Can’t We All Just Get Along

Strategies for Building Bridges Between AP & Procurement

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What a Dysfunctional P2P Relationship Sounds Like

“We don’t talk with them.”

“Procurement doesn’t respond to our requests.”

“AP gives us busy work.”

“We don’t play well together.”
Silo Management Isn’t Sustainable

AP and Procurement will always have inter-dependencies

Compartmentalizing the two phases of P2P prevents you from:

• Knowing the full cost and full value of the process
• Knowing who is responsible for prioritizing and making changes
Why is There Friction Between AP & Procurement?

Different leadership leads to conflicting priorities.

Higher procurement salaries can lead to resentment.

Success is defined using conflicting measures.

Procurement is often held in higher esteem than AP.
What Can You Do About It?

Your company isn't going to change the org chart, but...
You can play a role in breaking down silo thinking.

How?
- Make friends in Procurement and throughout AP
- Meet informally to discuss pain points
- Suggest job rotations or job shadowing
Your company isn't going to change salary bands, but...
You can improve your resume and move up the ladder.

How?
• Raise your profile inside your organization
• Consider adding certification/credentials
• Make your boss’ boss look good
Your company isn't going to change KPIs, but...
You can help agree on KPIs that bring the silos together.

**How?**
• Identify AP and Procurement measures (Venn diagram)
• Identify the metrics that are oppositional
• Help leadership understand how conflicting measures can sub-optimize results for the end-to-end process
AP isn't going to change its culture, but...
You can help elevate the role of AP and build bridges of cooperation by building relationships.

*How?*
- ‘Rebrand’ AP
- Gain exposure for AP expertise (risk mitigation, forecasting)
- Focus external attention to the ‘value’ AP provides
Future State Options

Option 1: Accept Limitations
Choose the ‘good enough’ practice that is right for your company.

Option 2: Work Around Known Cultural Hurdles
Turn mavericks into innovators: The more broken the relationship, the more rogue processes have been formed to get work done.

Option 3: Change the Culture
Build a grass-roots change management plan to work together. Sell your respective leaders on aligning metrics, priorities, and goals.
What’s At Stake?

Status Quo:
• Broken handoff between procurement and AP
• Inefficient P2P process
• Inability to see the full picture
• Limit on progress

Improved Future State:
• Improved integration between functions
• Boost in efficiency with limited investment
• Limitless possibilities: automation, migration to a shared service model, focus on value added contributions of AP
Questions

Please e-mail me any questions we don’t have time to address
We’re happy to help

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