

Getting Your CFO to say, YES!

You have a great idea to [streamline your accounts payable processing](#) as a way to reduce operating costs, improve invoice processing and save money. You've talked to your coworkers and they agree! There's just one problem, how do you get the approval of the CFO? Let's face it, your CFO is concentrating on the traditional bottom line and may not give you the time to talk about a "feel good" or "nice to have" project.



There are some things you need to do BEFORE you go knocking on the CFO's door to say, "I've got a really great idea! Now it actually may be a really good idea, but if you can't back the idea up with facts or you want me to figure out how to implement the idea then your CFO is going to ask you to come back later, much later. But that doesn't mean you should give up. If you want your idea to see the light of day and get full management support then try looking at it from the CFO perspective and use a business case format.

A business case is a method for presenting an idea or project that describes the business reasons for undertaking any project. While the benefits of your [accounts payable process improvements](#) idea may be enough for you to get excited, the CFO will want the business reasons in order to give their approval.

The business case provides your decision-makers with the facts and information they need to make a fully informed decision to proceed or not. It is a tool to evaluate an opportunity or risk, weigh options, analyze costs and benefits, communicate goals, and mitigate problems. Taking the time and effort to prepare a well thought-out business case will strengthen your concept and give you and your sustainable idea a much greater chance of getting a "yes." A business case does not have to be an eloquent 20 page dissertation. It can be presented in a simple one or two page document by following four basic steps.

The Business Case Process

1. Describe the issue to be addressed – increases in labor, overtime, late payments, penalties, audits, lost discounts, duplicate payments, lack of visibility, potential for fraud, credit holds, slow approvals, etc.
2. Identify alternatives – hire more people, improve invoice processing through automation, do nothing, etc.
3. Recommend a solution – do your research, talk to peers, discuss through groups and networking.
4. Prepare an implementation plan – a well thought out plan will help get the CFO to yes.

Step 1: Describe the Issue to Be Addressed

To begin with you want to get management's interest and attention with the big picture. The C-Suite is all about business – solving problems or taking advantage of opportunities in order to achieve the organization's mission. How will your idea help them with their problems? Find the angle that connects with their biggest concerns.

This section has three parts.

- First, define the business opportunity or risk (problem) you want to address.
- Second, describe the potential benefits of making a change.
- Finally, describe how your idea fits with the organization's mission.



For example, you want to streamline your accounts payable processing to reduce labor costs, improve efficiencies and increase profits. The potential benefits are cost savings and “profitability”. Since your company's mission statement uses the phrase, “increase profitability” you should use it in your plan to the CFO.

Step 2: Identify Alternatives

In this section, describe three to five possible solutions to the problem. And one of the alternatives can be to do nothing, maintain the status quo. By identifying possible solutions other than your own, you demonstrate that you are open-minded and willing to look for the best possible solution. For each alternative, describe the option, strengths, weaknesses, and costs of implementation.

For accounts payable process improvements you should describe 3 alternatives:

- Automate invoice capture and approvals to reduce labor costs now and as the company grows.* Eliminates the need to add labor and addresses the long-term need for growth.
- Hire more people.* Not really a good solution and only adds cost to the bottom-line.
- Do Nothing.* A benefit would be no cost and no effort. A drawback would be missed cost savings.

Step 3: Recommend a Solution

Here you identify your preferred solution. You may begin by ranking the various alternatives using a grading system, i.e. which one saves the most money, which one has the least upfront cost. Your ultimate choice may even be a combination of several alternatives.

You may also recommend a “staged” approach rather than taking on the full solution. In some cases this may make sense since accounts payable automation can be deployed in this way. You could start with your three largest vendors, your non-po invoices or po invoices.

Step 4: Prepare an Implementation Plan

The final section of the business plan is the implementation process. Here you describe step-by-step how to achieve the goals of the project. The implementation plan should address who will

be involved and in what roles, the project timeline, an estimate of the amount and timing of costs, the ultimate goal and how you will measure progress towards the goal.



The implementation plan for Phase 1 of the accounts payable process improvements program could be implemented by conducting 15 minute training sessions for the employees in the first two weeks. It might require the assistance of the IT department to coordinate the training. The ultimate goal is to reduce the amount of labor and streamline invoice processing by the end of the month, quarter or year. Progress can be measured monthly by comparing from last year.

These are four simple steps that will allow you to get the attention of your organization's management team. The business case presents a clear and compelling argument for your idea. It addresses the pros and cons of several alternatives and includes an implementation. It answers all of the who, what, when, where, why, and how questions that the CFO needs to make an informed decision. When you make management's life easier, you make it easier for them to say, "Yes!"



Vision360 Enterprise by BlueCreek Software is the premiere solution for accounts payable departments across the country to eliminate manual invoice entry, electronically route invoices for approvals and g/l coding all the while maintaining, compliance, visibility and control for the accounting department.

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