Reimagine payables
Identify trends and get ahead of them—with machine intelligence
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Yesterday’s payables function was built for operational efficiency and cost-effectiveness. Today, with the proliferation of digital technologies, it should be a more intelligent process that can support the Kinetic Enterprise™—an organization that is built to evolve, no matter what tomorrow brings. It should be agile, adaptive, dynamic, and inclusive—able to continually refine its direction and capabilities as changing business conditions require.

Of course, operational and cost efficiencies are still important. But going forward, the payables function also needs to be transparent so finance leaders can have near real-time, end-to-end visibility into their business processes and data. It must be capable of analyzing big data and providing meaningful insights for optimized management of cashflow, working capital, and supplier functions. And these insights should be actionable in near real-time to facilitate intelligent decision-making ahead of emerging market trends.

So how can you turn that vision into a reality? For many organizations, predictive analytics applications based on advanced machine learning tools will be essential.
A digital foundation

For many businesses, SAP® solutions such as the SAP S/4HANA® Digital core will be central to building new capabilities while improving operational inefficiencies. By moving to SAP S/4HANA, companies can leverage the power of the latest digital innovations—machine learning, intelligent automation, and cognitive analytics.

The latest suite of SAP solutions also comprises predictive financial analytics tools that can help you proactively assimilate next-generation business insights—supporting an intelligent, responsive, cloud-enabled Kinetic Enterprise that is built to lead and evolve, leveraging a clean ERP and an inclusive ecosystem of capabilities.
Catalyze payables transformation with intelligent, ready-to-deploy solutions

To help organizations build the Kinetic Enterprise through intelligent digital finance capabilities that can transform payables processes, Deloitte has collaborated with SAP to develop ready-to-deploy solutions leveraging intelligent SAP® Leonardo capabilities.

These offerings—part of Deloitte’s broader portfolio of Kinetic Microservices—embed intelligent, actionable insights into three key aspects of finance:

- Invoices
- Payments
- Goods Receipt / Invoice Receipt Clearing
Answer and act on important questions

By working with Deloitte to integrate these three offerings, you can deploy a Reimagine Payables solution that can help you identify and predict trends such as “repeat offender” vendors, recurring data-entry errors, or payment bottlenecks—and then proactively work to resolve issues.

Reimagine Payables can help you answer questions such as:

- Does a particular supplier consistently state the wrong price on invoices?
- Are we losing potential cash discounts due to an inefficient payables function?
- Are we correctly prioritizing the needs of our most strategically important suppliers?
- Why do we have a high volume of error-handling variances?
- Is a supplier routinely sending us the wrong quantities?
- Are we understating or overstating inventory, even though we received the correct quantity from the supplier?
A three-in-one solution

To help organizations Reimagine their Payables processes, Deloitte has built a Reimagine Payables solution that combines three powerful Kinetic Microservices—each of them a solid standalone offering that can help you transform finance with machine learning and support the “built to evolve” Kinetic Enterprise:

Reimagine Invoices
A digital transformation of automated invoice management enabling shorter approval cycles to support Accounts payable process while collecting important statistics and attributes that help continuously analyze efficiencies, optimize the process, identify bottlenecks and simplify operations. Reimagine invoicing to process vendor Invoices, accurate and efficient vendor invoices processing to enable employee productivity, cash flow and build vendor relations.

Reimagine Payments
Analyze business priorities and patterns within big data to optimize discounts; pay strategically important suppliers at, and not before, the designated time; and effectively maximize your cash position and working capital.

This capability can help finance personnel be more proactive in their analysis of cash discounts and other supplier behaviors, as well as their interactions with procurement and other enterprise functions.

Reimagine GR/IR Clearing
Intelligently automate goods receipt/invoice receipt (GR/IR) clearing processes with pattern-based digital insights, automated resolution of discrepancies based on past user behaviors, and automated debit memo creation for invoices booked outside of acceptable thresholds.

This touchless process can help you proactively manage and reduce the volume of periodic purchase price variances, enable a financial close, improve cash position, and increase the visibility of current accrued liabilities.
Predictive alerts based on specific parameters that are important to your organization—pushed to the right systems and people at the right time, so they can preemptively take corrective action.

Unlock the power of intelligent insights

By working with Deloitte to integrate Reimagine Invoices, Reimagine Payments, and Reimagine GR/IR Clearing, your payables solution can help you dynamically predict trends among suppliers, recurring data entry errors, and payment bottlenecks. It can also help you proactively resolve these issues.

With Reimagine Payables, you get:

- An intuitive dashboard for exploring data-driven insights and trends
- Custom reports that can help you understand enterprise risks and internal / external opportunities
- Predictive alerts based on specific parameters that are important to your organization—pushed to the right systems and people at the right time, so they can preemptively take corrective action
- A solution that applies machine learning for constant improvement—connecting the dots among historical and current data to generate and progressively improve new operational insights
Drive improvements across the enterprise

Reimagine Payables supports finance-led transformation across these business areas:

**Supplier performance**
Gain insights into supplier effectiveness.

*Are they sending invoices for the right quantities and at the right price?*

**Supply chain performance**
Capture real-time insights into your supply chain.

*Are trucks showing up on time and on schedule? Are goods arriving as expected? Is one of your sites consistently experiencing errors—the wrong amounts or the wrong information?*

**Internal data quality and practices**
Clearly identify where your enterprise data and business processes can be improved to reveal financial, operational, and business ecosystem insights.

*Are you governing your master data effectively and efficiently? Do you have the required data foundations for facilitating real-time decision-making and processes?*
Potential benefits

By automating key aspects of the payments function, valuable human capital can be freed up and aligned with strategic business initiatives—to support a more responsive and future-facing Kinetic Enterprise. Consider these other potential opportunities that can arise when you Reimagine Payments.

Here’s a look at some other potential benefits:

- Increase the visibility of the payables processes to identify invoice processing inefficiencies, supplier spend levels, and payment optimization opportunities.
- Prioritize cash discounts and price variances with a high impact on margins or inventory.
- Act on predictive insights sooner to effectively triage payment-related issues.
- Analyze open GR/IR items faster.
- Understand and write off high-volume PO variances more efficiently.
- Reduce operational risk in finance and the supply chain.
- Enable Kinetic Enterprise functionality to help you respond at the pace of disruption.
- Spot supplier behavioral patterns to address variance reconciliation.
- Identify “repeat offenders” among suppliers and other nodes in your supply chain.
Let’s talk

Building the Kinetic Enterprise and a more intelligent finance function starts with insights. How will your organization deliver meaningful finance insights that you can act on? Reimagine Payables from Deloitte can help provide an integrated, ready-to-deploy solution that leverages SAP machine learning to make payment processes touchless and intelligent.

Contact us to schedule a demo, learn more about finance transformation, or discuss a specific challenge your organization is facing.

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