

How Multi-Entity Businesses Scale Payables



Today's businesses are obsessed with growth. As they evolve, companies often add entities by entering new markets, acquiring other firms, or adding new products and services to diversify revenue streams. This is called a multi-subsidary or multi-entity organization.

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What is a Multi-Entity Organization?

For finance, these structural changes add layers of new and complex responsibilities, including:

- * Maintaining consolidated visibility on the health and activities of the business within each entity
- * Enacting processes to ensure compliance and financial controls at the corporate and entity levels
- * Streamlining operations, yet still addressing independent workflows and business models

While larger enterprises manage growth by adding headcount or utilizing shared service cost centers, many companies don't have that same luxury. Their business structure requires a lean, scalable approach that is simple yet accurate and efficient.



The Problem with Payables



According to the Institute of Financial Management (IOFM), payables is the **#1 most time-consuming** function in finance.

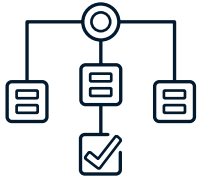
A multi-entity business structure adds complex workflows that the finance team now needs to manage. These new processes invite inefficiencies, and the organization often sees an increase in fraud and compliance risk.

For multi-entity organizations, inefficient payables operations are time-consuming, error-prone, and require manual processes to manage payees, tax flows, invoices, purchase orders, approvals, and payments. Typically, these operations are across all individual subsidiaries with little or no corporate visibility and create delays that negatively impact payments, financial reporting, and reconciliation.



Multi-Entity Challenges Faced by Growing Companies

Individual Workflows



Each unique entity maintains its own discrete payables processes, including approval cycles, payment terms, vendor rates, tax forms & ID collection, validation, and individual bank accounts.

Increased Workload



Lean teams must manage more transactions and additional reporting and process requirements, including invoice and purchase orders, which inhibits accuracy and efficiency.

Lack of Visibility



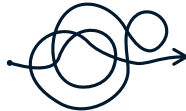
Various systems and ways of working impede financial visibility. Data is disparate (sometimes from individual ERPs and accounting) and must be manually reconciled.

Cross-Border Inefficiencies



Payments, regulatory issues, tax compliance, currency management, and communications introduce layers of added complexity.

Complicated Architectures

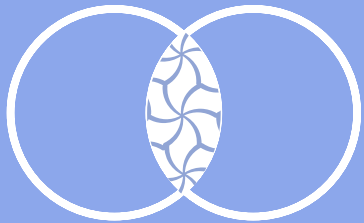


Too many systems across entities spark a storm of process confusion.



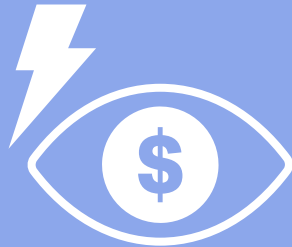
How to Scale Payables for Multi-Entity Companies

If your finance organization has operations across multiple entities, you may encounter large-scale issues and risks while growing. These are the steps to conquer these challenges.



Step #1

**Consolidate Operations
in a Single Platform**



Step #2

**Implement Instant
Financial Visibility**



Step #3

**Future-proof Processes
for Growth and Scale**

How to Scale Payables for Multi-Entity Companies

(CONTINUED)



Step #4

Enable Team Productivity



Step #5

**Achieve Compliance &
Increase Controls**



Step #6

**Enhance the Payee
Experience**

Consolidate Operations in a Single Platform

No payables flow is the same across various entities. Business models that utilize invoices to trigger payments may have one flow. Marketplaces or partner-based models that feature performance-based payments may require a different flow. And there may be yet another payables flow for countries that require self-billing processes.

Consolidating all operations into a single platform automates the entire end-to-end global payables and supplier payments workflow. With a central hub, companies with multiple subsidiaries, brands, international business units, divisions, and entities can establish flexible, but controlled, workflows.



Implement Instant Financial Visibility

In a multi-entity business structure, finance is responsible for providing real-time data to the executive team. To streamline efficiency, the finance department must have access to accurate data on transaction fees, foreign exchange fees, and payment status across the entire enterprise.

To increase financial visibility, implement a multi-entity payables solution that provides clear and concise data. This automation platform will reduce the time spent on reconciliation for payments made across all subsidiaries.



Future-Proof Processes for Growth & Scale

A multi-entity business structure introduces many disparate processes for each subsidiary. And, for many businesses, these processes are manual and inefficient. To scale successfully, there must be an automated solution in place that can manage an unlimited number of entities within a single model.

As your business grows, complexity increases, and it's essential to set yourself up for success by partnering with technology that prioritizes streamlined processes, accurate reporting, and advanced controls.



Enable Your Team's Productivity

It's no secret that when a company adds another entity, workload increases. For many businesses, it's not sustainable to add additional headcount to manage this increase in volume. To stay lean, they need to find another way to manage the increase in workload without increasing resources.

With a payables automation solution, individual finance teams will benefit from unified operations that can segment information by each entity.



This increase in **financial visibility** allows

them to maintain local autonomy and control while improving audit preparedness, fraud prevention, and financial reporting.



Achieve Compliance & Increase Controls

For a business that's scaling globally, operations must remain compliant. Additional entities increase risk, and companies must safeguard against fraud loss while ensuring that all their financial data is secure.

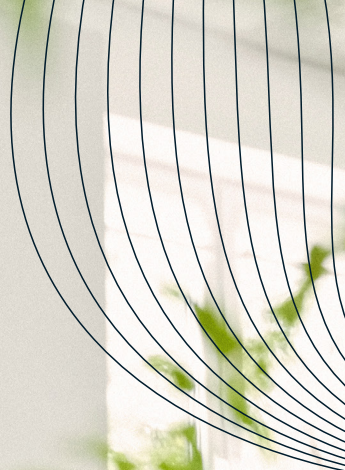
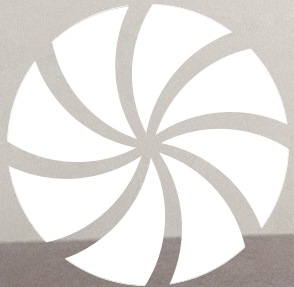
The first step to achieving payables compliance is to strengthen internal processes with enterprise-grade financial controls. An automated payables solution has these critical fail-safes built-in and segregates data between different entities for better visibility and control.



Enhance the Payee Experience

Onboarding is a significant aspect of getting payables right. Without reliable data, errors and risks impact all subsequent processes. A streamlined portal enables payees to submit their payment data into the system—allowing them to manage their information and eliminate unnecessary queries to your team.

Plus, automation allows you to add localization of communication vehicles to support international regions. This gives dispersed payables teams the opportunity to develop specific templates with individual entities—ensuring unique branding and messaging per subsidiary.



Multi-Entity Companies Scale with Payables Automation

“ We decided to implement a payables solution across the entirety of our organization because of the multi-entity set-up. If we open up any offices in the future, the technology system we have in place allows us to add another entity into the system to get up and running straight away. ”

Bradley Clifford

Assistant Controller



“ More visibility and transparency into the financials of our subsidiaries accelerates our reporting and helps us measure and understand our financial performance faster. ”

Marc Balcke

Corporate Controller





Are you ready to scale?

Tipalti future-proofs your global finance operations by providing end-to-end payables capabilities for multi-entity companies in a single platform. Tipalti enables finance departments to manage growth and scale compliantly.

SCHEDULE A FREE DEMO

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