Optimizing Order-to-Cash at Every Growth Stage

A maturity model for tightening OTC and driving company growth.

WHITEPAPER

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Finance leaders promote stability—stability in collecting money, monitoring and optimizing cash flow, through projection, and in their role as strategic advisors. A finance team cannot offer stability, especially not stable strategic growth planning, without its OTC (order-to-cash) processes in order. Regardless of a company's growth stage, the OTC process impacts customers, employees, and investors.

Customers experience the OTC process at almost every interaction with a company once they enter the sales funnel. So when an overly complicated OTC process frustrates a company's employees, it's a solid bet that its paying customers are frustrated, too.

A hiccup at a single customer touchpoint in the OTC pipeline disrupts the entire chain and often results in multiple one-off manual processes that a confusing system makes even more difficult and frustrating.

Therein lies the problem: OTC affects everyone who interacts with your organization, inside and out, and everyone affects OTC, but no one owns it. It doesn't fit on any one line item in your departmental budgets or organizational P&L statements.

Be the OTC Hero Your Company Needs (No One Else Is Going to Do It)

In most organizations, OTC is more the result of lots of small decisions rather than intentional system design. That's because no one owns the OTC process. Sales doesn't. Fulfillment doesn't. Customer Service doesn't. Your tech stack vendors don't. Finance doesn't technically own OTC, but it often falls on them.

Each department touches OTC, and most of them worry about it. But no one is equipped to take a holistic view of the process. Its breadth requires organization-wide (even portfolio-wide) decisions that can often only be made by the CFO or top financial leaders.

The closest anyone comes to owning the process is at the end, when the finance department is left holding the bag. At this point, the bag is filled with

> "Before working in the ERP space, I relied on ERPs to run my business. But they're so robust, they can be difficult to use right out of the box. Data may integrate from one system or another, but it can look weird, even when the final price is right.
>
> After streamlining this automated data process, we saw a 70% reduction in customer questions in a six-month period.
>
> With that extra time, we worked to drive collections and cash. The quality of the invoices was good, so we used that time to drive cash.
>
> We were stuck in idle. We had some rusty plumbing, or however you want to put it. Once we solved that problem, we could get to work optimizing the end of the cycle.
>
> When the technology is better, we have cleaner data. With cleaner data, we can present our customers with better, more understandable invoices. Now, we're answering fewer invoicing questions, which frees up time for more strategic planning. We can more efficiently process orders and invoices for new customers, renewals, and existing customers. That means we can produce earlier invoices, pay faster, and then push on outstanding invoices."
>
> **- Chad Wonderling,**
> Zone & Co CFO

everyone's unusable data, some less-than-uniform invoices, crumpled receipts, and mismatched CRM, ERP (enterprise resource planning), and CPQ (configure, price, quote) entries.

Your OTC Is Stressful for Your Customers, Too

Your OTC process operates in the background, but it impacts every aspect of the customer journey. Customers trigger the OTC pipeline when they place an order, then they interact with billing, fulfillment and delivery, product return or customer service interactions, and payment.

When an OTC process is stressful for your team, there is a good chance it's not great for the customer, either. Your OTC problems aren't just business problems, they're also user experience, customer service, and customer retention problems. A difficult process causes customers to either disengage with the sale or require additional help finalizing the order. One is a loss of money, and the other is a loss of time.
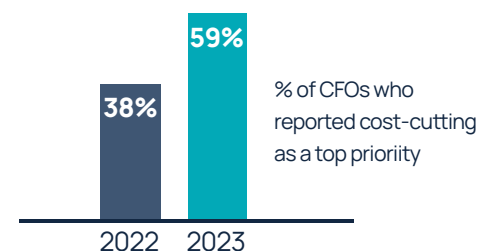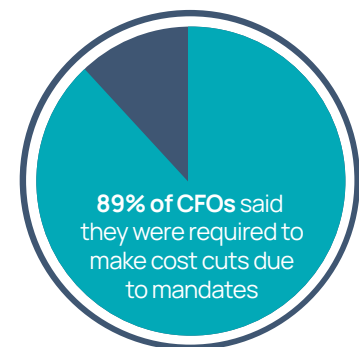
A streamlined OTC process makes it easier for customers to complete transactions and receive goods and services on time. A streamlined OTC process is a customer service success story. This means increased profitability on streamlined sales and increased business from word of mouth.

Are You Owning Your OTC? (If No One Owns It, the CFO Does)

The complexity and scope of CFO roles have grown in the preceding decade, requiring equal parts savvy business operator, technology investor, and growth strategist.

In the latest **PwC CFO Pulse Survey**, 89% of CFOs reported their mandates require a delicate balancing act between offense and defense requiring them to make sweeping cost cuts, including personnel reductions, while planning for and investing in future growth (Lapierre).

For many, the key to dealing with this paradox lies in successful technology investments, which allow them to do more with less while generating valuable business insights. CFOs are now expected to drive digital transformation initiatives across the organization and are advised to look for collaboration across the entire C-suite to assure ROI and adoption, all while reducing costs. In 2023, 59% of CFOs reported cost-cutting as a top priority compared to only 38% in 2022 (Lapierre).

89% of CFOs said they were required to make cost cuts due to mandates

59%

38%

% of CFOs who reported cost-cutting as a top prioriity

2022   2023

The CFO and financial leadership are the ones with the greatest opportunity to optimize the process and fix **revenue leaks.** Experts estimate most companies lost between 1% and 5% of their EBITDA (earnings before interest, taxes, depreciation, and amortization) in the OTC pipeline (Vanderlinden).

As the CFO, the ball is in your court, and there are many great options for optimizing your processes, from streamlining your current processes to implementing AI-assisted software integrations.The only bad decision is to kick the can down the road until the OTC pipeline is even leakier, your cash flow position is shakier, and the problem is more expensive to fix. You may not see yourself as the hero your organization needs, but you may be the only hero they've got.

OTC May Not Be Your Strength, But It Is Your Opportunity

The finance department operates downstream from everyone else who touches the OTC process (Marchingo et al.). If the processes aren't tight between sales, logistics, and you, it will be exponentially worse by the time it reaches the end of the OTC process. So, even if the OTC problem is, let's say, a sales problem, it becomes a finance problem as soon as sales touches the process.

The finance team usually has the loudest voice and most insight in the OTC processes, and the finance team can enable sales by creating frameworks for today that will support the company two or three years from now.

A leaky OTC process doesn't indicate a bad finance team, but a team that addresses the problem quickly can become the quiet champions.

OTC Optimization Puts Your Defense on Automatic

Invoices don't pay bills—cash does. So, any improvement to your order-to-cash process strengthens your cash-on-hand position.

Increasing sales is a great goal for the marketing and sales teams, but most companies have material cash that could be used for further re-investment into the business. That's where the finance team can influence execution.

The longer those unrecognized revenues stay outstanding, the less likely they will materialize. In a recent CFO survey, 77% said "digital transformation" in the OTC process is necessary for the organization's survival (Permenter).

Once you have an OTC process that is efficient, well-defined, and automated where it can be, you are able to transfer the focus of your finance team from reactive to proactive.

Differentiate Your Company Growth Stage from Your Finance Maturity Models

Startup, early growth, growth to scale, maturity—understanding and implementing the four standard growth stages is essential for C-suite leaders who want to benchmark their company against similarly situated organizations.

But every company has different needs at each growth stage. The order-to-cash function and the larger strategy function of the finance department are often the last items on a company's go-to-market checklist. But those OTC problems are usually the first a company encounters as they scale.

As a finance department, there are two primary ways to think about company growth, from either a company growth perspective or through the lens of an OTC maturity model.

> "The market is going to do what it does, and capacity is going to evolve as the customer base and sales grow. But the cool thing about executing a company's go-to-market strategy is that it's the piece a company has control over. How do we position ourselves to realize potential growth and capitalize on it going forward? I think about that question in terms of tight, connected processes across the business—the flow of data—which have to be systematic and technical."
>
> - **Chad Wonderling,**
> Zone & Co CFO

Growth Factors
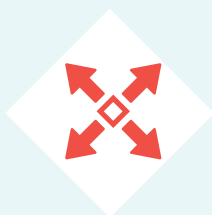
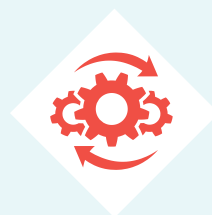**The Market**   **Capacity**   **Execution**

For most companies, the ability of their financial department to participate in growth projections and strategy setting depends on their OTC Maturity.

If business growth stages involve company size, the OTC Maturity Model focuses on activity. Is your finance department proactive, active, or reactive? Are you focused on the past, present, or future?

	Past-Focused Finance Function	Present-Focused Finance Function	Future-Focused Finance Function
ROLE	Finance is reactive and focused on just keeping up the pace.	Finance is predictable, knowledgeable, and focused on cost efficiencies.	Finance serves a strategic role in the organization.
PEOPLE	Finance employees focus on escalations. The finance leader is typically a Controller with a bookkeeper or generalist on staff.	Finance employees focus on optimizing spend. The finance leader is typically a CFO or VP of Finance with a mix of generalist and specialist finance employees.	Finance employees focus on projecting growth. The finance leader is a CFO with separate functions for complex areas and some outsourced functions. The finance leader provides current-year financial plans and models to investors.
REPORTING	The finance leader provides current-year financial reporting to investors.	The finance leader provides current-year financial plans and models to investors.	The CFO reports strategic financial plans and models with a two-to-three-year horizon to investors.
PROCESS	Manual, ad hoc processes. Billing processes may be ad hoc or somewhat standardized but are isolated with manual oversight. Siloed sales, fulfillment, billing, collections, payment, or customer data that may be redundant between systems. **Revenue recognition** and bookings policies may be defined and documented. DPOs and DSOs are not measured. Basic historical reporting and transaction support to other departments.	Semi-automated, repetitive processes. Workflows are standardized throughout the configure, price, and quote process leading to accurate and complete data throughout the order-to-cash process One source of truth for customer data across fulfillment, billing, collection, and GTM systems. Revenue recognition and bookings policies may be defined, documented, and consistent with GAAP. DPOs and DSOs are measured and maximized. Revenue transaction support and comprehensive management reporting to other departments.	Fully automated & integrated processes. Quote to cash is highly automated with intentional system controls to ensure data and commercial quality as well as scale. One source of truth for customer data across fulfillment, billing, collection, and GTM systems. Revenue recognition and bookings policies are well-defined, documented, and translated into automated controls. DPOs and DSOs are measured and maximized. Revenue transaction support and standardized web-based KPI and management to other departments.
TECH	Various systems are in use with only the minimum data and reporting integrations. Highly manual interfaces. Financial reporting is heavily Excel-based with standalone business systems (ERP, CRM, etc). Time-lagged data.	Financial planning is hybrid with BI applications and Excel-based tools. Business systems may be partially or fully integrated with financial reporting applications. Batch-processed data.	Financial planning is fully integrated within financial systems and across business systems. Advanced digital technologies such as AI/ML are integrated into everyday processes. Real-time data.

Characteristics of a past-focused finance function

◆ OTC steps are completed within departmental and functional silos.

◆ Processes are manual, using more time and creating more errors.

◆ Any tech/software solutions operate independently and require manual data transfer or translation.

We've all worked in a past-focused finance department. They can't strategize because they're just trying to match income to invoices and project cash flow based on crumpled receipts, email threads, and promises.

A past-focused finance team spends their days running between the sales, fulfillment, and finance silos to figure out where the company's money is. These are dangerous positions to be in because there is so much daily stress that the idea of refining the OTC process is overwhelming.

But past-focused finance teams have the opportunity to build an OTC process from the ground floor instead of piecing something together along the way.

Evolve out of a reactive finance function:

☑ Document your functional processes

☑ Create a central data repository for all OTC steps to pull from.

☑ Establish automated or standardized data handoffs at silo points.

☑ Create an OTC governance structure so that ownership occurs organization-wide.

Characteristics of a present-focused finance function

◆ Processes are standardized throughout the OTC process.

◆ Repetitive processes are automated so employees focus on strategic work.

◆ A central team is focused on maintaining and improving the OTC pipeline.

◆ A central repository ensures each step of the process is using the same data in the same format.

This is the most common maturity stage for a finance team. They have solid systems in place and have partial to moderate visibility over the OTC process. The finance team generally knows where the money is, from the time of sale to the moment the check clears.

But, for most finance teams, running a tight ship takes most of the organization's time. They can tell you how the company is doing and what they think the next few months will look like, but they don't have the bandwidth to build complex projection tables and cash flow models.

At this stage, finance departments may even be participating in larger projections and future-focused discussions, albeit with outdated data.

Evolve into a future-focused finance function:

- ☑ Seek optimization opportunities even when OTC is flowing.
- ☑ Fully automate OTC so that each step is triggered by the last.
- ☑ Establish consistent cash-flow projection updates weekly or more frequently.
- ☑ Plan for future personnel, technology, and business investments based on cash flow projections and market conditions.

Characteristics of a future-focused Finance function:

- ◆ Processes are automated from point of purchase to final delivery.
- ◆ Finance has a seat at the table in company-wide strategic planning.
- ◆ Reduced days sales outstanding (DSO) increases available cash on hand.
- ◆ Finance department employees focus on using past and present data to project growth.

A future-focused finance function gives a company the ability to forecast cash flow, predict market trends, and drive efficiency-based growth using the resources the company already has. Fast-growing companies expect their CFOs to participate in business decision-making and strategy-setting, with a trend toward nearly real-time forecasting.

A 2023 Grant Thornton survey revealed that 36% of CFOs update forecasts on a weekly basis, while 14% make daily adjustments and 9% update in real-time ("Finance leaders make a play for profitability"). A finance team with its house in order spends less time searching for budget and putting out fires, and more time finding new investment opportunities to drive growth.

There's no shame in any maturity stage, but until your team has a cohesive OTC architecture, you won't have the bandwidth to implement the strategic function of finance.

Best Practices 1: Identify your OTC Maturity Stage

A Future Focus Keeps the Past in Sight

A future-focused finance function will help your company grow the most, but a finance department at any of these maturity phases still has a great opportunity to refine the OTC process on its way to a future focus. NetSuite reported that 74% of companies aspire to be data-driven, but fewer than 30% are ultimately able to generate actionable analytics (NetSuite).

While the best finance teams keep their eyes on the future, it's crucial to use the past for context. The data generated at the present-focused finance phase is a great baseline for providing insights into the business's direction.

Demystify Your Order-to-Cash

The first step in tackling a big problem is to break it into smaller pieces. You're not going to fix your OTC process overnight, so get some early wins where you can.

Start by sharing some questions with the rest of your finance team to uncover issues that may be hidden within your OTC process. These include questions like:

◆ How much time do you spend translating data from one source to another?

◆ Is there a common error you see in the OTC steps you touch?

◆ Are you seeing unpredicted swings in collections from month to month?

Finding opportunities to optimize your OTC process isn't hard, and with the proper preparation, finding or creating the right OTC solution doesn't have to be either.

Figma, whiteboard, paper—it doesn't matter, just map your entire process into something visual. Bring in members of other teams involved in OTC. Identify each step in your OTC process, making note of where one system hands off data to the next (e.g., CRM, ERP, CPQ) and which processes are manual or automatic.

Best Practices 2: Map Your OTC Process

Mapping this visually can help you familiarize yourself with the complexity of the OTC process and identify bottlenecks and inefficiencies (Parcells). Be sure to bring in stakeholders from adjacent departments and business functions so they can see where they fit into the process and better understand and own their impact on cash flow. With a clear map of your OTC informational flow, you can replace manual steps with software and tech solutions, implement existing resources to reveal and solve invisible issues and tweak the remaining manual steps to speed up the process.
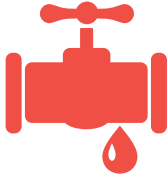
Recognize Your Problems and Recognize Your Profits

With your OTC process mapped out, problems and inefficiencies should begin revealing themselves.

COMMON LEAKY PIPES

◆ Unbilled Revenue

◆ Invoice Errors

◆ Lost Renewals

◆ System Limitation

Start With What You Have

Software and technology often create a barrier to entry for companies trying to solve OTC problems, but they're just as often a convenient excuse. Order-to-cash problems start with the processes and culture within an organization long before technology is introduced.

What can you do to your culture, silos, and processes to streamline any particular manual process in your OTC chain? Find those efficiencies because the OTC culture you build now will be the one that scales with technology.

◆ Customer-facing OTC processes require customers to re-enter the same information during multiple steps can be frustrating for customers and even lead to potential customers washing out of the funnel. Can you work from one data source and pre-fill the form fields where appropriate?

◆ Many organizations pay highly skilled financial employees to perform repeated and mundane tasks that can easily be automated. Can you free up team members to contribute to more forward-focused parts of your mission?

◆ Is there a handoff point where data must be translated manually from one system to another? This can typically be solved by easy-to-use software solutions

"A company I worked for was having trouble getting the data to flow from our CRM system to our ERP, and then on to the CPQ.

The reason we realized we had a problem was that cash collections slowed. If we noticed that problem way over here on the finance end, and it was starting at the very beginning of the pipeline during the sales CRM handoff, think about how much time, cash, and energy was lost, and resources that could have been spent on running the business.

Between the CRM and the CPQ—and to the order system and ERP—there has to be a connection, and that's where OTC processes are key. It's got to be sent from the quoting system in such a manner that it can be effectively and efficiently used by the collections component of the business."

- **Chad Wonderling,**
  Zone & Co CFO

**Best Practices 3:
Fix problems with
the resources
you have**

Mitigate Human Error, Increase Human Happiness, Reduce Costs

Growing businesses are at an interesting inflection point. Although many startups and tech-sector companies have had recent rounds of layoffs, they also expect to hire and fill positions in the next year or two.

In a 2023 survey of accountants , 63% said the "importance of technology as a factor of job satisfaction" has increased in the previous two to three years (FloQast). In the same survey, 80% of respondents said they were very or extremely likely to ask about technology during a job interview.

If you are like most C-Suite leaders, you're trying to accommodate the overwhelmed workers who remain and implement processes to pick up the slack—all while cutting costs.

You're tasked with solving your OTC problem before you start recruiting again. Otherwise, the new hires you spend hundreds of thousands training will burn out, and you will see the OTC stress and never accept the offer. According to the **American Institute of Stress**, almost a million US employees are absent every day because of stress. These productivity declines add up to over $300 billion in lost revenue every year (Boyd).

More than half of CFOs (52%) reported that a "lack of order-to-cash modernization has had a negative impact on our ability to attract and retain financial employees," (Permenter).

When recruiting new employees, smooth and efficient OTC with a focus on strategy is more appealing than a past-focused OTC process.

Automation Stops Leaks

In 2021, Power Factors converted its billing process from Excel spreadsheets and manual invoicing to an automated billing system, which reduced its revenue booking time by 94% **(Zone & Co case study)**.

Implementing automated software solutions at common leak points, weak silo connections, and ownership handoff points not only keeps revenue moving through the pipeline but keeps it from leaking out.

A survey of KPMG relevant stakeholder data revealed that 68% of high-performance organizations invest in automation to drive efficiency and reduce cost (Al-Shabibi).

Best Practices 4: Identify efficiency needs

> "We had our resources tied up in manually billing. It wasn't sustainable for the business to continue doing the invoicing this way. We'd rather have people do more productive work."

-   **Sandro De Ciccio,**
VP Controller at Power Factors

Time recovered from task automation is time your finance team can reinvest in optimizing the next task in your OTC process.

- ✓ **Reducing DSO**
- ✓ **Invoice Faster**
- ✓ **Forecast GAAP Revenue**

Best Practices 5:
Identify tech-stack solutions

Find the Right Solution

According to the 2023 PwC CFO Pulse Survey, nearly half of finance leaders said establishing a new finance partner is a top-three priority for their finance team this year. And 88% reported having trouble capturing value from their technology software and infrastructure investments.

Step-by-Step Guide to Vetting (SEE APPENDIX B)

Finding a technology partner can be the worst part of any process because it's hard to know how well you will work with another company or software until you do it. Be proactive in starting, but take time and care in vetting new long-term technology partnerships so that you don't risk frustrating your customers and team with repeated software changes.

How can you know which platform or technology partner you need without fully under-standing which solution works best? Consider the following in your vetting process:

◆ Business Requirements

◆ Features & Functionality

◆ Integrations Capability

◆ Scalability

◆ Usability

◆ Vendor Reputation

◆ Support & Service

◆ Future Development & Maintenance

The Cost of Timely Decision-Making

Companies actively seeking to buy, merge, or sell should place an emphasis on streamlining OTC processes because problems in the process will be exacerbated and multiplied when another company's tech stack is fused with yours.

The three most common problems in portfolio OTC cases are:

◆ Revenue Leaks

◆ Inefficient Cost Structures

◆ Negative Customer Experiences

Streamlined OTC Reduces Application Spaghetti in Your PE Portfolio

Two companies with incompatible, inflexible, or unorganized OTC processes will have to engage in a total overhaul to get on the same page, and there are many ways the overhaul can go wrong. Creating a successful, repeatable O2C workstream hinges on effectively seeking the appropriate technology that provides flexibility alongside implementing a repeatable, robust process.

Two problematic outcomes that often occur when the right products and process flow are not put into place are what Austin Zoutis, a consultant who works with private equity sponsors such as Accel-KKR, likes to refer to as "Application Spaghetti and Application Siloes."

Application spaghetti is when disjointed applications come together that do not communicate with each other and thus create a clunky user experience. As described by Zoutis, "application Spaghetti comes with a large technical debt—time, money, and energy wasted on hacking together systems that don't communicate." Application silos, on the other hand, are technology investments that solve one problem but lack any tie to a larger strategic vision. These create massive headaches for employees, purchasing customers, and ultimately PE firms backing the company. The key metrics PE firms use for a proper valuation are extremely difficult to get to through manual work and inaccurate data.

In a survey of more than 800 C-suite-level executives, 27% revealed they experienced the failure of an M&A integration, many specifically citing problems with OTC that weren't prioritized (McGee). But That doesn't signal a slowdown in M&A activity, with nearly 38% of CFOs accelerating M&A investments into 2024.

Asynchronicity is a customer pain point

Customers who engage at the shopping, purchase, billing, and fulfillment points see the whole process. So when two merged companies have third-party integrations and OTC processes that don't work seamlessly, it causes friction and frustration for them.

This inability to seamlessly merge is so common that when M&A activity ultimately occurs, customers are often wary of whether quality will remain high.

Flexible and scalable systems with transparent data and accurate projects make M&A activity more likely for companies seeking to sell, and easier for everyone involved. The earlier a company can implement improvements in OTC, the less expensive it becomes and vice versa.**This is especially true for M&As and private equity portfolios.**

Public opinion typically expects reduced service or product quality after an M&A, which is why companies invest millions in communications campaigns to mitigate the impact. Assigning deadlines to each step of your streamlining and vetting process can help you stay focused while avoiding perfection paralysis.

◆ Establish a step-by-step timeline.

◆ Narrow your focus.

◆ Take advantage of trials and demos.

It's easy to kick this can down the road since there is no single owner.

Book a free demo today and learn how Zone can meet your specific business needs.

Book a demo today ▶

Best Practices 6: Benefit from timely decision-making

Zone&Co

Zone is reinventing the way companies approach back-office excellence, empowering finance leaders and their teams to scale and thrive in today's dynamic business landscape. Our highly flexible platform enhances out-of-the-box ERP capabilities, offering maximum visibility and control over company operations. From complex billing & revenue recognition to AP automation and advanced FP&A reporting, Zone's unified platform integrates seamlessly with leading ERP software, adapting precisely to evolving needs. Trusted by over 3,000 customers worldwide, Zone & Co is committed to delivering real-world solutions that deliver tangible results for its customers. Headquartered in Boston, MA, with hubs across Europe, North America, Australia, and Asia, we're dedicated to shaping the future of enterprise back-office management.

For more information, please visit: **zoneandco.com** or follow us on LinkedIn: **linkedin.com/company/zoneandco.**

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Appendix A:
OTC Best Practices for Advancing through the Maturity Model

1. Identify Your OTC Maturity Stage

Work with your team to identify your current OTC maturity stage using these questions.

▶ **Does your OTC process provide ground-level ownership of and insight into cash flow?**
  Your current tech stack and OTC process should allow projection and visibility of cash flow.

▶ **Does your current OTC process involve excessive manual input from your team?**
  Your manual processes are taking time for reactionary tasks that could be used for proactive work.

▶ **Is your process seamless in serving your customers' needs?**
  When your customer places an order, calls customer services, initiates a return, or has trouble with payment, each interaction should happen within one seamless branded environment using one unified dataset.

▶ **Are you losing revenue you've already earned due to leaks in your OTC process?**
  Every minute an order is hung in your OTC process is a minute you have unrealized cash you can't use to operate your business or invest in future growth. A leaky OTC process is the definition of opportunity cost.

▶ **Do your liquid assets and cash flow give you the necessary flexibility to grow?**
  A streamlined OTC process can be the difference between hypothetical money and liquidity. With consistent and reliable cash flow, you can better project for the future and plan for future hires, tech investments, or growth.

2. Map Your OTC Process

Invite key OTC stakeholders from across your company to participate in a mapping exercise. This will generate cross-departmental buy-in, show each person how their efforts impact the organization's cash flow, and ultimately give everyone visibility into an often-convoluted process.

▶ **How are orders processed?**

▶ **What steps are triggered from the moment an order is placed to when it's delivered?**

▶ **Which processes are automated, and which are manual?**

▶ **How are invoicing and payment collection managed?**

▶ **How are invoicing and payment collection managed?**

▶ **How is revenue recognized and reported?**

▶ **What data is collected and projected throughout this process?**

3. Fix the problems already you have resources for

Start with the company culture. What can you do to your culture, to your silos, and to your processes to streamline any one manual process in your OTC chain?

▶ **Can you plan improvement initiatives around seasons of lower demand?**

▶ **Can your CTO help you build integrations between systems that currently require manual translation?**

▶ **Are their redundancies in the process?**

▶ **Find those efficiencies because the OTC culture you build now will be the one that scales with technology.**

4. Identify efficiency needs and non-negotiables

You'll be better prepared to properly research and vet technology solutions if you have a list of specific requirements, needs, and timelines from everyone in the OTC process.

▶ **What manual processes are causing the biggest drag in your process?**

▶ **Do you have any goals or compliance mandates for invoicing, payment, or fulfillment timelines?**

▶ **Can your automatically transfer data between your CRM, ERP, and other systems?**

▶ **Does each step of your OTC process automatically trigger the next?**

▶ **Are your systems working from one customer-provided dataset or are you requiring repeated data submissions?**

▶ **Are your invoices and contracts automatically generated based on the data collected in the OTC process?**

5. Find tech stack solutions

Your list of needs and non-negotiables should do some of the job of finding a solution for you. Add to that list any necessary integrations and features.

▶ **Do you have proprietary systems that must be integrated?**

▶ **Once OTC is streamlined, what will your ERP needs be in 3-5 years?**

▶ **Are there financial requirements or limitations to implementation?**

▶ **Do the potential technology providers work well with other third parties?**

Save time by ensuring third-party platforms that don't meet your specific needs don't enter the conversation. From there, refer to APPENDIX B for a list of technology solution vetting considerations.

6. Benefit from timely decision-making

▶ **Establish a Timeline**

- Decisions can be delayed indefinitely if no time frame is set. Establish a timeline for your software selection process and stick to it. Divide the process into smaller steps and assign deadlines for each.

▶ **Narrow Your Focus**

- Start by narrowing your options based on your most crucial needs.

- Create an internal rating system by prioritizing your listen of organizational needs and use it to narrow the pool of available options (vetting steps outlined in APPENDIX B).

- Use a scoring system: Assign scores to different aspects based on their importance. This can make it easier to compare and contrast different software options.

▶ **Take advantage of time-bound trials**

- Few things are more frustrating than setting up a free trial with enough information to see if it will work, only to use a different system.

- What's worse is completely integrating a new tech solution into your OTC process, only to find it causes more problems than it fixes.

- Use the trial period to test compatibility, functionality, and culture fit.

Appendix B:
Best Practices for Vetting OTC Support Software Partners

1. Business Requirements

A small business with straightforward operations will have different software needs than a larger business with complex processes and multiple product lines. And no matter the size, companies that plan to grow will need a system that scales.

- Business size and volume of orders
- Growth and scale projections
- Regulatory requirements

2. Features & Functionality

Every business has unique needs, but some core functionalities are universally crucial for an O2C software solution. These include:

- Order Management
- Billing and Invoicing
- Payment Collection
- Revenue Recognition

3. Integrations Capability

Your software solutions don't live in isolation. They need to communicate seamlessly with your other business systems to create one unified set of data for the entire organization.

- Does it integrate with your CRM, inventory management, and other systems?
- How seamless is the integration process?
- Does the vendor provide integration support?

4. Scalability

The best finance teams don't plan for today. They plan for two or three years in the future. Your software solution should not only meet your needs today but also be able to scale to support your business as it grows. Consider:

- Does the software have volume caps and bandwidth limits?
- Can it support your current team plus the employees you hire for the next two years?
- Will it adapt as your business model and OTC processes evolve?

5. Usability

If it's not easy to use, it won't be used. Your team will be using this software on a daily basis, so it needs to be accessible at their technical skill level.

- Is the user interface intuitive and easy to navigate?
- Does it require long training timelines to operate?
- Is it accessible from mobile devices and outside networks?

6. Vendor Reputation

Any software that is critical to the operation of your OTC process is difficult to integrate and even more difficult to change, so your software provider needs to be available, reliable, and in business.

- How long has your potential partner been in business, and how much experience do they have solving your specific problems?
- Do past customers find the solutions helpful and the vendor easy to work with?
- Is the vendor financially stable enough to be in business long after you integrate their software into your business's financial processes?

7. Support & Service

The quality and availability of post-sale support can make a significant impact on your software implementation.

- What kind of implementation support do they offer?
- Is there a training program or support timeline?
- What communication channels does the vendor provide?
- How long does the vendor release updates and bug fixes?

8. Future Development & Maintenance

Past performance is the best predictor of future behavior, so find a partner who has a history of maintaining a well-made product and invest in continued product development over time. Your business will evolve over time, and so should your software. Ask potential vendors about past innovations or developments they are especially proud of. And be sure to ask about upcoming bug fixes, improvements, and feature unveilings. Consider how well they've previously responded to changes in the market or regulatory environment.

- Ongoing maintenance
- Innovation and development
- Adaptability