



# COINS Procure to Pay (P2P) Solution Drives Down the Cost of Doing Business

*P2P Streamlines the Procurement to Payment Process With Professional Supplier Vetting, Electronic Invoicing, Tighter Integration of Business Processes*

Invoices are typically responsible for the highest volume of paper generated in a construction business.

"The opportunity to save time and costs in handling, recording, routing, approving, and filing invoices is the main driver of companies that decide to implement a document management solution," says Cathy Terwilliger, Director of Sales and Marketing for COINS USA. "But what many construction businesses don't realize is there's an even more comprehensive solution that not only saves time in the invoice process and completely eliminates the need for paper invoices; it streamlines the entire procurement to payment process at the same time."

Terwilliger explains that an electronic "Purchase to Pay" or "Procure to Pay" (P2P) solution encompasses supply chain management from the initial sourcing of key materials and services through receiving and final settlement.

"There are strong reasons for contractors to be concerned with improving the performance of the procurement function," says Terwilliger. She notes that the business imperatives that drive contractors to implement a COINS Procure to Pay (P2P) solution include:

- Increased savings with a focus on best-value pricing
- Reduced operational procurement risks and fewer missed opportunities
- Increased proportion of spend with key and preferred suppliers
- Introduction of a professional supplier vetting and approval process
- Increased efficiency of the procurement process

In addition, a rationalized supply base lets contractors benefit from reduced administration costs, closer trading partnerships, and more tightly integrated business

## ELECTRONIC INVOICING COST SAVINGS

The COINS P2P team has been helping worldwide construction firms and their suppliers save time and money with electronic ordering, invoicing, and payment through the COINS Electronic Trading Community (COINS-etc) since 2005. Based on average experience:

<b>Invoices per month:</b>	<b>5,000 invoices</b>
<b>Time saved per invoice:</b>	<b>3 minutes</b>
<b>Hours saved per month:</b>	<b>250 hours</b>
<b>Amount saved per year:</b>	<b>\$61,500</b>

The benefits are scalable. One COINS client currently processes over 52,000 invoices electronically per month, saving 31,200 person hours per year with a process cost saving of \$615K. Adding additional P2P components, such as eCatalog ordering or electronic payment (ACH or EFT), magnifies the processes savings.



processes.

In a typical P2P scenario, the contractor selects products from a web catalog (eCatalog), priced according to the trading agreement with that vendor. The purchase order is created automatically from the eCatalog, added to the contractor's COINS system and sent electronically to the vendor through the COINS trading hub. The vendor receives the electronic PO into their order fulfillment system; an electronic acknowledgement can go back to the contractor. When the vendor fulfills the order, the ship notice and delivery receipt can be sent electronically to the COINS customer. The invoice is delivered electronically directly into the COINS system. The COINS system can be configured for electronic 3-way matching of invoices, delivery receipts, and purchase orders, so only those that don't match need to be reviewed manually. "The COINS holistic ap-

proach to the P2P process incorporates technologies, expertise, and services to address the five key components of the P2P process for supplies and subcontracts: sourcing, procurement, fulfillment, invoice matching, and payment." says Terwilliger. "Enabling technologies such as *Document Management*, *Workflow* and *eTrading* provide the opportunity to dramatically improve process effectiveness in all of these areas. Business intelligence is key to understanding current performance and driving future improvements, with process-focused metrics and KPIs that are derived from the underlying core transaction data."

"Many stages in the procurement process can be handled electronically," notes Terwilliger. "Companies typically start with moving to an electronic invoice process. The benefits build as other stages also move to electronic trading."

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