



Feature at a Glance

Invoice Cycle Time KPI Widget (BNA-8)

Chris Chase, SAP Ariba
Target GA: 2211 Release (Q4 2022)

PUBLIC

Feature at a Glance

Introducing: Invoice Cycle Time KPI Widget

Ease of implementation  Low touch / simple
Geographic relevance  Global

Customer challenges

- Empowerment and process improvement starts with measurement. Suppliers cannot change what they cannot see.
- If buyers do not approve invoices in a timely manner, it impacts their ability to pay on time.
- Suppliers need tools to discuss performance with customers in quarterly business reviews.

Meet that challenge with SAP Ariba

- The invoice cycle time KPI widget displays the average Invoice cycle time on the supplier home page.
- Suppliers may choose last quarter, last month, last 12 months.
- Suppliers may select which customer.

Experience key benefits

- Invoice cycle time is one of a number of KPIs that may indicate the business results of SAP Ariba solutions.
- Suppliers can clearly see the how long it takes customers to approve invoices.
- Suppliers can identify customer behaviors and patterns that can be used in contractual negotiations and in quarterly business reviews.

Solution area

SAP Business Network

Implementation information

This feature Automatically On and is ready for immediate use, no implementation is needed.

Prerequisites and Restrictions

Supplier must have a bronze level or above subscription.

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User Story: As a financing manager in my company, I need understand how long customers take to approve our invoices.

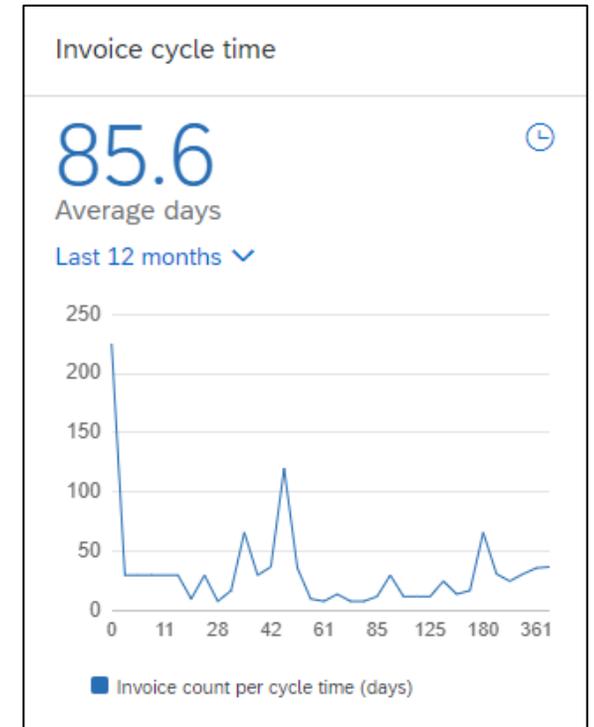
If our customers do not approve our invoices a timely manner, it may impact our relationship and our customers ability to pay on time. Our customers with low invoice cycle times have the following characteristics:

- standard processes and formats for invoice submission
- methods in place to reduce paper invoice submissions
- incentives to support the use purchase orders
- a high emphasis on internal performance including monitoring and measurement

We place a strong emphasis on supporting our customers process improvement objectives.

KPI Definition: The number of business days required to process an invoice from when the invoice is received by the Accounts Payable Department until it is approved and scheduled for payment.

An approved invoice is a scheduled payment in Ariba Network.

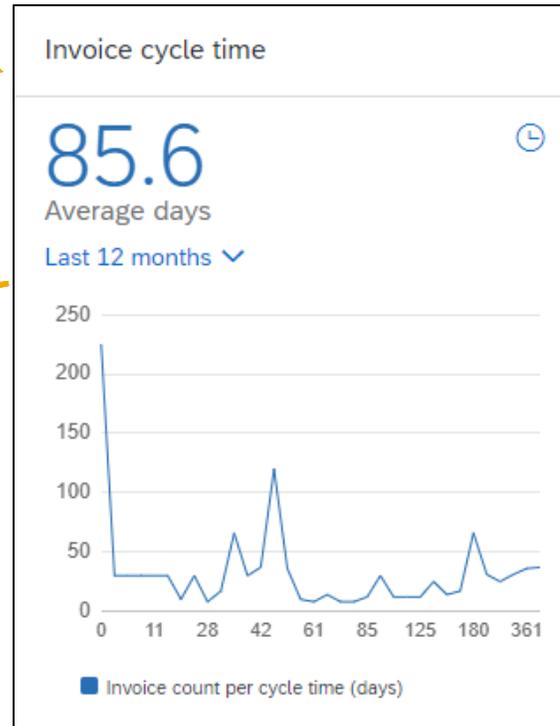


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The Ariba Network calculates invoice cycle time by counting scheduled payments sent to you by your customers.

Date Range chooser: Last 12 months, Last quarter, Last month



Time stamp of last data refresh

The line chart shows the count of scheduled payments per cycle time in days.

Limitations

- Not all buyers load scheduled data to Ariba Network.
- The Ariba Network KPI framework includes intelligence to identify and exclude data outliers that may be bad data, test data, or otherwise interfere with the KPI calculation. Therefore, KPI calculations may not fully reconcile with the scheduled payments listed on the on Ariba Network.
- The KPI calculation excludes failed, cancelled and on hold scheduled payments.
- Invoice Cycle Time = Date the scheduled payment was received - Invoice date of scheduled payment (ignoring time stamp)
- This widget does not include scheduled payment data from test accounts.

SAP Ariba and SAP Fieldglass

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