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Achieving more with less is the mantra of our times. C-suite leaders demand greater efficiency. CFOs are looking to reduce costs. Customers and employees expect stellar experiences. The ability to outperform these expectations hinges on your financial operations, a vital area impacting every facet of your business.

For instance, if vital master data is incorrect, it'll have a negative impact on service level quality, as well as the reputations of the finance and purchasing departments. Without accurate and timely visibility into processes, transparency is reduced, and

it's more difficult and time-consuming to manage compliance. The combination

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highly manual tasks. For these reasons, once AP is automated, the benefits become quickly apparent, leading firms to immediately consider which other financial processes they can optimize. However, outperformers know the approach that yields the greatest return is automation of the entire purchase-to-pay process chain.

Why? Let's consider what benefits can be gained from automating document-driven and transactional processes tied to an SAP ERP system – in AP and beyond.

### **Why a high-level of automation is an advantage**

We don't have to look far to see how end-to-end automation eliminates labor-intensive work, reduces costs and increases process efficiency. Organizations with high levels of automation provide indisputable proof of the advantages of the outperformers' approach.

According to research by Shared Services Link and Kofax, just 12 percent of organizations with high levels of automation manually process their invoices compared to 74 percent of those with low levels of automation. In addition, only 41 percent of highly automated companies experience problems with purchase orders, 24 percent have poor visibility into spend, and 8 percent fail to capture early payment discounts. By comparison, those with low-level automation report these same problems significantly more often: 68 percent, 23 percent and 24 percent respectively.

In an age when process automation has become table stakes, there are clear advantages for organizations that optimize processes across the business. "Best-in-class" firms – those with high levels of automation – don't only become more competitive, they save time and resources as well.

Comparing "best-in-class" organizations to others illustrates the sharp differences. According to Ardent Partners, a "best-in-class" organization processes 57.1 percent of

all invoices “straight-through,” in just 3.9 days at an all-inclusive cost of \$2.87 per

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investment of Enterprise Resource Planning (ERP) software. Many organizations haven't fully leveraged their investments in ERP software, like SAP, giving them plenty of hidden opportunities to exploit.

“ERPs are not optimized for all the complex activities occurring today, such as matching printed or electronic invoices with supplier master data, purchase orders, shipping, tax and discount data,” says consultancy The Hackett Group. “Since it can be cost-prohibitive to replace a legacy ERP, companies often augment them instead with document management systems.”

When processes are paper-driven and manual, financial teams struggle to meet the volume-based performance requirements set by their CFOs. Meeting the high bar for raw numbers of invoices and payments processed is exceedingly difficult without automation. Think back to the pain points listed above. Every time the process is interrupted because the PO number is wrong, there's an invoice exception or an early pay discount is missed, the process slows appreciably – or breaks down entirely.

One option is to use a certified add-on solution providing a single software platform to automate a series of processes directly within the ERP system. For SAP users, this type of solution offers more than integration with the ERP system; it provides the exact same look and feel as any other SAP transaction. It can be presented inside of the SAP GUI, providing non-SAP users an intuitive interface and offering a real-time view of workloads, pending tasks, document inflow, ongoing transactions and up-to-the-moment validation against SAP data. Solutions like this are proven to help users become more cost efficient, improve control over financial processes and shorten total processing times.

**How to dominate your financial process**

As the examples above show, expanding process improvement from AP to the entire

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