Bottomline | PAYMODE

How to Create Your AP Automation RFP

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Congratulations!

Your journey to accounts payable automation is reaching an important milestone. Now you need to do the hard work of preparing your request for proposal, or RFP, to help you determine your automation solution.

The RFP process should be embraced, because this where you and your team have a great opportunity to define the full scope of your AP automation project, prioritize what's most important to your team and key stakeholders, and select the best possible solution provider from the handful you have determined to be potential good fits.

The criteria you use to select the right solution will be different than any other company reading this document. Fortunately though, most companies have a standard set of requirements and priorities to include in their AP automation RFP.

Bottomline has published two documents to help you get started and customize your RFP:

- **How to Create Your AP Automation RFP:** This is a summary high-level guide. Each of the 11 sections includes a brief description and a few sample questions to give you a feel for the depth and breadth of coverage provided by our accompanying RFP Template, and provides practical advice for creating your customized RFP.
- **Customizable RFP Template:** This is a detailed spreadsheet containing a comprehensive list of sample questions you can include in your RFP. Bottomline has reviewed the latest RFPs we've received from organizations looking to automate AP and pulled their best questions into this repurposable and easily customizable RFP template that you can edit and use to drive your project.

Section 1

Section 1 of the RFP is to be completed by you, the organization issuing the RFP.

Sections 2 - 11 are to be completed by the solution providers you send your RFP to for completion.

It is important to note that sections 2 – 11 of this RFP guide and accompanying RFP template provide sample questions to ask, but you should customize as needed to suit your organizations' specific AP automation project scope and business requirements.

RFP Introduction

Your introduction will provide an overview of your company and the specifics of your AP automation initiative to solution providers. It should also include the goals and objectives of the RFP, key solution requirements, the RFP timeline and the desired timeline for the project once a contract has been awarded. Also, be sure to include the necessary confidentiality and non-disclosure agreements.

Key information for you to deliver to solution providers:

Purpose of the RFP

General introduction to your company (description of products/services, size, locations, etc.)

Brief overview of the project and why it was initiated

Goals and objectives of the project

Section 2

Solution Provider Company Profile

It is important to know as much as possible about prospective solution providers you have on your short list for your AP automation initiative. This section captures the general information related to each solution provider, including company history, description, breadth and depth of offering, financials, customers and industries. Include questions that help communicate the size and overall maturity of the company in gauging their ability to deliver AP automation solutions that fit your business needs.

Key information to request:

- **Company history**
- **Company financials**
- **Product lines and offerings**
- **Customer base using proposed solution**

Section 3

Fraud Prevention and Cyber Security

A strong fraud prevention and cyber security strategy helps organizations minimize exposure to threats, risk, and noncompliance with external regulations. This section focuses on understanding the solution provider's ability to keep data safe from unauthorized and illegal access. Please provide details regarding your application capabilities, procedures, and architecture with respect to ensuring cyber security and fraud prevention.

Key questions to consider asking:

- **What measures do you take to authenticate a vendor's enrollment to prevent fraud?**
- **Are you able to prevent Business Email Compromise fraud?**
- **What security controls are in place to protect authorized user access, payment data, and banking information?**
- **Which security certifications and audits has the solution undergone?**
- **How do you ensure compliance for regulations such as Know Your Customer (KYC) laws and Anti-Money Laundering (AML)?**

Section 4

Invoice Submission, Receipt, and Capture

Invoice receipt is the very beginning of the AP process. This section focuses on capturing the solution provider's features, functionality and general capabilities related to the submission of invoices by vendors, receiving the invoice, and data capture.

Key questions to consider asking:

- **Do you offer mailroom and scanning services for vendors that mail paper invoices?**
- **Do you provide a vendor portal and/or digital mailroom for vendors to submit invoices electronically? Does it support purchase order (PO) flips?**
- **How does the solution leverage machine earning and/or artificial intelligence in your invoice receipt process?**
- **Can you support both PO header and line level data capture?**

Section 5

Invoice Processing

Once the invoice is received, it is validated, matched, and appropriately routed for approval. This section focuses on capturing the solution provider's features, functionality and general capabilities related to the processing and workflow management of invoices.

Key questions to consider asking:

- **How does the solution ensure invoices are coded correctly?**
- **Can the solution handle both PO and non-PO invoices?**
- **Does your solution automate 2-way and 3-way reconciliation with both PO header and line level?**
- **How are exceptions that arise in the matching process managed?**
- **Does the solution allow for straight-through touchless processing of invoices?**

Section 6

B2B Payments

After an invoice is approved, payments can be scheduled and executed. This section focuses on capturing the solution provider's features, functionality and general capabilities related to B2B payments. There is significant untapped value in the financial supply chain, particularly the vendor payment operation, which is available only to the enterprises savvy enough to take advantage of the tools and capabilities that can unearth the value.

Key questions to consider asking:

What payment types are supported (i.e. Automated Clearing House (ACH), virtual card, check, etc.) and does the solution provider have their own payment network?

Do you offer a rebate program? If so, please describe how the program works.

What international payment capabilities do you provide?

Do you support B2C disbursements?

How do you optimize my payment type mix relative to my goals? Can 100% of payments be made on your network?

Is a digital self-service portal provided for vendors to update their banking and payment information, and check payment status?

Section 7

Reporting and Analytics

Visibility is critical to the success of any AP automation initiative. Reporting and data analytics enable enterprises to interpret information and provide meaningful intelligence that can be used to optimize business decision making within an enterprise. This section looks at how well a solution can extract and present data, enable users to perform analysis and present insights, and said solution's ease of use.

Key questions to consider asking:

What types of standard/out-of-the-box reports, dashboards and payment metrics are available?

What is our ability to customize analytics and reporting, including changing views based on a user, role, department, and permissions?

What capabilities exist to to track, report, reconcile payments and track rebates processed by payment type?

Section 8

Product and Technology

This section focuses on understanding a solution provider's platforms and technology architecture, as well as details around the integrations, if any, that will be needed to your existing systems. It also considers system reliability and other factors. You need to know how well everything a provider can offer matches with your organization's requirements and technology infrastructure.

Key questions to consider asking:

What is the solution technology architecture and cloud platform provider? What service level agreements (SLAs) are in place? How often is the solution upgraded?

Which enterprise resource planning system (ERP) and back-end systems does the solution support? Are pre-built integration tools available?

How is invoice and payment data migrated from legacy systems to your solution?

Section 9

Vendor Enablement, Implementation, and Support

A crucial part of the decision-making process involves the services and support that are provided along with the AP automation solution. This section requests information from the solution provider regarding the different types of technical, functional, and user support they have available, including training and deployment. It will also help you to determine whether the provider can successfully enroll your vendors to receive digital payments.

Key questions to consider asking:

What vendor recruitment and enablement services do you provide?

What ongoing enrollment efforts take place after the first wave of vendors are onboarded?

What support is provided to users of the solution (both buyers and vendors)?

Describe the implementation processes and services provided.

How quick is implementation and ramp-up from contract signing?

Section 10

Pricing

This section provides a structure for solution providers to share their pricing structure, which can be used to request detailed pricing information so that a total cost of ownership can be calculated. It is important to provide a framework for answers so you can more easily compare solution provider costs side by side. Try to capture all major expenses, including subscription or license fees, transaction fees, solution deployment and project integration costs, training and support, and any other costs.

Key questions to consider asking:

- **How is the cost of the solution calculated? (i.e. invoice volume, B2B payment volume, number of users, per module, spend volume, etc.).**
- **Are implementation, training, support, and maintenance upgrades all included in subscription/licensing fees?**
- **What is the renewal process when the term of the agreement ends?**
- **Are there fees for vendor recruitment, enablement, or onboarding?**

Section 11

Reference Customers

This section offers a structure for solution providers to share customer references that you can contact. Have providers include three to five client references, preferably of similar size, industry, and ERP as your company.

Your conversations with reference customers should happen prior to making a selection decision and cover topics such as:

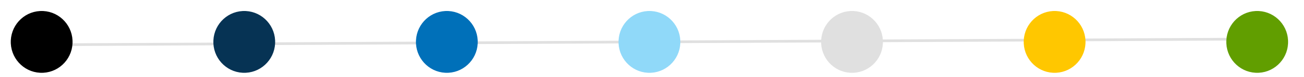
- **Implementation and ramp-up experience**
- **Satisfaction with service and support**
- **Effectiveness of provider's recruitment and onboarding of your vendors**
- **Return on Investment (ROI) and payback period**
- **Challenges faced with solution provider**
- **Whether or not they would recommend their solution provider**

Now What?

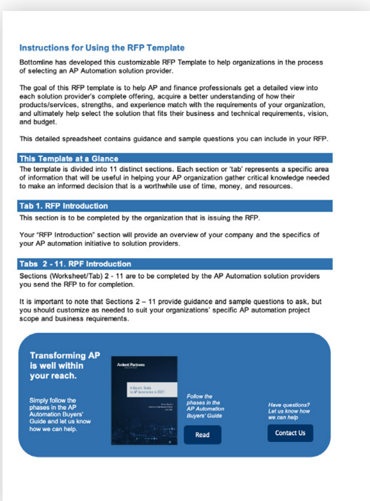
While selecting the right solution for your AP automation initiative is very important, it does not have to be difficult or complicated. Simply follow the seven phases in the AP automation Buyers' Guide for tips and advice on throughout your buying process.

The 7 Phases from the AP Automation Buyers' Guide

The RFP phase of the buying cycle provides the opportunity to define the full scope of your AP automation project, prioritize what's most important to your team and key stakeholders and select the best possible solution provider from the handful you have shortlisted.



As your next step, Bottomline has developed a customizable RFP template, which contains a comprehensive list of sample questions you can include in your RFP. We hope you find the spreadsheet helpful as you create your RFP.



Instructions for Using the RFP Template

Bottomline has developed this customizable RFP Template to help organizations in the process of selecting an AP Automation solution provider.

The goal of this RFP template is to help AP and finance professionals get a detailed view into each solution provider's complete offering, acquire a better understanding of how their products/services, strengths, and experience match with the requirements of your organization, and ultimately help select the solution that fits their business and technical requirements, vision, and budget.

This detailed spreadsheet contains guidance and sample questions you can include in your RFP.

This Template at a Glance

The template is divided into 11 distinct sections. Each section or 'tab' represents a specific area of information that will be useful in helping your AP organization gather critical knowledge needed to make an informed decision that is a worthwhile use of time, money, and resources.

Tab 1. RFP Introduction

This section is to be completed by the organization that is issuing the RFP.

Your "RFP Introduction" section will provide an overview of your company and the specifics of your AP automation initiative to solution providers.

Tabs 2 - 11. RPF Introduction

Sections (Worksheet/Tab) 2 - 11 are to be completed by the AP Automation solution providers you send the RFP to for completion.

It is important to note that Sections 2 – 11 provide guidance and sample questions to ask, but you should customize as needed to suit your organizations' specific AP automation project scope and business requirements.

Transforming AP is well within your reach.

Simply follow the phases in the AP Automation Buyers' Guide and let us know how we can help.

Follow the phases in the AP Automation Buyers' Guide

Read

Have questions? Let us know how we can help

Contact Us

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You are Now Ready to Create Your RFP for AP Automation

Download the easily customizable RFP Template.

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