TOP TRENDS TO WATCH IN PRO Cure-TO-PAY
2020 and Beyond
**Top Trends to Watch in Procure-To-Pay 2020 and Beyond**

01. Digital strategy is a necessity, no longer just nice to have

02. Data and analytics go from “reactive” to “proactive”

03. Rise of the Source-to-Pay ecosystem as one size does not fit all

04. Risk management and mitigation play key roles in supplier management

05. Global regulations are becoming more stringent

06. AI and ML capabilities drive smart processing

07. Leadership is looking at ways to reduce the talent gap

08. Transparency is critical to enhance reputation and manage risk
Digital strategy is a necessity, no longer just nice to have.

85% of finance executives believe that digital transformation will fundamentally change the way they deliver services over the next 3–5 years.

Source: Raising the World-Class Bar in Finance Through Digital Transformation, The Hackett Group
Digital strategy is a necessity, no longer just nice to have

What is happening?
Digitization is one of the top trends predicted to affect procurement and finance operations the most over the upcoming years. Over the past decade, digital transformation has become a key element in organizations’ business plans – it’s no longer just a nice thing to have. And as more and more digital technologies are being integrating into all steps of the procure-to-pay (P2P) process, having a comprehensive digital strategy in place is becoming a necessity.

What does this mean for you?
Digital transformation may seem like a buzzword that’s used to reflect one thing and one thing only: technology. But, there’s a lot more to it than robotic process automation, artificial intelligence, and bots. It’s a mode of thinking, not just a process replacement initiative. It’s the development of cross-departmental collaboration, not just adopting a bunch of technology. It requires changes to people, processes and platforms.

The Basware Advantage
We are moving to a world where all businesses will have the power of sight and insight at their fingertips to streamline processes, remove inefficiency, and save money. But none of those benefits can be realized without advanced automation that simplifies operations and builds a complete data set for analysis. Basware strives to deliver the most sophisticated tools that connect you to all your suppliers (even the long tail) and automate deep into the workflow so you can remove paper-based and manual tasks and collect more data for insightful analytics.

Learn Why Doing Nothing is Not an Option When it Comes to Digital Transformation
Data and analytics go from “reactive” to “proactive”

Nearly half of respondents (49 percent) assert that the greatest benefit of using analytics is that it is a key factor in better decision-making capabilities.

Source: The Analytics Advantage
We’re just getting started, Key findings from Deloitte’s Analytics Advantage Survey
Data and analytics go from “reactive” to “proactive”

What is happening?
It’s been a hot topic for a while, but we don’t foresee this important theme going away anytime soon. Data and analytics were originally used with the intention of drilling down into historical transactions. In that way, they only worked “reactively.” And though this was (and still is) tremendously helpful, it’s nothing compared to the benefits that come from using data and analytics “proactively.”

What does this mean for you?
We anticipate organizations using data in a more advanced, predictive way going forward - to not only drill-down, but to alert-up. Using data to establish actionable insights empowers organizations to not just look at current state of operations but make proactive and informed plans for the future. In particular, predictive analytics can help you better identify potential bottlenecks, forecast your spend, and track budgets. You can even avoid supply chain risk with advanced analytics and information gathered from your system as well as external data sources.

The Basware Advantage
Basware delivers powerful analytics leveraging our unique ability to capture all your financial data across the purchase-to-pay (P2P) process and import spend data from external sources like ERPs, enabling you to see the full picture. When you layer this complete data profile with analytics, you’re in the best position to make informed decisions and deliver meaningful insights across the business with confidence.

Learn How to Rock the Future with Committed Spend Analytics
Rise of the Source-to-Pay ecosystem as one size does not fit all

Despite aggressive marketing, no vendor offers a full source to settle (S2S) suite that is best in class across all modules.

Source: Don’t Assume You Have to Use an S2S Suite to Digitalise Procurement and Sourcing, Gartner
Rise of the Source-to-Pay ecosystem as one size does not fit all

What is happening?
The concept of the “end-to-end” Source-to-Pay (S2P) suite is coming to an end. In its place we see the “ecosystem” approach gaining popularity. As businesses become more modern and emerging technology businesses and startups continue popping up left and right, it’s unrealistic to think a one-size-fits-all approach is feasible for growing or mature organizations.

What does this mean for you?
It’s time to adopt an integrated approach, an S2P ecosystem that provides a central location for all the unique plugins and applications that best fit your organization. According to Forrester, over the next 3-5 years, the products that will win in this new market will be open, dynamic, and built with artificial intelligence (AI). It’s an idea that we, at Basware, have seen coming for a while. One vendor that provides total, end-to-end S2P might provide the breadth of functionality but not necessarily the depth of functionality needed for each stage of S2P process.

The Basware Advantage
We don’t try to do everything. Basware has a tight area of expertise, meaning we are in a strong position to innovate within our core P2P offering. We are able to co-exist with other best-of-breed finance and procurement solutions, so customers can take advantage of both our innovation and the innovation of other vendors in the ecosystem. To support this, we have a vast partner network built over 30+ years of being the leader in AP Automation and P2P solutions. We integrate with over 250 ERPs, including Oracle, SAP and Microsoft to ensure that you have visibility across 100% of your data from one source.
Risk management and mitigation play key roles in supplier management

78% of consumers say organizations must positively affect society, not just make money—and nearly the same number (77%) say they feel more emotionally connected to organizations driven by a purpose and values.

Source: 2018 Purpose Study, Cone and Porter Novelli
Risk management and mitigation play key roles in supplier management

What is happening?
Admittedly, supplier management is nothing new, per se. What is new, is the amount of emphasis that is being placed on identifying and mitigating supplier risk. Supplier management is no longer about negotiating the cheapest possible process with your suppliers. There’s too much risk associated with thinking merely in terms of dollar signs when it comes to suppliers.

What does this mean for you?
There should be open dialogs and increased communication between buyers and suppliers. The conversation shouldn’t just circulate around “how much?” It should entail in-depth dialog and continuous research into how sustainable, diverse, and ethically upstanding a supplier is as well as what reputational and business risk a supplier can potentially cause. Your suppliers are an extension of your brand and in that way a direct reflection of your business’ own beliefs. Additionally, customers are demanding visibility into how sustainable and ethical organizations’ processes are.

The Basware Advantage
Basware puts you on the path to supply chain excellence. Our network and automation capabilities give you 100% spend visibility. Once you see how you’re spending across your supply base, you can put initiatives that drive costs down, while creating a sustainable, reliable, and responsible supply chain. You can also leverage value-added services like data verification through Dun & Bradstreet, supplier evaluation, and supply chain diversification through MasterCard Track, all through the Basware Network. This means more ways to reduce supply chain risk and create harmonious supplier relationships.
Global regulations are becoming more stringent

Accenture’s 2019 Global Compliance Risk Study finds function leaders tasked with cutting costs but keeping pace with rapid change.

Source: 2019 Global Compliance Risk Study, Accenture
Global regulations are becoming more stringent

What is happening?
This is another trend that isn’t going away anytime soon. And like supplier risk management, it’s likely that it will only continue to become more important over the years. Why? Because global commerce has been seeing significant growth, especially over the last few years. And though global trade offers many benefits to organizations, it also introduces the complexities of diverse tax laws and regulations regarding electronic invoicing.

What does this mean for you?
Electronic invoicing and invoice archival regulations are becoming more stringent across the globe and as these laws are evolving to include more strict requirements, the risk associated with noncompliance increases substantially. Not to mention, these regulations vary significantly from country to country. So, if you’re a global organization, these various laws can be nearly impossible to keep up with. That’s why it helps to team up with a solution that relinquishes some of that pressure and automatically stays up to date on the latest invoicing regulations, so you don’t have to.

The Basware Advantage
The Basware Network delivers a low friction option for supplier onboarding globally and enables you to receive all your invoices electronically and in compliance with local regulations. With over 1.5 million organizations already transacting on it and more than 220 global partner networks, you’ll rid your company of paper from day 1 while also ensuring global compliance. For years, Basware has been gathering regulatory and best practice knowledge from local markets, building new format conversions, connecting locally authorized compliance partners and tax authorities and enabling the use of digital signatures and certificates. We have been doing this so we can support you through all aspects of compliance, covering both B2B and B2G connectivity.
Artificial intelligence and machine learning drive smart processing

By 2020, embedded AI will become a key differentiating factor in finance systems evaluations, and vendors with this capability will be able to highlight greater functional advantages.

Source: How AI will transform financial Management applications, Gartner
Artificial intelligence and machine learning drive smart processing

What is happening?
Smarter processes backed by data and powered by automation are the future for P2P operations. When data quality improves, automation becomes all the more effective. It takes the manual tasks and the back-end operations out of the hands of your team and instead empowers them with the ability to make more strategic decisions and contribute to tactical business moves.

What does this mean for you?
Intelligent technologies backed by AI (artificial intelligence) and ML (machine learning) handle as much as possible behind the scenes without human interference. These technologies learn as they go and eventually gather enough data to perform the same job in a completely different but more efficient way. We don’t predict that they’ll become sentient and come for your job anytime soon (or ever, to be honest). In fact, these technologies will actually continue to make all parts of the P2P process easier and quicker, empowering your employees to move away from repetitive, manual tasks to more strategic activities.

The Basware Advantage
Data is an absolute prerequisite to machine learning, artificial intelligence, predictive and prescriptive analytics. By consolidating all of your procurement and finance data, Basware solutions leverage advanced technologies to identify trends, anomalies and insights for people to validate. Basware uses AI and ML technologies to offer natural language processing (NLP) capabilities, handle back end operations through innovations such as automated data extraction and coding and inform our analytics to develop predictive forecasting and advanced deep dives.

Learn about Using AI, RPA and Machine Learning in Finance and Procurement
Leadership is looking at ways to reduce the talent gap

Respondents report increased training emphasis on technical procurement skills, with 62 percent planning to address it in the coming year compared with 41 percent last year.

Source: Global Chief Procurement Officer Survey 2019, Deloitte
Leadership is looking at ways to reduce the talent gap

What is happening?
As the world moves towards more automation and digitization, finance and procurement functions are expected to fundamentally change over the coming years. With technology constantly evolving and automation becoming more prevalent across workforces, traditional, clear cut job roles are being forced to adapt. In order to prepare for this, it’s vital to equip your workforce with the proper skills and talents needed to deal with these changes, hire digitally savvy employees and provide them with the platforms that enable them to perform their jobs efficiently - whether in the office or on the go.

What does this mean for you?
The main challenge is attracting new talent. Roles in AP, finance, and procurement are not necessarily the most appealing jobs or career paths at first glance. So, it’s important to showcase the potential these roles hold thanks to an increased involvement with automation and digitization. Creative problem solving, strategic decision making, and generally thinking outside the box are all attractive job descriptions for potential employees. And luckily, they are becoming more and more prevalent in roles in the P2P space, in large part due to automation.

The Basware Advantage
Basware’s solutions are available from anywhere, on any device and are built with the end user in mind - leveraging the latest technologies around mobile, responsive design, artificial intelligence, and machine learning. A purchase-to-pay solution only delivers results if everyone actually uses it. This is true for e-procurement end users, AP clerks, finance, procurement leaders, and others associated with the overall process. By making our solutions the fastest and easiest way for people to complete tasks and fit into their natural workflow, we garner 100% user adoption, so you realize more ROI.

Learn How to Get and Keep Digital Talent in Procurement Finance
Transparency is critical to enhance reputation and manage risk

90% of executives say increased business transparency leads to better-informed decision making across the entire organization.

Source: Using Transparency to Enhance Reputation and Manage Business Risk, Harvard Business Review Analytic Services
Transparency is critical to enhance reputation and manage risk

What is happening?
Businesses are being demanded to exhibit more transactional transparency from customers and also from society at large. A lack of visibility across the supply chain, and the associated reputational risks, is being recognized as a grave concern of chief executives and CFOs. Company leaders now need a more holistic approach, which means not just having visibility into their transactions but also knowing what sits underneath all their transactions. Increasingly, they are turning to their finance teams to explore the untapped potential of data-led insights and to unlock the potential unrealized value that a better grasp of their operations could provide.

What does this mean for you?
Today’s interconnected world transcends physical boundaries and delivers tremendous business advantages in terms of speed, convenience, and efficiency. But it also comes with the risk of allowing trusted human connections between buyer and supplier to be lost or faked. Those companies that have invested in more visible finance and procurement see greater transparency throughout the rest of the organization and with it, greater employee engagement, reputational lift, and better decision making. They also see greater cost savings and revenue growth.

The Basware Advantage
Basware is uniquely positioned to deliver transactional transparency. With a breadth of core purchase-to-pay solutions, advanced automation functionalities, integration capabilities, and the greatest global reach, Basware is better able to deliver the technology required for visible commerce. We are the only solution provider that empowers businesses with 100% data capture, 100% spend visibility, and the world’s largest open business network.

Learn about Visible Commerce: The Value of Transparency
ABOUT BASWARE

Basware is the only procure-to-pay and e-invoicing solution provider that empowers businesses with 100% spend visibility through 100% data capture. Our cloud-based technology enables organizations to fully manage their spend, mitigate financial risk and reduce the cost of operations via automation. With the world’s largest open business network and an open technology ecosystem, we are uniquely positioned to deliver the solution required for Visible Commerce, which provides customers with complete transparency into all the flows of money, goods, and services around the world. A global company, Basware has offices in 14 countries and is traded on the Helsinki exchange (BASIV: HE).