

# BREAK DOWN PROCURE-TO-PAY SILOS

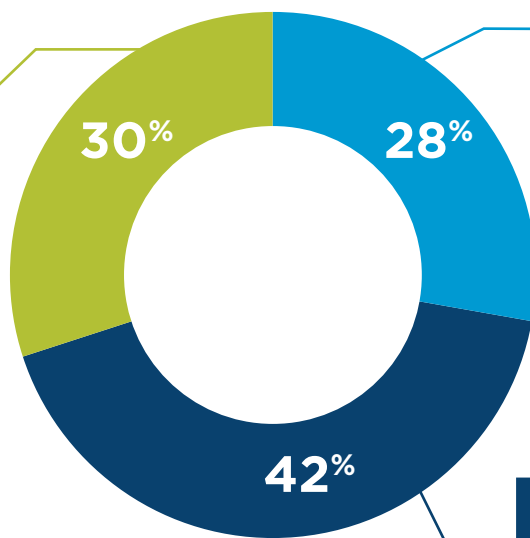
The procure-to-pay process encompasses activities critical to the business: purchasing goods and services, receiving them, and then paying for them so the organization can in turn deliver a solution to customers. Because the process spans the procurement and accounts payable (AP) functions, improving it can be a challenge.



## SILOS LEAD TO CONFUSION

In many organizations, procurement and AP operate as separate teams. Even if these teams ultimately report to the same executive, they often maintain separate processes and operate in silos.

procurement and AP are on **one integrated team** reporting to the **same executive**



procurement and AP are **separate teams** reporting to **separate executives**

procurement and AP are **separate teams** reporting to the **same executive**

Having procurement and AP operate separately can lead to confusion about the roles and responsibilities assigned to each unit. This can result in staff taking actions that suboptimize the comprehensive end-to-end process.

## BARRIERS TO IMPROVEMENT

In a survey on supply chain priorities for 2022, the procure-to-pay process is one of the top areas of focus. As with any improvement effort, there are barriers to action. Supply chains list collaboration, workforce engagement, and communication challenges as some of the top obstacles to improving their processes:

**46%**



**lack of collaboration across functions & externally**

**35%**



**limited workforce engagement**

**34%**



**communication challenges**

## A NEW MODEL IS THE ANSWER

Organizations must take bold steps to improve their procure-to-pay process and alleviate challenges related to collaboration and communication. Adopting a single owner for the end-to-end process is part of the solution.

Having one owner means taking a holistic view of the process. It ensures that additional improvements do not negatively impact any procure-to-pay activities. To maximize effectiveness, the process owner should have insight into all aspects of procure-to-pay, as well as soft skills to encourage collaboration and communication among staff who may not have worked together before.