

# Ernest Rolfson

CEO at Finexio

Ernest Rolfson, Finexio CEO, explains how his firm transforms B2B payments—optimising them as part of a comprehensive digital procurement strategy

WRITTEN BY: AARON MCMILLAN

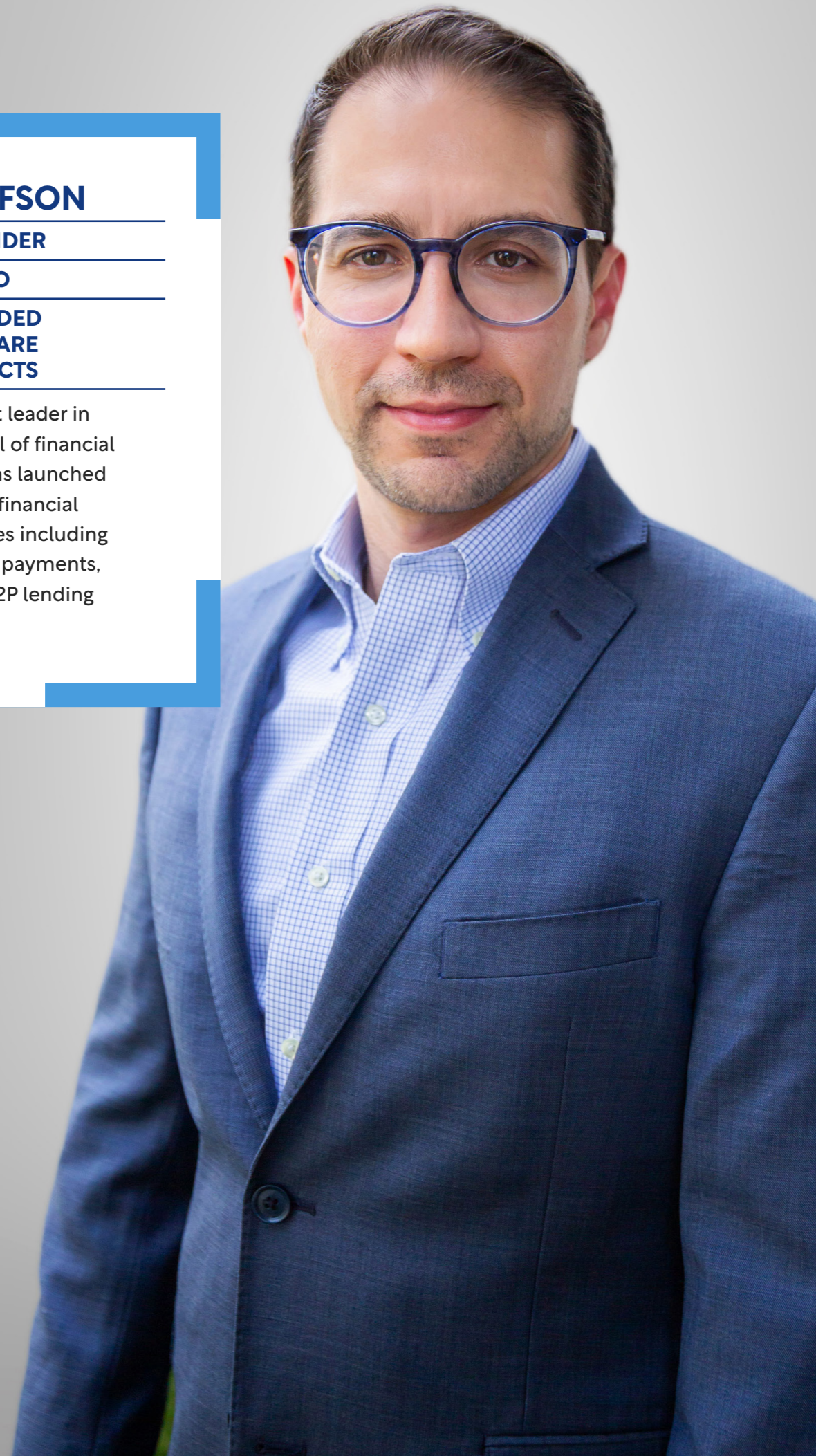


Ernest Rolfson,  
CEO,  
Finexio



**ERNEST ROLFSON****TITLE: CEO & FOUNDER****COMPANY: FINEXIO****INDUSTRY: EMBEDDED  
SOFTWARE  
PRODUCTS**

A recognised thought leader in the payments vertical of financial technology, Ernest has launched or incubated several financial technology businesses including prepaid, commercial payments, merchant services, P2P lending & crowd funding.



**E**rnest Rolfson, CEO & Founder of Finexio, discusses how his company is revolutionising B2B payments by optimising, monetising and securing payment processes as an integral part of a fully digitised procurement strategy.

With over a decade of experience, Finexio has developed AI-powered solutions that integrate seamlessly with procurement systems, eliminating paper-based processes, enhancing supplier enablement and accelerating adoption of digital payments. In this interview, Ernest shares insights on how Finexio's AI-powered approach is transforming B2B payments, reducing costs and improving efficiency for procurement teams across various industries.

**Q. HOW DOES FINEXIO HELP PROCUREMENT TEAMS DIGITISE AND STREAMLINE PAYMENT PROCESSES AS PART OF A BROADER DIGITAL PROCUREMENT STRATEGY?**

» We help procurement teams digitise and streamline payment processes simply by moving them to the cloud via IT software.

Most procurement teams are already using various aspects of software to manage procurement. When thinking about payments, I'm particularly focused on onboarding suppliers. A significant gap I've observed is that when it comes to payment information and leveraging payment terms, methods, fees and discounts,

it's very lacking. The procurement portals and digital tools that exist today are really about getting suppliers in and checking many other critical boxes around procurement needs – areas like compliance or contract management. But without having payments upfront and centre, if not a very fast follow as part of that supplier onboarding process, the organisation is missing a very big leverage point, particularly around cost savings.

With the right tools and systems, you can have suppliers leveraging software to manage much of the self-service whilst still navigating the complexities around payment modalities, costs and the benefits or trade-offs of different payment methods.

This is something we prioritise and enable, and we've implemented this within some of the leading procure-to-pay systems over the last 10 years. The final piece is there's less back and forth with suppliers, particularly around this complex area and the education needed to get them into a fully digital workflow.

The entire procure-to-pay process can be seamlessly connected only if you're giving suppliers something phenomenal upfront that handles all these areas related to finance and payments—which ultimately impacts procurement, particularly around contract management, negotiation or fee negotiation. It also addresses the broader company's goals on cash flow and other matters.



“We leverage AI and machine learning to predict supplier payment preferences with 90%+ accuracy”

ERNEST ROLFSON,  
CEO & FOUNDER,  
FINEXIO

**Q. WHAT STEPS DOES FINEXIO TAKE TO SEAMLESSLY INTEGRATE PAYMENTS WITH PURCHASING, FINANCING AND RECONCILIATION WORKFLOWS?**

» We've integrated with a very robust API stack into some of the world's leading AP2P platforms. Two that come to mind that many would be familiar with are BirchStreet Systems, which is a leader in procure-to-pay in the hospitality sector and JAGGAER, which is a leader in several verticals, notably higher education.

By embedding directly inside those workflows, we allow end users to enable payments inside the software they're already using without changing that workflow. But picking up where those procurement and AP2P systems end is really where payment starts. Previously, that was a disconnected workflow where purchasing, accounts payable and finance each had their own disparate steps, up to and including manual ones



like printing and mailing cheques from another system or portal.

This gives you a hard time tackling reconciliation—matching payments and invoices to purchase orders to reduce errors or preventing duplicates. What we've enabled, instead of going to the accounting system where record-keeping traditionally has been, is moving it more into the procure-to-pay systems. You can have all your payment methods in one place at the point of interaction where you're saying, “Yes, I want to buy this. Yes, I want to pay for this, you hit the ‘approve button’, and then the rest is taken care of.

You don't have to figure anything else out, go anywhere else, click any other button or bring in any other data.

This allows you to have full visibility into the entire end-to-end status of where suppliers are in their journey: what payment method they're set up on, whether they're new, the status of all payments and invoices. That's incredibly helpful for the whole finance and procurement organisation, to track supplier behaviour and total ROI of the investment in these systems which are driving massive innovation, making them more valuable to users.

Virtual cards enable organizations to generate up to

**1.5%**

of transaction value through revenue-sharing partnerships



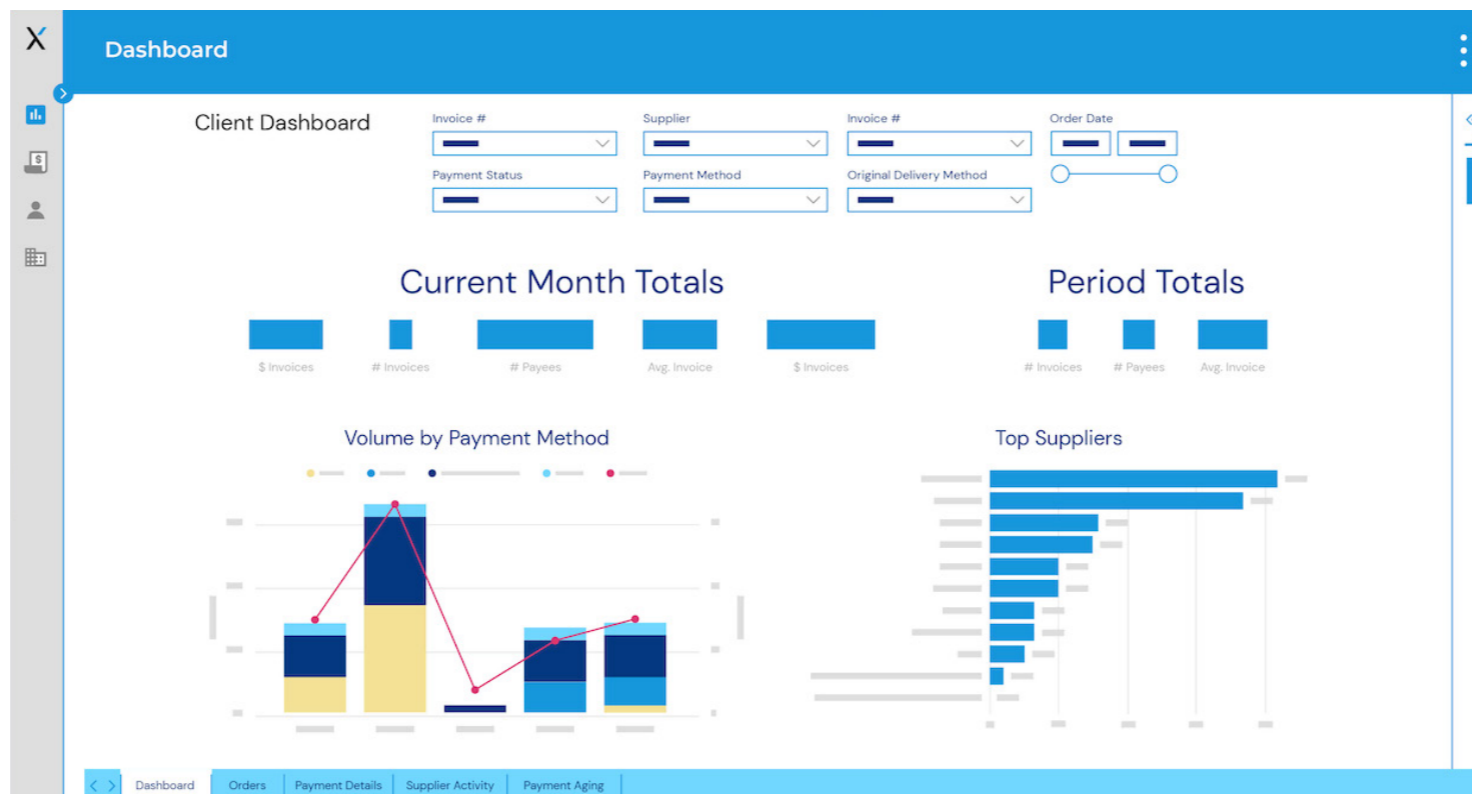


**Q. HOW DO REAL-TIME PAYMENT TRACKING AND INSIGHTS IMPROVE VISIBILITY AND CONTROL FOR PROCUREMENT PROFESSIONALS?**

» Just having all the data there and having multiple tabs or screens that folks never had before provides visibility and control by its very nature. Going a level deeper, I see it reducing delays and helping to identify issues before they become problems. It helps drive financial planning and helps organisations better understand supplier spend to optimise supplier management, terms, discounts and fees.

There's a huge improvement in risk management around auditability and making it easier to identify anomalies. Our software also gives suppliers information across this entire workflow chain so they can get their own notifications and do their own self-service and tracking, which helps accomplish all of the above.

It drives much more alignment across everybody. There are no blind spots. Everyone knows where everything is at every single time and you can access the records easily. In the majority of organisations we work with – largely multi-hundred million dollar companies up to multi-billion dollar range, including some of the largest public universities in the country – everyone before working with us said, "Wow, we have nothing like this." And that's why they said, "Yes, we want this." It just helps.



**“Customers now expect that if it says ‘procure-to-pay’, it better have the ‘pay’ as part of it, and it needs to be good”**

**ERNEST ROLFSON,  
CEO & FOUNDER,  
FINEXIO**

**Q. IN WHAT WAYS DOES FINEXIO'S AP PAYMENTS AS A SERVICE SOLUTION CUT COSTS WHILE STRENGTHENING SUPPLIER RELATIONSHIPS?**

» The biggest way we help cut costs is by eliminating all paper, period. On day one of our service, our clients are no longer sending another cheque. Every single cheque is eliminated on the very first day. It's completely digitised from their perspective in the back office, which is absolutely tremendous.

Secondly, we leverage AI and machine learning to predict supplier payment preferences with 90%+ accuracy. We provide self-service tools, but we're also leveraging data to know who we can target for outreach, who we can accelerate and who we can drive towards other digital means of adoption. Many of those payment methods drive further cost savings or cashback for our clients,





which further enhances their back office operations.

This reduces the total cost of ownership of running procurement and AP by completely defraying or literally eliminating the entire cost of the AP2P software they're already using today. There are also other savings in terms of staff time. When you have a system that comprehensively covers supplier enablement, payments decisioning, payments delivery, remediation, anti-fraud, security and data management, you're accelerating payment cycles.

You're getting people on payment methods that are fast, repeatable and trackable.

This means you have dramatically fewer phone calls and less manual work relating to payment types, terms and "where's my payment" queries. It's all under very tight control. Suppliers are happier because there's so much more predictability with a system like this, which our clients say they've never really experienced before – simply because it's challenging to achieve adoption of these tools.

We want humans, especially in this world of AI, to be doing things where they can apply judgement and provide overall direction and strategy – not getting stuck in manual steps and the "death by a thousand paper cuts" where, because we're human, we inevitably make mistakes. If you're doing a thousand of the same things over and over, as a back-office worker, there's a certain error rate we have to accept with humans. That's just reality.

Most of this mundane work can be high value in terms of outcome, but the

work itself is low value. This low-value routine work can now be replaced more easily with software, offering much greater reliability. That leads to adoption and seamlessness – you know it's going to work every time. Your security is enhanced because there's no way to work around the system once you're using it. That's the beauty of it: finding the things that have to be the same every time, measuring the outcome and confirming it's better than what you were doing before.



**Q. HOW ARE FINEXIO'S PARTNERSHIPS WITH MAJOR PROCUREMENT AND FINANCIAL SOFTWARE PROVIDERS SHAPING THE FUTURE OF EMBEDDED PAYMENTS?**

» We partner with them in a deep and strategic way, helping them understand how and why the payments component is an inextricably linked part of the procure-to-pay process. Customers now expect that if it says “procure-to-pay”, it better have the “pay” as part of it, and it needs to be good.

We're enabling and empowering that competitive differentiation and real value by leading with software companies, which is the future of financial services – versus bringing in solutions from banks that have been hamstrung by regulators, are very slow to move and react and frankly, it's just not their business or culture.

For nearly a decade, we've been shaping this future of embedded accounts payable procure-to-pay payments through tight integration with software systems, bringing strong security and compliance specifically focused on helping customers prevent and eliminate fraud by getting rid of cheques and implementing tight controls around bank account information, storage, collection and change management.

We help corporations who tell us, “Look, we've got to pay thousands of suppliers a year, but we only have five employees in this area.” It's that beyond-human-scale problem of enabling

the transition away from paper-based payment methods, signup methods and retention methods, into a digital workflow that is truly scaled and instantly scalable.

We're constantly innovating with our partners in areas like preemptively examining invoices and finding ways to dynamically shift suppliers to better payment methods. If suppliers indicate they want to migrate but the corporate doesn't have the tools, offers or staff to help them migrate into a better workflow, our intelligent automation can come into play and drive a positive result. That aligns with the values of these procure-to-pay software companies that are also trying to help businesses improve.

Companies using digitized AP systems have seen

**4X HIGHER**

adoption of strategic payment methods among suppliers, unlocking greater financial value



**Q. WHAT DO THE NEXT 12 MONTHS LOOK LIKE FOR FINEXIO?**

» We are continuing to integrate into more of the industry's leading platforms, about two every quarter. The pace at which software systems are making payments a core part of their offering and understanding the need to think about payments upfront in the procurement workflow is only growing.

We're very focused on enabling both our partners and end users to get maximum benefit from these services

and capabilities. The fraud prevention piece is an area where we're continuing to invest heavily in automation. We've had one procure-to-pay partner, Unimarket, make that a major priority with us, even providing and enhancing features like a Payment Risk Score for their university clients. This helps them understand risk in a more holistic way, not just from a cost savings benefit perspective. I think that resonates very well with both finance and procurement organisations. Those are a couple of the things we're working on. ◉