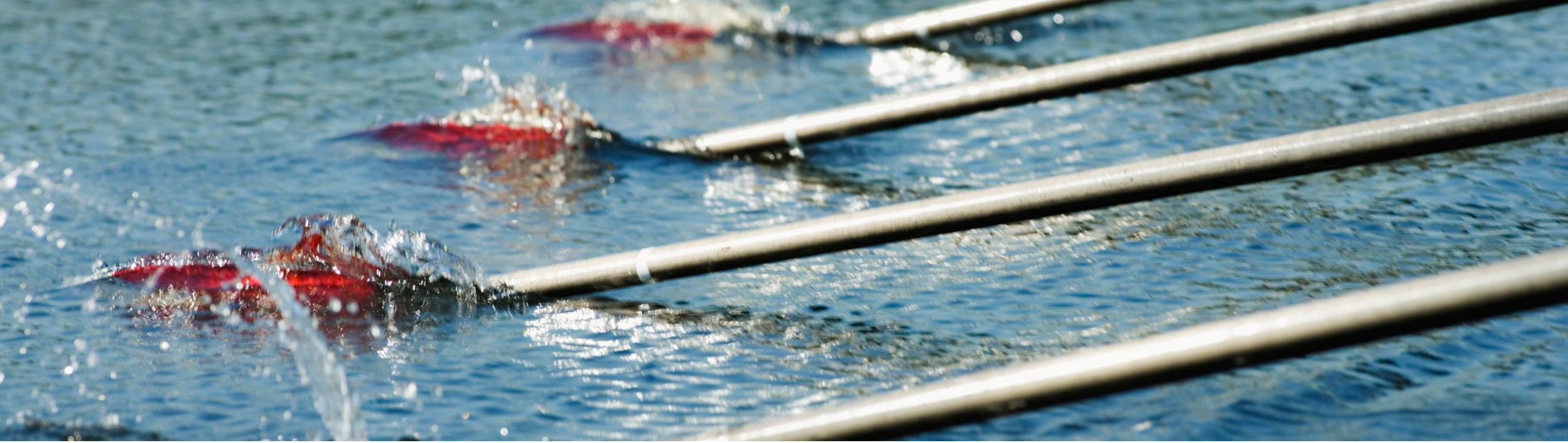


Feature at a Glance

Invoice cycle time benchmark widget (BNA-12)

Content Owner: Chris Chase
Target GA: Q1 2023

Public

THE BEST RUN SAP

Introducing: **Invoice cycle time benchmark widget**

Feature Description

- The Invoice Cycle time Benchmarking widget displays the average invoice cycle time on the supplier home page.
- The invoice cycle time benchmarking widget allows suppliers to compare their customers' average invoice cycle time performance against the aggregate performance of the network.
- Suppliers may compare performance by supplier region, buyer industry, and buyer performance quartile.
- Suppliers may choose last quarter, last month, last 12 months

Key Benefits

- Allows suppliers to use benchmarking as tool to improve performance.
- Allows suppliers to identify customer behaviors for discussion in contractual negotiations and in quarterly business reviews.
- Provides access to benchmarking data spanning many industries and regions.
- Eliminates costly data collection activities required to share data with a benchmarking service provider

Audience:

Suppliers

Enablement Model:

Low Touch

Applicable Solutions:

SAP Business Network

© 2022 SAP SE or an SAP affiliate company. All rights reserved. | Public

User Story

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

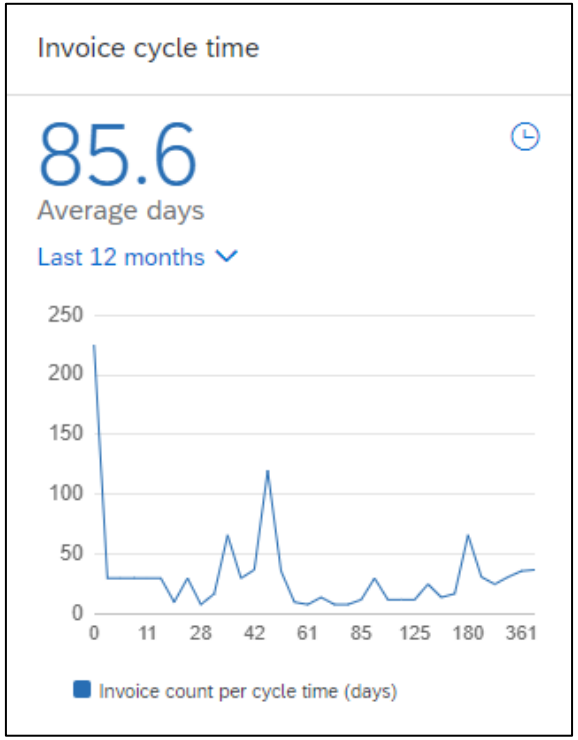
If our customers do not approve our invoices a timely manner, it may impact our relationship and our customers ability to pay on time. Our customers with low invoice cycle times have the following characteristics:

- 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.

A approved invoice is a scheduled payment in Ariba Network.



© 2022 SAP SE or an SAP affiliate company. All rights reserved. | Public

Prerequisites, Restrictions, Cautions

Prerequisites

- None

Restrictions

- You must have a bronze level or above subscription.
- You must have the Payment Activities, Outbox Access, or Invoice Generation permission to see the widget.
- This widget does not include scheduled payment data from test accounts.
- 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)

Cautions

- Not all buyers load scheduled payment data to Ariba Network.
- A scheduled payment is the buyer's representation of the supplier invoice in the buyer's accounts payable system.
- The SAP Business 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 with status Paid on Ariba Network .

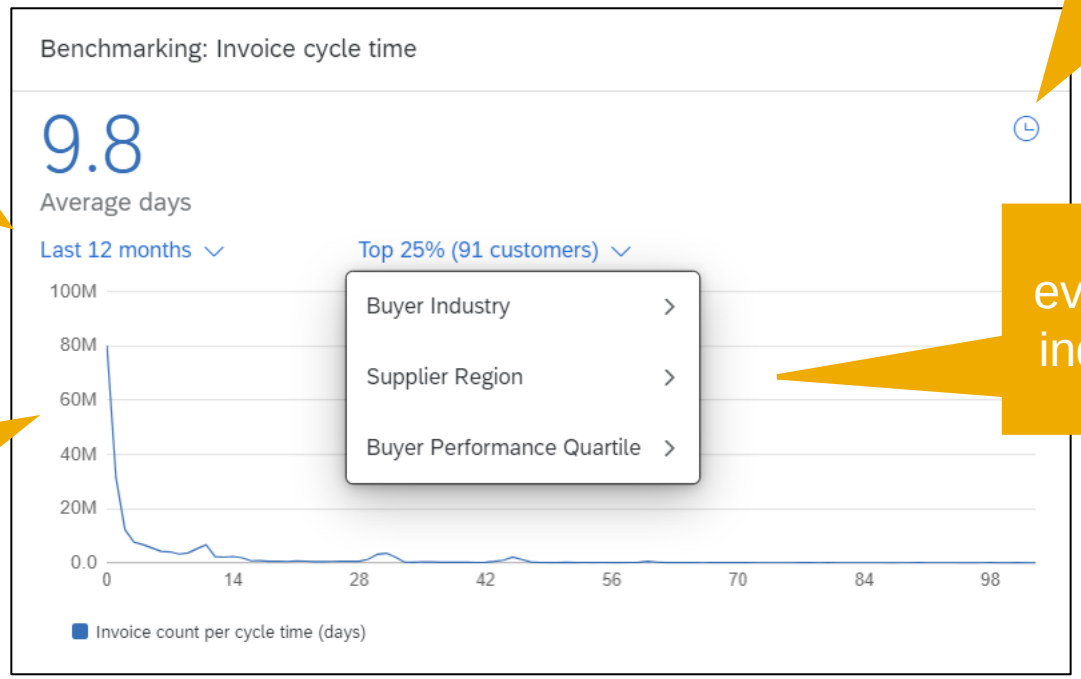
© 2022 SAP SE or an SAP affiliate company. All rights reserved. | Public

Feature Details

The Ariba Network calculates invoice cycle time using scheduled payments data

Time stamp of last data refresh

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



The chooser allows you to evaluate the benchmark by buyer industry, supplier region or buyer performance quartile.

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

© 2022 SAP SE or an SAP affiliate company. All rights reserved. | Public

THE BEST RUN SAP

Follow us

www.sap.com/contactsap

© 2022 SAP SE or an SAP affiliate company. All rights reserved.

No part of this publication may be reproduced or transmitted in any form or for any purpose without the express permission of SAP SE or an SAP affiliate company. The information contained herein may be changed without prior notice. Some software products marketed by SAP SE and its distributors contain proprietary software components of other software vendors. National product specifications may vary. These materials are provided by SAP SE or an SAP affiliate company for informational purposes only, without representation or warranty of any kind, and SAP or its affiliated companies shall not be liable for errors or omissions with respect to the materials. The only warranties for SAP or SAP affiliate company products and services are those that are set forth in the express warranty statements accompanying such products and services, if any. Nothing herein should be construed as constituting an additional warranty. In particular, SAP SE or its affiliated companies have no obligation to pursue any course of business outlined in this document or any related presentation, or to develop or release any functionality mentioned therein. This document, or any related presentation, and SAP SE's or its affiliated companies' strategy and possible future developments, products, and/or platforms, directions, and functionality are all subject to change and may be changed by SAP SE or its affiliated companies at any time for any reason without notice. The information in this document is not a commitment, promise, or legal obligation to deliver any material, code, or functionality. All forward-looking statements are subject to various risks and uncertainties that could cause actual results to differ materially from expectations. Readers are cautioned not to place undue reliance on these forward-looking statements, and they should not be relied upon in making purchasing decisions. SAP and other SAP products and services mentioned herein as well as their respective logos are trademarks or registered trademarks of SAP SE (or an SAP affiliate company) in Germany and other countries. All other product and service names mentioned are the trademarks of their respective companies. See www.sap.com/trademark for additional trademark information and notices.

THE BEST RUN SAP