

Guide to e-invoicing: to outsource or develop an in-house solution? 2/4/25

The digital transformation has not only created opportunities for companies around the world but also new possibilities. One of the most topical developments is the introduction of electronic invoicing, which offers significant benefits, such as cost reduction, process automation and improved accuracy. However, e-invoicing can also be full of challenges; and organisations need to decide whether to develop an in-house solution or use outsourced services. In this article, we will look at the nature, benefits and challenges of both approaches to help organisations make a considered decision.

In-house solution: Control and adaptation

By opting for an in-house solution, companies gain complete control over electronic invoicing processes. This means:

- Data security: The company manages sensitive data itself without entrusting it to third parties;
- Integration: E-invoicing systems can be customised to the existing accounting software and business requirements;
- Flexibility: In-house solutions allow the invoice exchange process to be tailored to specific requirements.

However, this approach is not without its challenges. Developing and maintaining the in-house system requires significant investment in knowledge, time and resources. The organisation must not only manage the technology but also understand the local legal and tax requirements. Specialised experience is required to achieve full compliance, especially when transactions are conducted in multiple countries.

Outsourcing: simplicity and cost-effectiveness

Outsourcing e-invoicing enables companies to:

- Reduce costs: Outsourcing offer a cost-effective solution as companies do not need to build or maintain their technological infrastructure.
- Utilise expertise: Outsourcers, such as e-invoicing operators, are often specialists in complying with local tax and legal requirements. They keep an eye on changes in regulations to ensure that customers always fulfil the latest requirements.
- Faster implementation: outsourcing allows e-invoicing systems to be implemented more quickly, which is particularly important for companies that want to adapt quickly to market requirements.

However, outsourcing can also have limitations, such as reduced flexibility. Some solutions are designed for universal use and may not fulfil the specific requirements of companies with complex workflows.

When should we opt for outsourcing?

Outsourcing can be an optimal choice in the following cases:

- No technical expertise: If a company does not have professionals capable of managing e-invoicing technologies and tax requirements, outsourcing provides the expertise of professional experts.
- Complexity of regulatory requirements: The implementation of e-invoicing involves the enforcement of local and international regulations. Outsourcers have a deep understanding of these regulations, which helps to avoid legal risks.
- Budget constraints: For smaller companies or those unwilling to invest heavily in an in-house system, outsourcing offers an affordable and effective solution.

Cost-benefit analysis

To make the right decision, it is important to carry out a detailed cost-benefit analysis:

- In-house system development: includes the initial investment, training and maintenance costs.
- Outsourcing: includes the provider's monthly fees and possible customisation costs.
- Efficiency and benefits: Analyse how each approach will impact your business processes and long-term strategic goals!

Conclusion: which approach to take?

The in-house solution is appropriate for companies with sufficient resources and a desire to fully control the e-invoicing process. Outsourcing, in turn, is a great solution for businesses that want a fast and cost-effective approach without additional burdens.

Regardless of choice, both in-house solutions and outsourcing provide an opportunity to improve the efficiency of financial processes, ensure compliance with laws and regulations, and promote business growth. It is important to choose the approach that best suits your company's specificities and long-term goals.

The choice between control and simplicity is in your hands - make a wise decision!