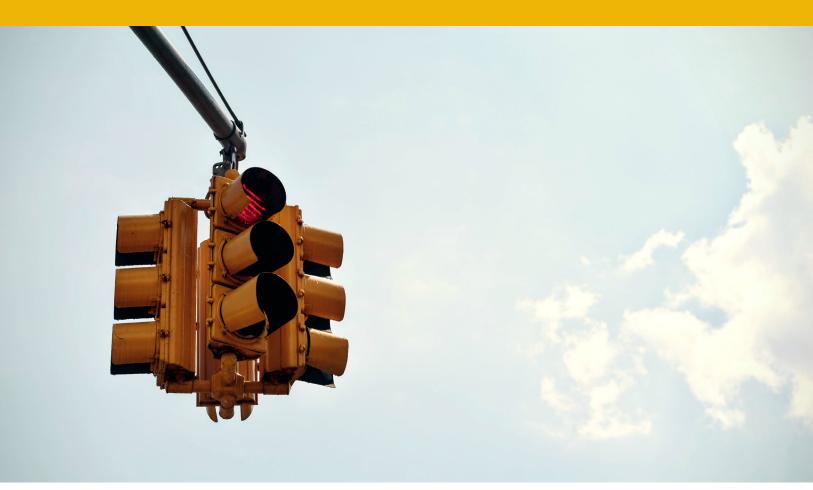# Why Companies are Losing Out as a Result of Slow Approvals Processes
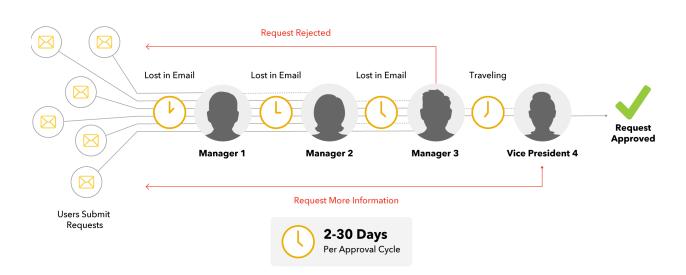
How Consolidating Approvals From Coupa and Other Key Business Applications Can Remove Operational Drag

Why Approvals Cycles Take So Long

It's not uncommon for the end-to-end cycle times of approvals to take days, weeks, or even months to go through the requisite chain of command. A good example of this would be for a PO request. On average there are 4 or 5 approvers starting with a manager of finance who checks that all the submitted information is correct and consistent, before it advances to the requester's supervisor, then on to a regional VP, and then perhaps even to the CFO, depending on the size of the PO.

Most managers have many different types of requests to approve including POs, invoices, timesheets, expenses, and PTO requests, to name a few. All of these come from the different applications that power the business such as Finance, Procurement, ERP, CRM, and HR. Common applications for these functions include Coupa, Oracle, Salesforce, SAP, and Workday.

Today, the primary means of notifying managers of pending approvals for most of the systems of record is via email. With the average manager receiving over 100 emails a day, it's understandable that they often get lost in the email inbox. More modern cloud-based business applications tend to include a mobile app which also supports approvals. However, expecting managers and executives to use multiple apps based on the different approval types, each with their own credentials, user experience, and workflow is inconvenient and inefficient.

As a result, many managers and executives don't even know they're on the hook to approve a request until it's overdue. It's this "dead time" that accounts for much of the delay in overall approval cycle times.

End to End Approval Cycle Times

Request Rejected

Lost in Email   Lost in Email   Lost in Email   Traveling

Manager 1   Manager 2   Manager 3   Vice President 4

Request Approved

Users Submit Requests

Request More Information

2-30 Days
Per Approval Cycle

The Business Impact of Slow Approvals Cycles

Determining the business impact of slow approvals cycles is very much dependent on the nature of the type of request. The most common day-to-day purchasing transactions required to run any business are POs, PRs, and invoices. Most transactions require payments within some period of time (e.g., "net 30", "net 45") and include late fees and penalties should the terms not be met. Typically these fees can be 2-5% of the transaction amount per month. Average size customers may have over 100,000 POs per year, and, even if a small percentage are hit with late fees, that can cause a significant cost.

A growing number of payment terms also include early payment incentives, such as "2/10 Net 30" which offers a 2% savings of the transaction amount if the payment is made within 10 days. For customers looking to excel in business agility, that's something they can take advantage of to generate some meaningful savings.

"Approvals take a major toll on productivity. With Capriza, we've been able to eliminate that burden and reduce cycle times by 75%. From a compliance standpoint, this ensures peace of mind, while providing a quick, consistent mobile experience."

– **Kent Lyon,** VP Finance, RPC

A New Approach – Consolidated Approvals

At Capriza, we believe that handling approvals should be fast and simple. We approach this challenge in a completely different way, as follows:
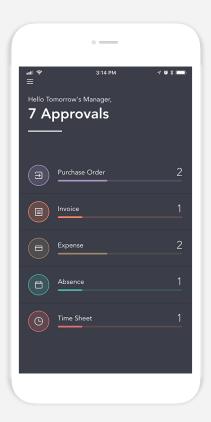
- Consolidate approvals from all the different systems regardless of whether they're cloud based, on-prem, or homegrown, into a single mobile app experience.
- Accelerate the decision-making cycle times by using push rather than email so managers have immediate access to all the approvals awaiting their attention.
- Deliver a fast, simple, and intuitive mobile experience for anytime, anywhere access.

To illustrate this problem, Kent Lyon, VP of Finance at RPC, a publicly held oilfield services company, shared a story where a District Manager had over 800 POs to approve in their ERP system in a single month, which he estimated had taken over 30 hours! And when you're at a drill site, with important field work to do, the approvals had to be done at the expense of family time, in the evenings and on the weekend. With Capriza, RPC was able to reduce their PO approval cycle times by 75%. This not only made the lives of the field managers much easier, but it also gave the finance team that peace of mind from a financial compliance perspective.

Test Drive ApproveSimple™ for Free

· Integrations and templates for the most popular applications and approvals

· Improve user productivity

· Increase business agility

· Single worklist of all approvals

· Push notification alerts

· Accelerate approval cycles

Test Drive ApproveSimple →

About Capriza:

Capriza believes that scaling an enterprise while maintaining health and compliance should not require slowing it down. By integrating with all the disparate systems of record needed to operate at scale, Capriza's ApproveSimple reduces the friction between the corporate systems that run the business and the managers and executives that interact with those systems. A modern SaaS approach delivers a consolidated worklist to every user, on any device, and gives the enterprise back office the ability to monitor and analyze its control environment. ApproveSimple enables smarter decisions, faster.

Contact Us:

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