Finance: Accounts Payable
PROCESS MAP

THE LAB'S SUPPORT GROUP PRACTICE AREAS

Finance | Human Resources | Information Technology | Marketing

- Financial Close/Reporting
- **Accounts Payable**
- Treasury Operations
- Cost Allocation
- Budgeting

THE LAB
BEST PRACTICES IMPLEMENTED™

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Accounts Payable Process

Ⓐ Ⓑ Ⓒ

Ⓐ Vendor Evaluation/Set-Up/Submission

Ⓑ Invoice Processing/Payment

Ⓒ Payment/Exception Resolution

Also: Procurement: Indirect Materials

Legend

Class I Short Term Improvement	Class II Long Term Improvement	Best Practice Best Practice	KVI Key Volume Indicator	Automated Systems Automated Systems
Activity Description Activity Description	Sub-Process Activity Sub-Process Activity Description	Decision Decision	Comments/Additional Information Comments/Additional Information	Correspondence Correspondence Acts

Improve Smarter

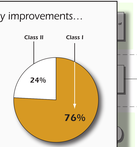
Finance: Accounts Payable Process

Vendor Evaluation/Set-Up/Submission

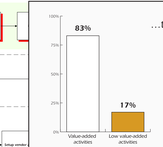
Numerous non-technology improvements…

42 improvements;
Two categories: Class I and Class II

Change Required	Class I	Class II
Technology capabilities	NO	YES
Physical infrastructure	NO	YES
Business distribution/strategy	NO	YES
Product service/offerings	NO	YES
Regulatory issues/approvals	NO	YES



…targeting reduction of low-value work steps

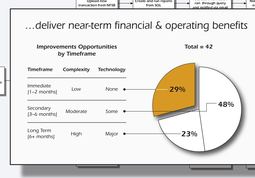


Total Work Steps: 170
Highlights work activities related to lower value added tasks such as correcting errors, rework, redundancies, "checking the checkers," etc…

…deliver near-term financial & operating benefits

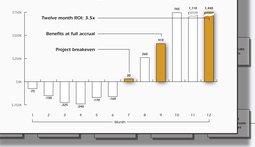
Improvements Opportunities by Timeframe — Total = 42

Timeframe	Complexity	Technology
Immediate [1–2 months]	Low	None
Secondary [3–6 months]	Moderate	Some
Long Term [six months]	High	Major



Invoice Processing/Payment

…enable self-funding improvement



Payment/Exception Resolution

Non-technology improvements [and benefits] typically outnumber technology dependent improvements by a 3 to 1 margin.

Contact The Lab
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