Mastering E-Invoicing Implementation:
Lessons from the Leaders

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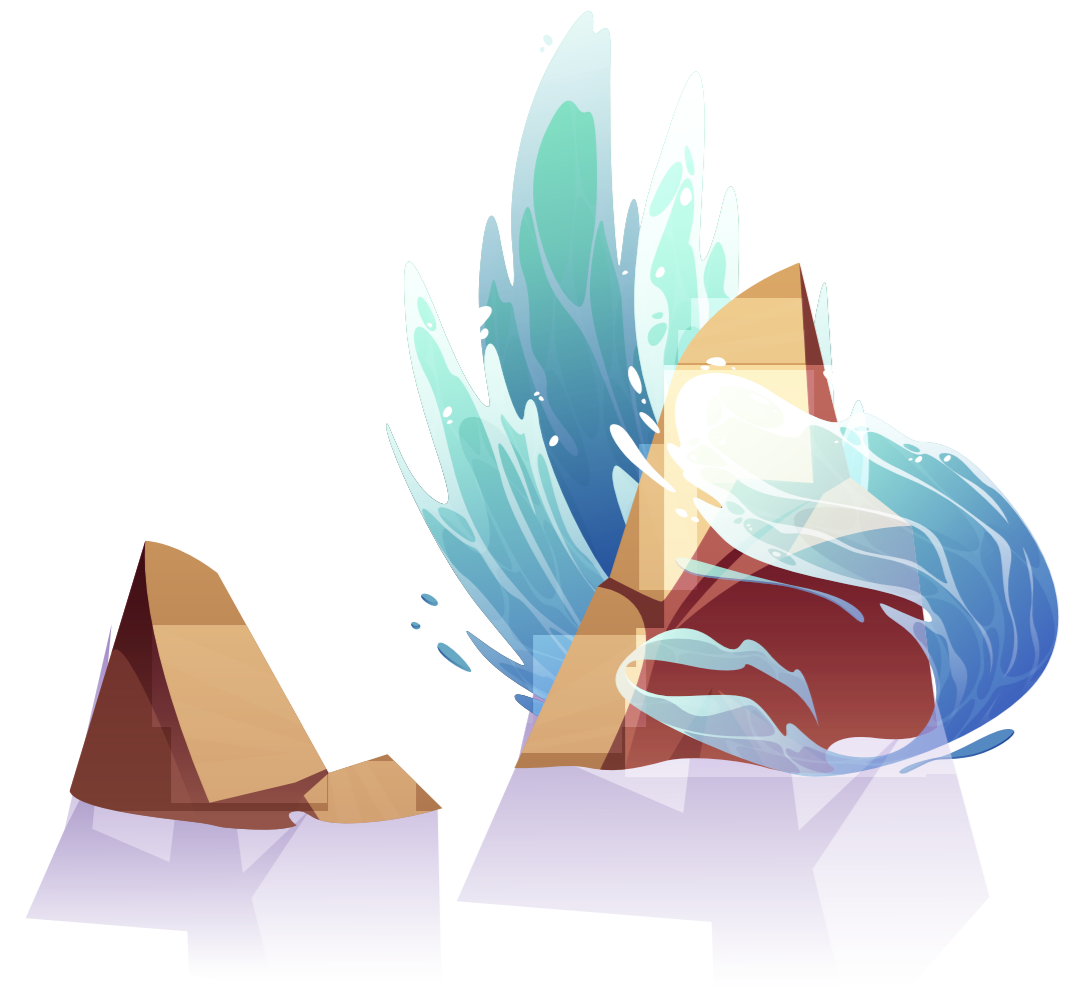
e-Invoicing is not only a more efficient and secure way of doing business, it is required and mandated in a growing number of countries.

But implementing e-invoicing is not always smooth sailing.

We surveyed over 100 finance, tax and shared services professionals to better understand the challenges and benefits of e-invoicing.

While most of our survey respondents have seen significant benefits from their e-invoicing implementation, there are many issues that most companies fail to plan for.

For further insight and analysis watch the webinar.

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Who took the survey:

North America
30%

Europe
63%

Asia
7%
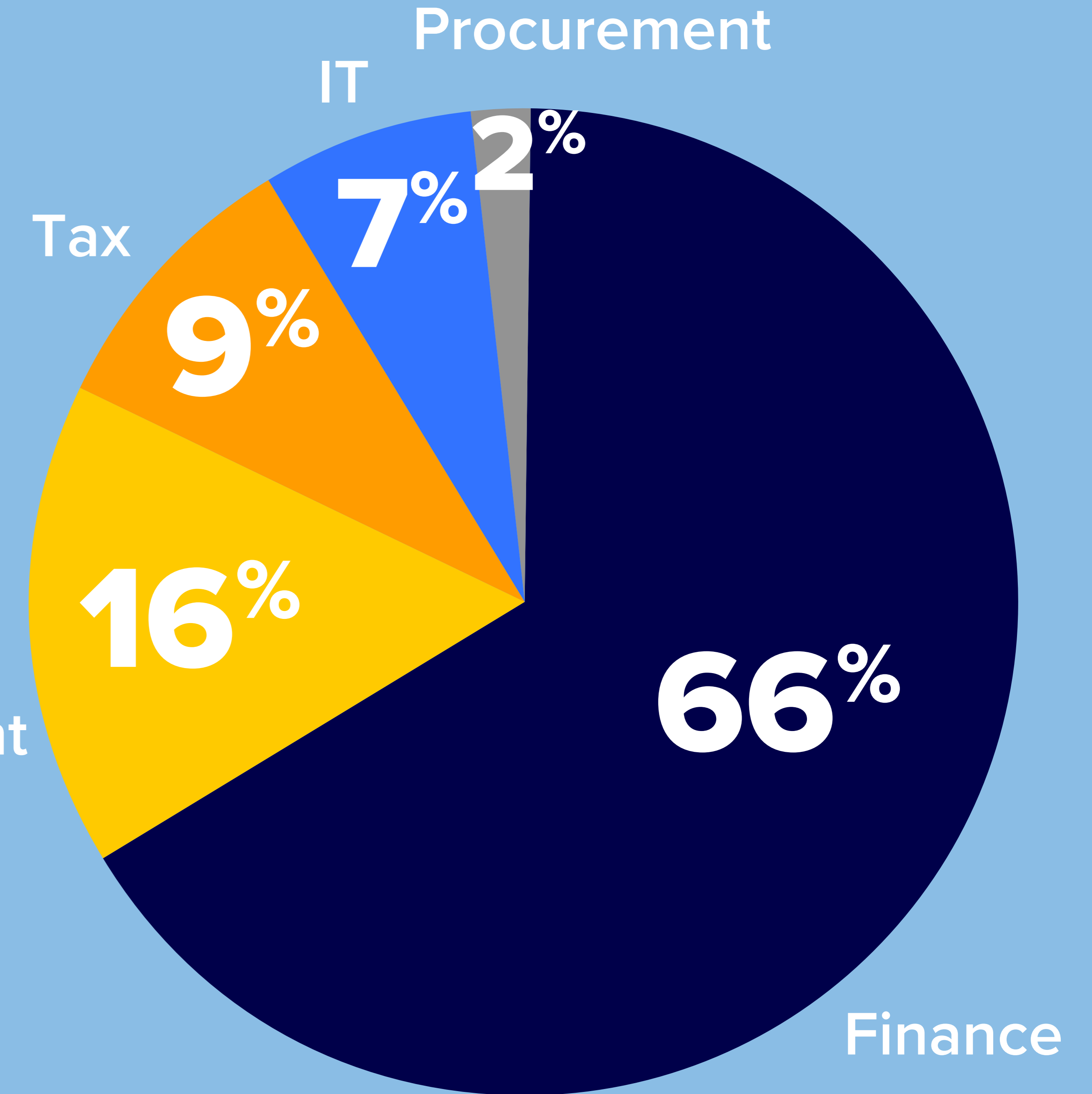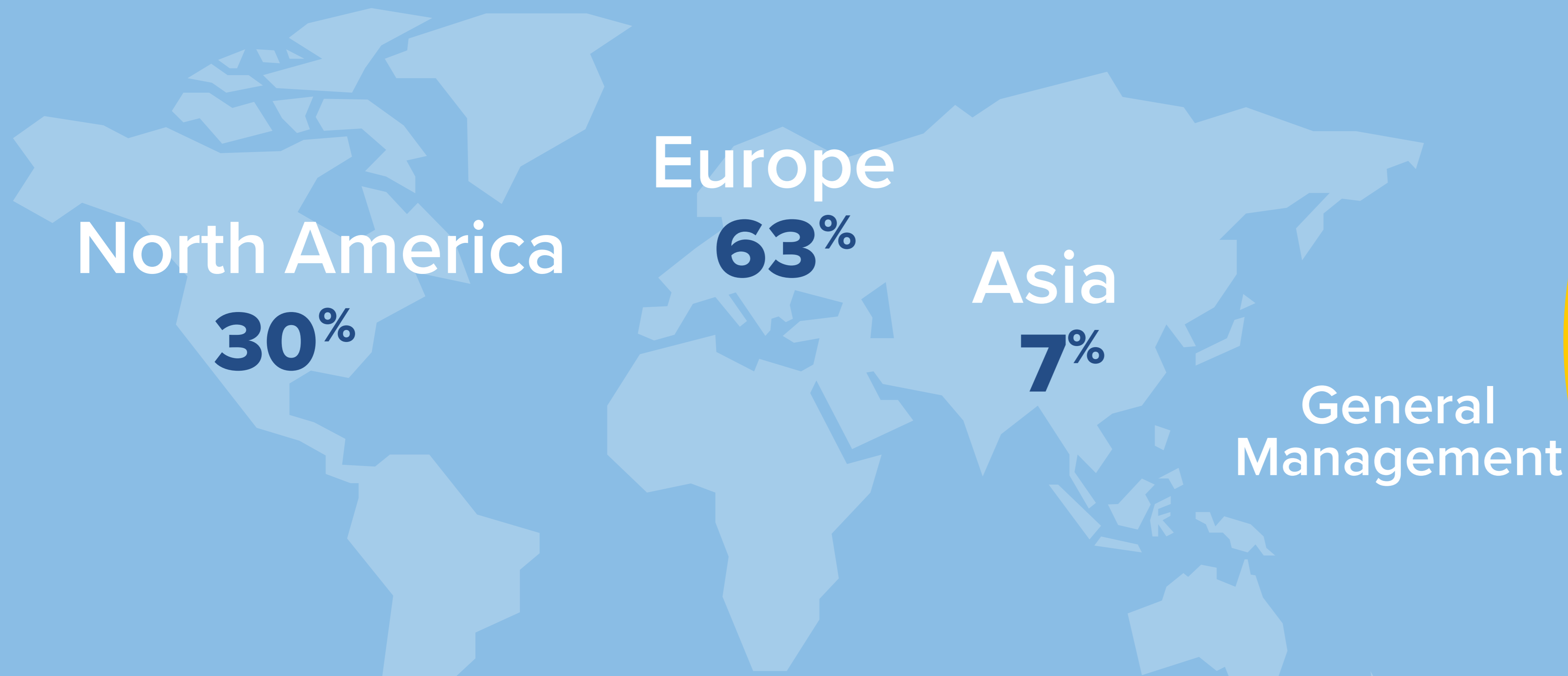
The majority of respondents were finance professionals and 63% of respondents are based in Europe.

Procurement
2%

IT
7%

Tax
9%

General Management
16%

Finance
66%

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95% of respondents are on the e-invoicing journey.

In line with the global trends of e-invoicing mandates, most respondents are actively involved in e-invoicing.

74% of respondents are managing or have managed an e-invoicing implementation.

I have managed an e-invoicing implementation in a current or previous role

We have no plans to implement an e-invoicing solution

We are carrying out preliminary research for now

We are looking to implement e-invoicing soon

I am currently managing an e-invoicing implementation

50%

5%

8%

13%

24%

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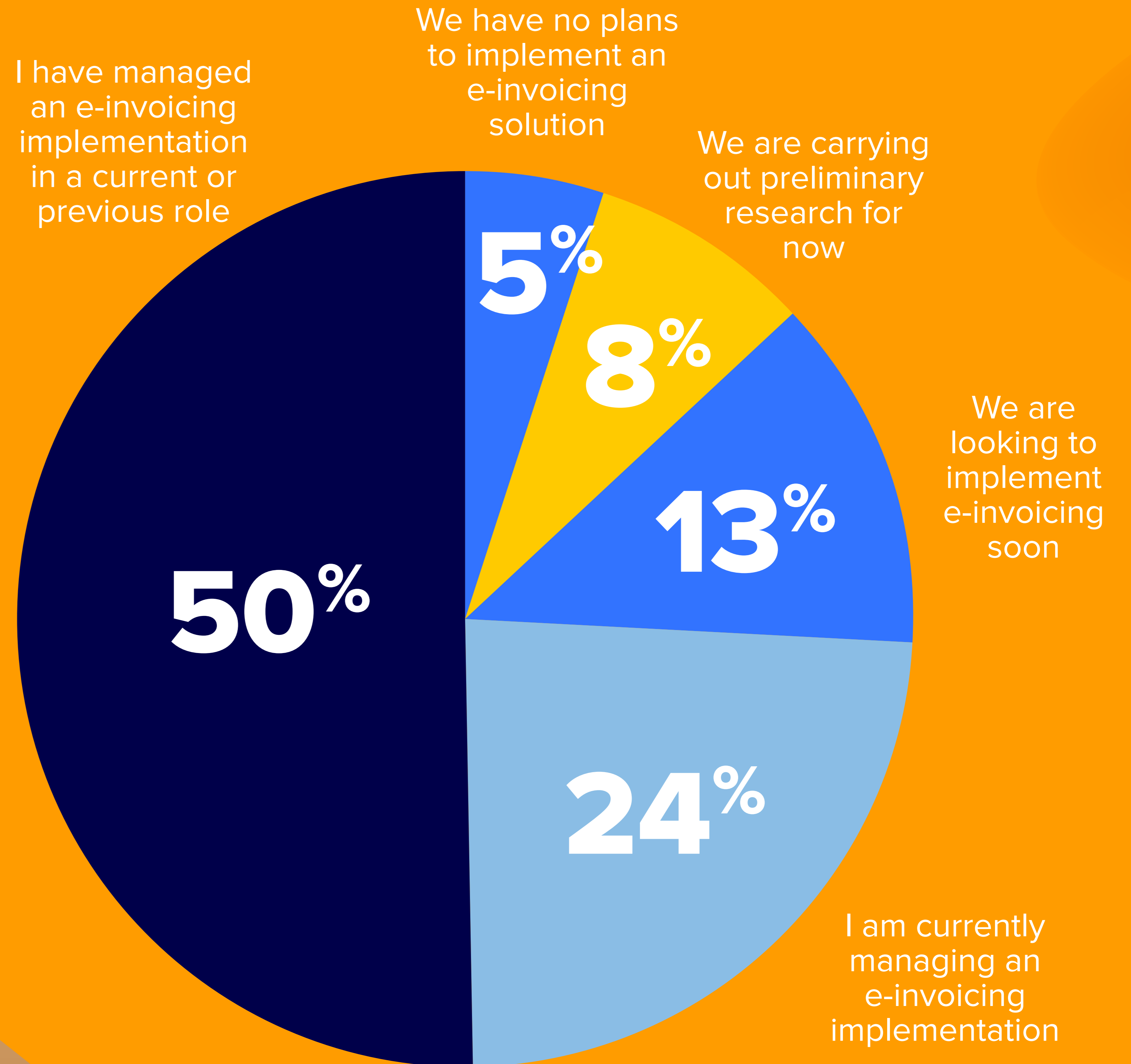
While the **ERP** is the financial engine of the company, most find the **ERP** alone is not enough to compliantly manage e-invoicing globally.

55% say don't believe their ERP is enough to e-invoice compliantly.

When e-invoicing in more than a few countries, ERPs are generally not able to support all of the intricacies of local regulations.

E-invoicing technology that augments your ERP is key to the goal of touchless, compliant invoicing.

29%

I think our ERP can manage the e-invoicing process compliantly

8%

I think our ERP can manage the process, but not in a compliant way

47%

I don't think our ERP can manage the e-invoicing process in a compliant way, would need a third-party e-invoicing solution

15%

Not sure

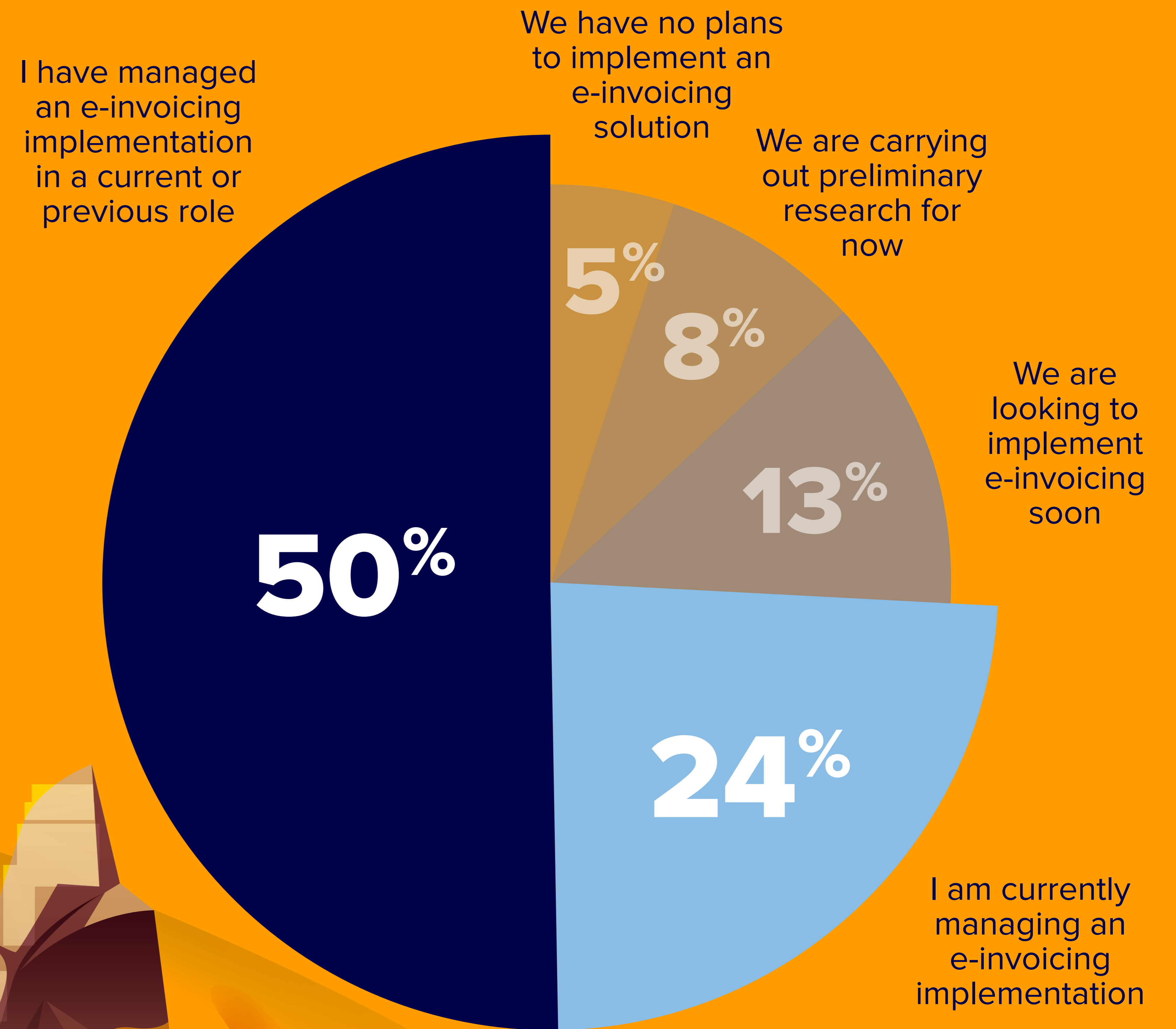Research brought to you by:

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Let's focus on those with experience in implementing e-invoicing.

The rest of the findings focuses on the 74% that are managing or have managed an e-invoicing project.

I have managed an e-invoicing implementation in a current or previous role

50%

We have no plans to implement an e-invoicing solution

5%

We are carrying out preliminary research for now

8%

We are looking to implement e-invoicing soon

13%

24%

I am currently managing an e-invoicing implementation

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E-invoicing implementation is often more time-consuming than expected.

31%
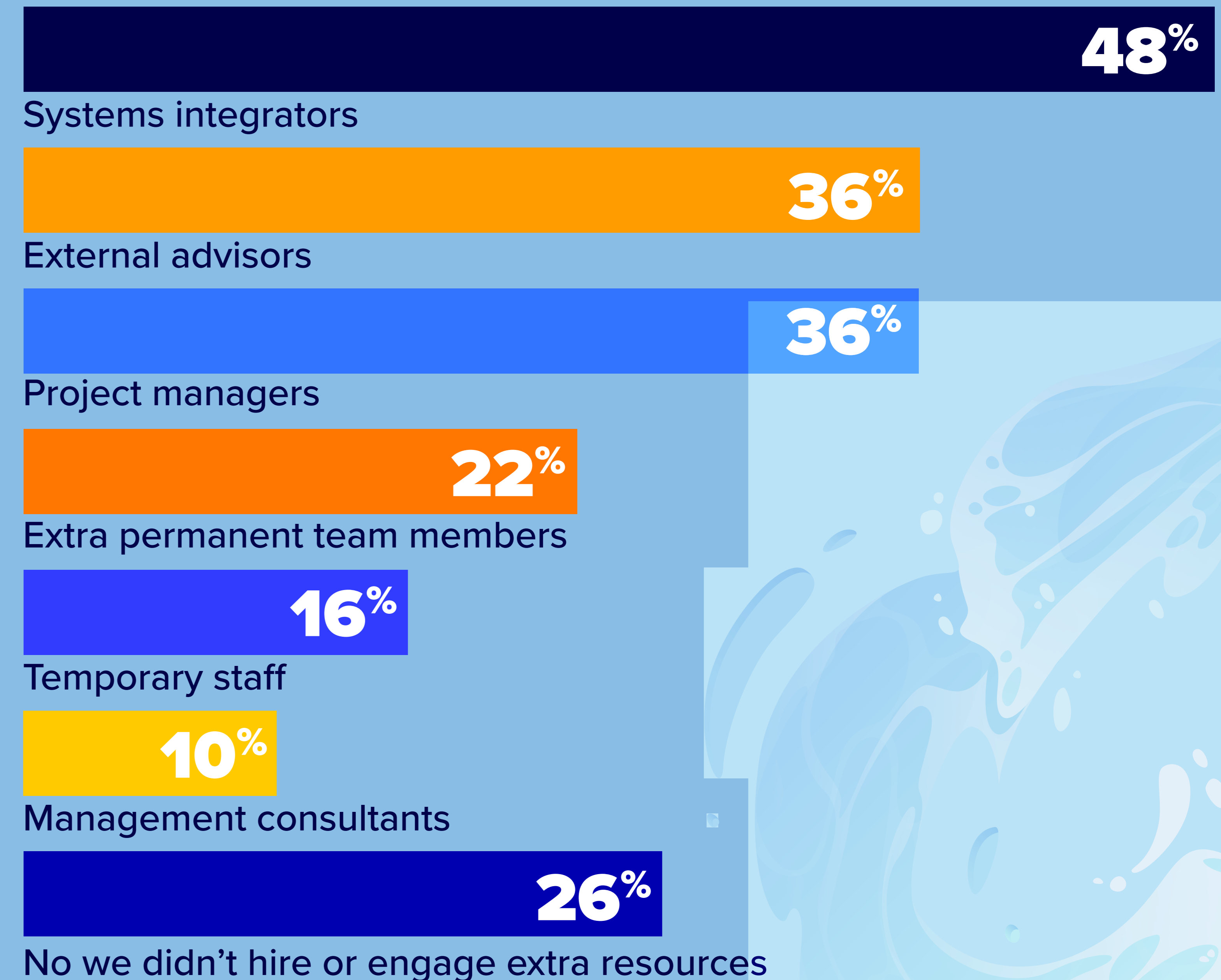Our project was more expensive than expected

66%
Our project was more time consuming than expected

E-invoicing is more than just a plug-and-play technology implementation. E-invoicing touches almost every business department and is built on good data. When projects fail to take into account all of the various processes and stakeholders involved, it inevitably takes longer.

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Most organizations have to employ additional resource for an e-invoicing implementation.
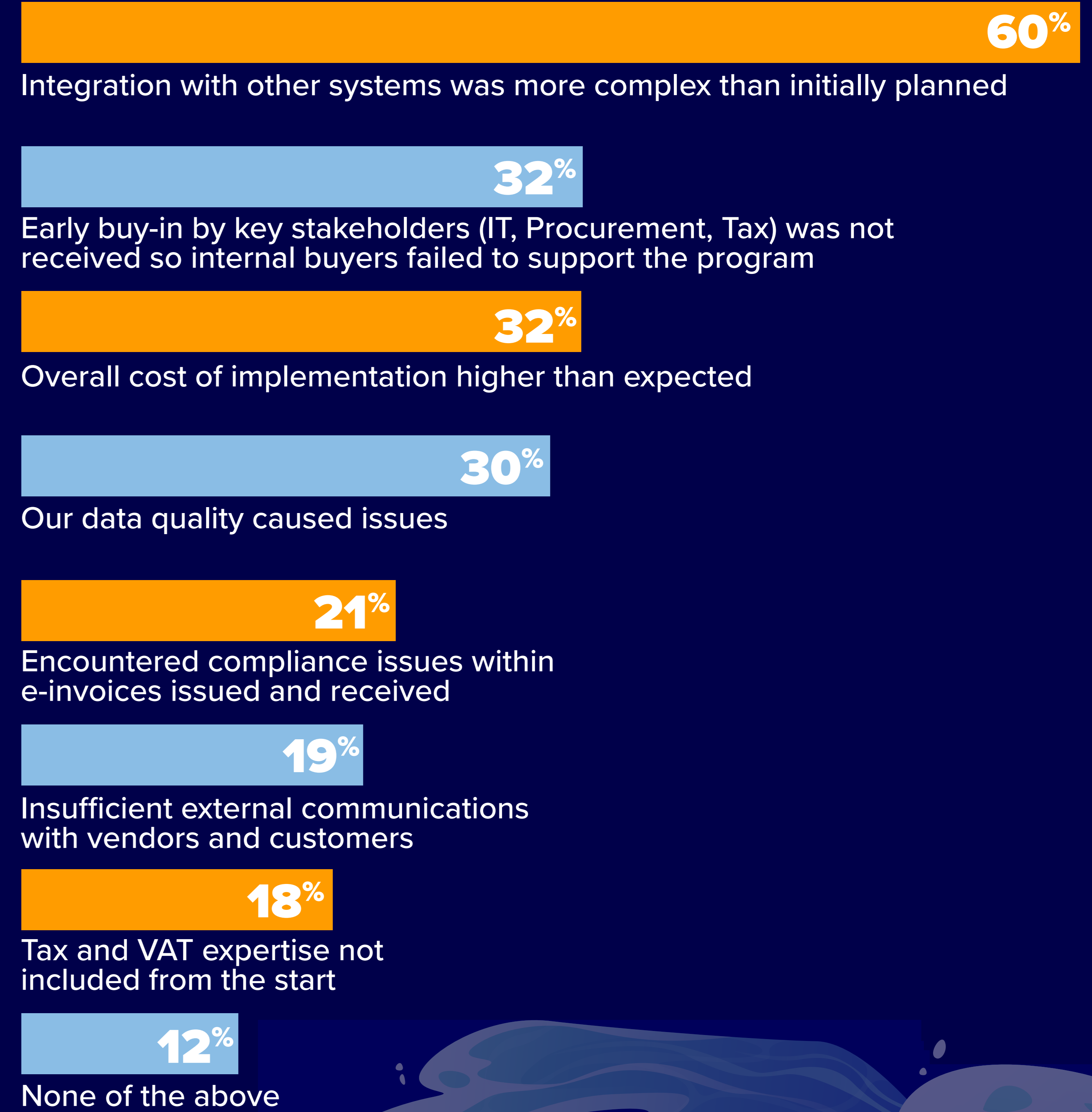
Three quarters of those who managed an e-invoicing implementation hired or engaged additional resource.

Businesses sometimes underestimate the number of systems they need to integrate.

Beyond the ERP, there may be procurement, AP systems, or e-commerce. Their integration might require special system and process knowledge as well as deep tax knowledge.

There are many stakeholders that need to be involved in an e-invoicing implementation. Don't underestimate the resource needed.

48% Systems integrators

36% External advisors

36% Project managers

22% Extra permanent team members

16% Temporary staff

10% Management consultants

26% No we didn't hire or engage extra resources

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System integration is the top challenge faced in implementations.

Integration, again emerges as a top issue. To address the other top challenges, it is essential to involve key stakeholders early, thoroughly evaluate the expected cost, and ensure high quality data for a successful e-invoicing project.

60%
Integration with other systems was more complex than initially planned

32%
Early buy-in by key stakeholders (IT, Procurement, Tax) was not received so internal buyers failed to support the program

32%
Overall cost of implementation higher than expected

30%
Our data quality caused issues

21%
Encountered compliance issues within e-invoices issued and received

19%
Insufficient external communications with vendors and customers

18%
Tax and VAT expertise not included from the start

12%
None of the above

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The main benefit achieved with e-invoicing is efficiency.

Sometimes the most pressing reason to implement e-invoicing is that it is legally required. But e-invoicing also brings the benefits of time savings, efficiency increase, process control, improved visibility and savings.
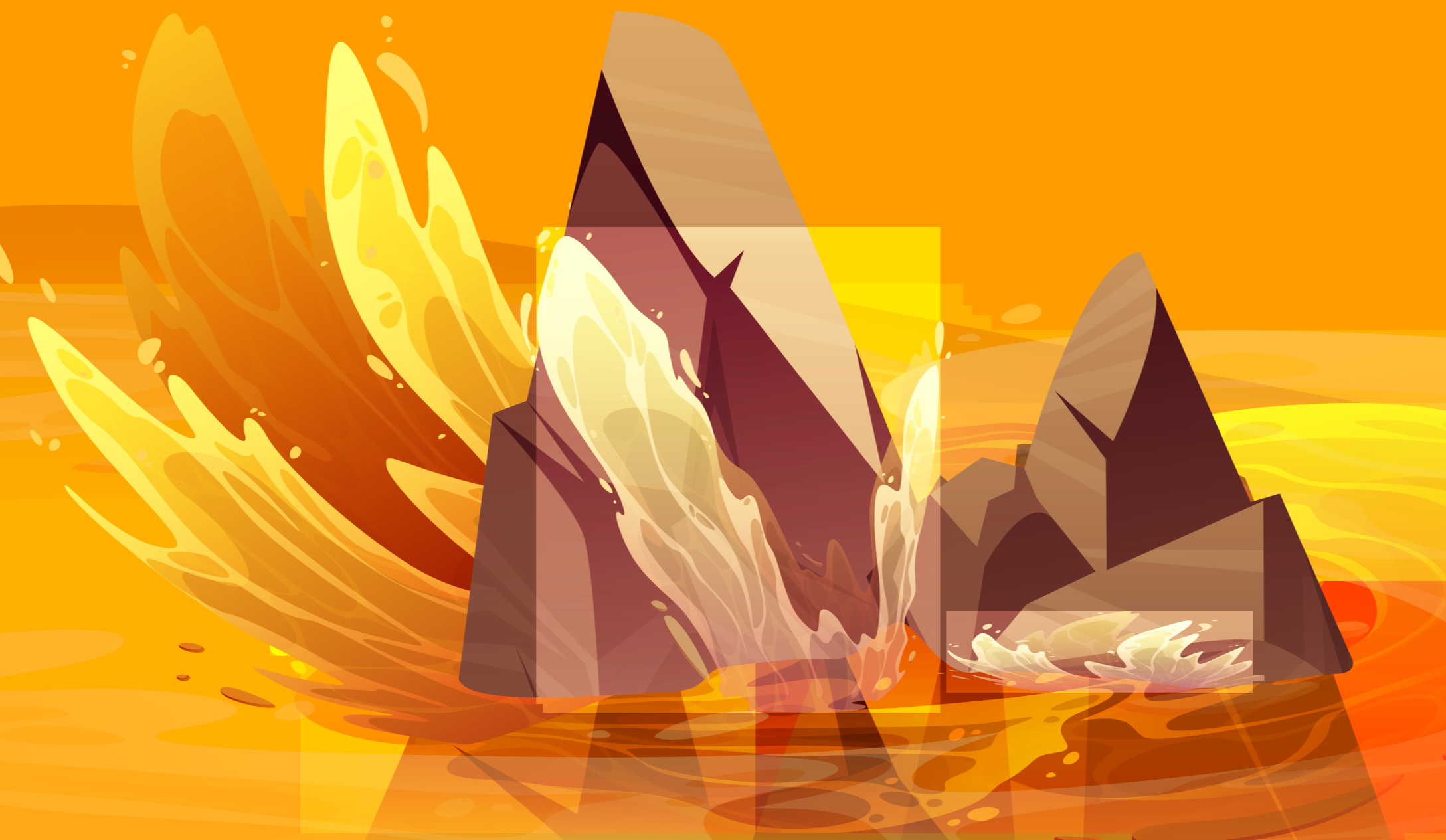
68% Time saving and improved efficiency

54% More controlled process now that its automated

48% Improved visibility

46% Tangible cost savings or working capital improvements

36% The AP team is now able to focus on more strategic program

36% Increased VAT compliance automation

30% Improve auditability

23% Improved relationships with suppliers

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Summary of key findings:

ERPs alone are generally not enough to compliantly address e-invoicing requirements.

66% say implementing e-invoicing was more time consuming than planned.

Three quarters of respondents hired extra resources, mainly systems integrators, external advisors and project managers.

Integration with other systems was the main challenge faced, but about a third also struggled with buy-in, cost and data.

Time savings, improved efficiency, greater process control, better visibility and financial savings are the main benefits achieved through e-invoicing programs.

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What can we learn from this? 3 Dos and Don'ts

1 Don't forget to involve a range of key stakeholders.

This is not a technology project that can be implemented by one department alone. E-invoicing impacts procurement, finance, operations, IT, tax and beyond. Not getting everyone's buy-in early will likely lead to project delays.

2 Don't over-estimate what your ERP can do.

ERPs alone cannot generally manage the intricacies of global e-invoicing mandates. Dedicated e-invoicing tools can augment your ERP to help you move to touchless, compliant invoicing.

3 Don't under-estimate the time it will take.

Mandates are time-sensitive, so work out when you need to have the technology implemented and be sure to build in time for systems integration. Be sure to take into account any other major time commitments and build in time for thorough testing.

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What can we learn from this? 3 Dos and Don'ts

1 Do: Invest in your data.
A successful project is built on good quality data.

2 Do: Bring in experts on both the tax and system side.
Getting e-invoicing right take a lot of expertise. Ensuring you have people who deeply understand your systems as well as your tax liabilities is crucial.

3 Do: Embrace the inevitability of e-invoicing.
E-Invoicing is increasingly required, but it also can also bring great benefits. If the awareness in the wider organization isn't there yet, work on helping everyone understand that e-invoicing is the future, and when done well can improve efficiency and visibility.

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About Avalara

Avalara is an OpenPeppol member and a certified Peppol service provider in Europe, Australia, New Zealand, and Japan. Avalara's e-invoicing solution Avalara E-Invoicing and Live Reporting (Avalara ELR) can help companies stay compliant with e-invoicing and live reporting regulations in a broad variety of countries around the world, and uses the Peppol Network to issue and receive e-invoices. In addition to Peppol, Avalara ELR helps companies to establish compliant e-invoicing processes via local tax administration platforms required in many countries.

Avalara makes tax compliance faster, easier, more accurate, and more reliable for 30,000+ business and government customers in over 75 countries. Tax compliance automation software solutions from Avalara leverage 1,200+ signed partner integrations across leading ecommerce, ERP, and other billing systems to power tax calculations, document management, tax return filing, and tax content access. Visit **avalara.com** to improve your compliance journey.

Contact Avalara to discuss how we can help you comply with upcoming e-invoicing mandates or connect your company to the Peppol Network.

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This report is based on a webinar led by Alex Baulf, Vice President, E-Invoicing, Avalara.
Watch the full webinar here.

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