Four Signs That You're **Outgrowing Bill.com®** **for Accounts Payable**

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For many small businesses, Bill.com offers an adequate means to pay their supplier bills and maintain some lightweight bookkeeping. This is important because many smaller businesses don't have the headcount to spend on a fully staffed accounts payable operation.

But what if your business is growing?

Shouldn't your accounts payable process grow with you? Here are the four most important signs that your business is outgrowing Bill.com.

1 Increasing Payment Volume

The larger an organization becomes, the more bills it needs to pay. Invoices will come from everywhere. But it's not just the invoice process that growing companies need to contend with. The entire supplier engagement process is impacted—including onboarding, tax identity collection, invoice management, and payments. And these tasks are dramatically more challenging for cross-border payables.

Fact

Growing businesses need to address the entire payables workflow including supplier onboarding, collecting tax identification details, collecting payment details, reading and routing invoices for approval, and making payments.

Bill.com provides payments to 40 countries via wire transfers. But wire transfers are expensive and require utmost precision—a single data entry error, and you could instantly be sending $200,000 instead of $20,000. Wire transfers also mean either giving someone access directly to the bank account or having someone in a senior-level position constantly managing the bank portal.

Bill.com has issues onboarding during the supplier relationship. Its supplier onboarding essentially asks suppliers to join their network, which then leads to mistaken account creation for Bill.com services.

2 Weakening Financial Controls

As a company grows, more people will be involved in the day-to-day payables processes. That means more people will be accessing key systems. Increased financial controls are crucial to securing payables data and processes. If a business allows anyone to make a payment, it opens itself up to risk. Yet manual oversight into every financial detail is a poor use of executives' time and can dramatically slow performance.

Organizations must look to institute auditable controls to their payables systems.

- What are the processes for approving invoices and matching to purchase orders?
- Who can invite vendors into the system through a supplier portal?
- Are tax identities and forms collected and validated for compliance during onboarding?
- Are OFAC SDN checks made when paying suppliers?
- What payment processes are logged to maintain audit trails?

These processes should be highly configurable to accommodate your organization's matrix of responsibilities.

Fact

Bill.com's permissions management is sufficient for business owners who see and approve every bill, but when the organization becomes more layered, the basic roles provided by Bill.com fail to instill consistent, discrete controls.

3 Supplier Churn

Are suppliers complaining about not getting paid on time? If you value what your suppliers bring to your business, then supplier payables have an impact to the overall daily operations of the business. And as mentioned earlier, global suppliers may not be able to get paid electronically in a timely fashion through Bill.com.

Fact

According to one recent review on Gartner's product review site GetApp, Bill.com was accused of delaying ACH payments by seven days. This is a burden on suppliers who are already subject to Net 30/60/90 terms, and who have their own cash flow issues to overcome. Because Bill.com owns the supplier relationship, the payer has little visibility into payment issues.

Weakening supplier relationships put a company's execution at risk. Payments affirm that relationship. Competent payables is what makes people want to continue doing business with you. Getting payables wrong is an indicator that you're unreliable or, even worse, untrustworthy.

In addition to on-time and accurate payments, other ways to keep suppliers happy include:

- Offering better visibility to invoice and payment status and self-service
- Offering richer payment and currency method choices.
- Negotiate better net payment terms by extending early payments options

If done right, early payments can allow you to maintain (or even lengthen) your payment terms, while giving your suppliers earlier access to cash without negatively impacting your own working capital.

4 Going Global

We've touched on the supplier-payables relationship as it relates to international vendors. Global suppliers have unique needs, and if the business is going to rely on cross-border providers, it must be ready to address those needs.

Fact

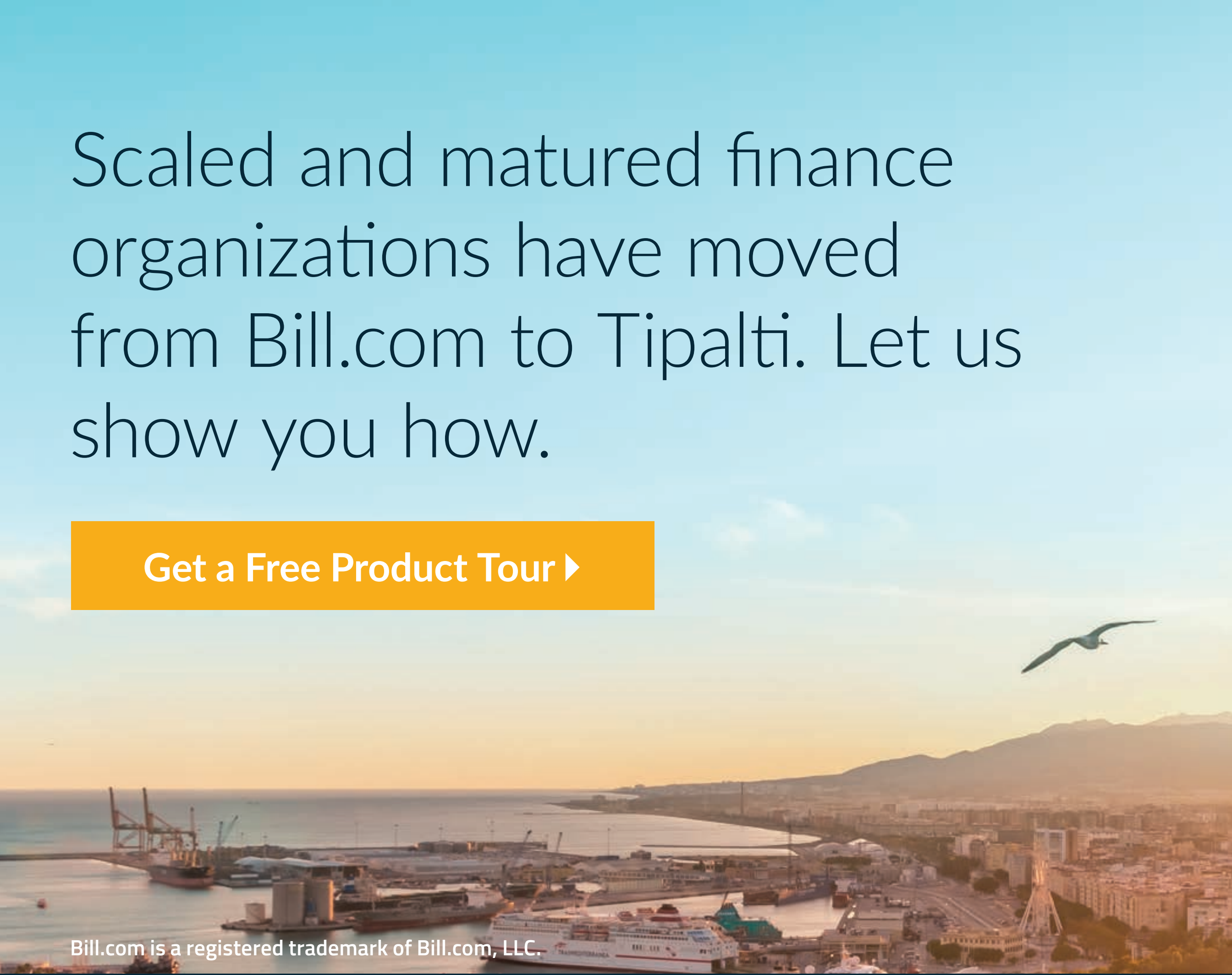
Bill.com is focused on small businesses that are primarily domestic. It does not provide what's needed for a compliant, globally-focused operation.

Beyond the challenges of simply paying international suppliers, a range of other cross-border issues arise.

- Currency considerations become a factor.
- Tax compliance with new IRS regulations are more challenging.
- Potential fraud and OFAC risks increase.
- Time zone differences can stall communications.

Simply sending a check won't solve for these payables processes.

Understanding all the rules required to work with global suppliers can be daunting. It ultimately requires expanding the payment method options available and vetting of supplier payment details to prevent escalating error rates and bank penalty fees.



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