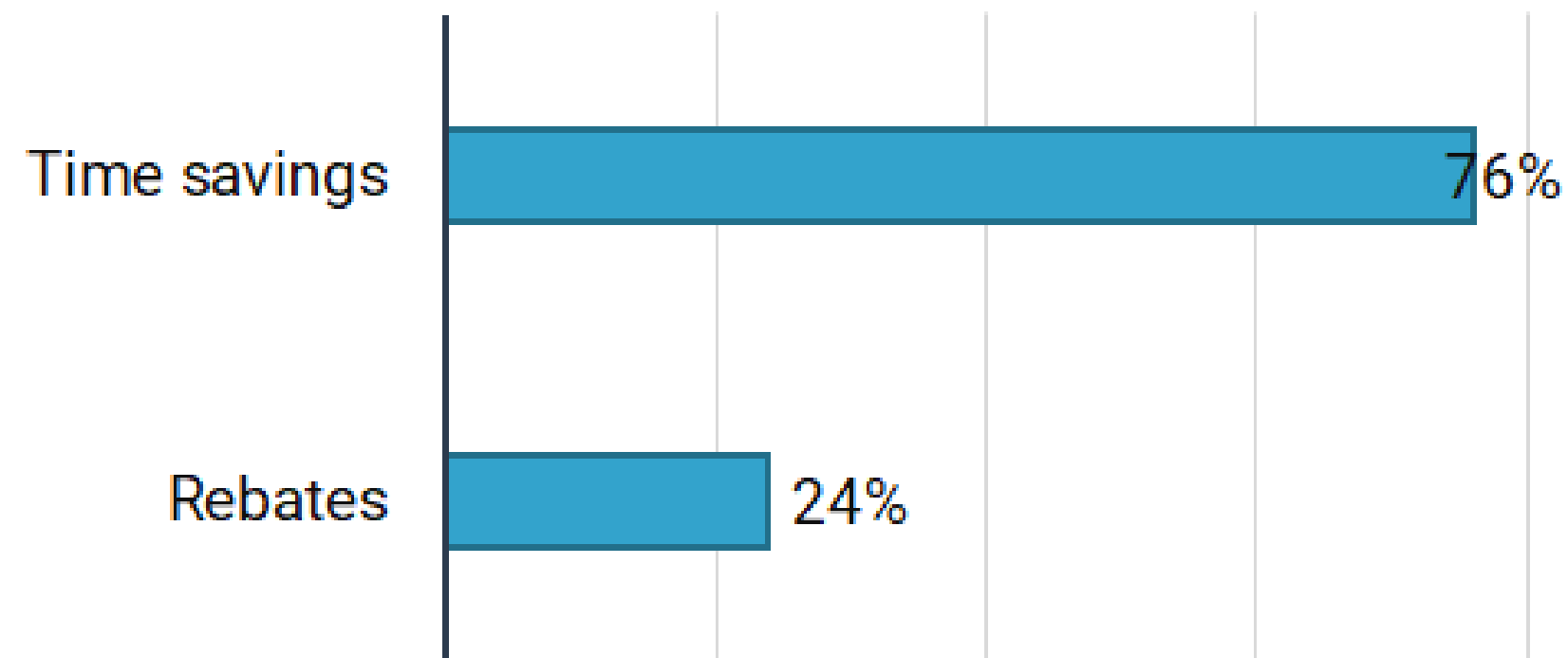
What is more important?



What is more important?



What is more important?
(Equivalent value)



VALUE OF PAYMENT AUTOMATION

THE BEST BALANCE OF EFFICIENCY, CONTROL & SECURITY



EXECUTE ALL PAYMENTS AT ONE TIME

Make virtual card, check, ACH and international payments in a single payment process
– no need for separate payment files for each payment type



MANAGE ALL PAYMENTS USING YOUR EXISTING ERP

Connect data from multiple systems, business units and locations to manage payments in one place with seamless approval workflows and comprehensive reporting



MINIMIZE TIME SPENT MANAGING PAYMENTS

Making all payments in a single run eliminates the need for batch processing, cash requirements, approvals and payment execution for each payment mode



FURTHER REDUCE AP COSTS

Pushing as many transactions as possible to virtual credit cards or ACH for non-card acceptors means even fewer checks, less fraud risk, and less printing and postage



GREATER INSIGHT INTO PAYMENT DATA

Because all your payment data is consolidated in one central hub, you benefit from easier reporting and a full view of your expenses



TAKE-AWAYS

IDEAS AND POINTS TO BRING BACK TO THE OFFICE



FOCUS WITH BALANCE

- FLEXIBILITY
- INSIGHT
- VISIBILITY
- EFFICIENCY
- CONTROL



VISION

- EFFICIENCY
- MEASUREMENTS
- MOVE TO ELECTRONIC
- E2E VS. E2E2E2E
- POWER OF NETWORKS



PROCESS EFFICIENCY

- DEFECTS ARE HIGHLY COSTLY
- MANUAL PROCESSES LEAD TO DEFECTS



DATA

- KNOW THE VALUE OF INFORMATION FOR AP
- QUANTIFY THE VALUE

LET'S CONNECT.

DON'T LET THE LEARNING END HERE...
CONTACT US WITH ANY FUTURE QUESTIONS.

Thank you for your interest in this presentation and for allowing us to support you in your professional development. Strategic Treasurer and our partners believe in the value of continued education and are committed to providing quality resources that keep you well informed.



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Part 5 of the Payables Strategy Series Coming Soon!

Watch your email for more information about the next part in this series. If you have missed any, you can catch up with video replays.



PAYABLES STRATEGY WEBINAR SERIES:

Adding Card to Your Payables Strategy

JULY 29
@ 11:00 AM EDT

JACK SEVIER
Comdata

CRAIG JEFFERY
Strategic Treasurer

CPA Certified Payables Professional
Attendees receive 1.2 CEU certification credits.



PAYABLES STRATEGY WEBINAR SERIES:

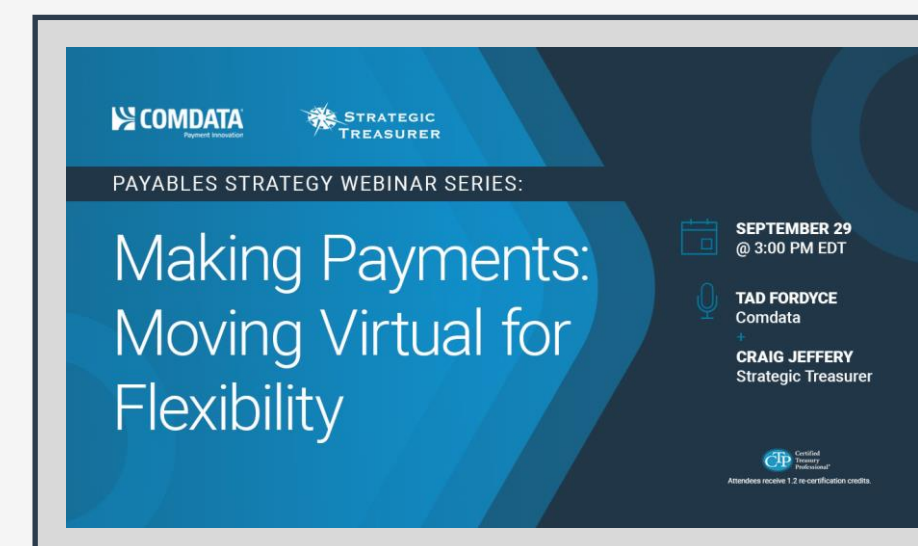
Reducing Fraud in Your Payables: A Virtual Approach

AUGUST 27
@ 2:00 PM EDT

JACKIE SHARPKNACK
Comdata

CRAIG JEFFERY
Strategic Treasurer

CPA Certified Payables Professional
Attendees receive 1.2 CEU certification credits.



PAYABLES STRATEGY WEBINAR SERIES:

Making Payments: Moving Virtual for Flexibility

SEPTEMBER 29
@ 3:00 PM EDT

TAD FORDYCE
Comdata

CRAIG JEFFERY
Strategic Treasurer

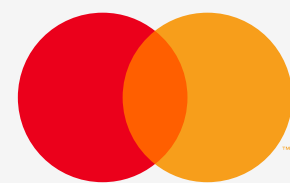
CPA Certified Payables Professional
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