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ACCOUNTING & AUDIT

Reinvent Accounts Payable with Intelligent Automation

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As many organizations shift to a digital, remote-work model, Accounts Payable has had to confront new challenges. By embracing intelligent automation, AP teams have been able to rise to the moment. In fact, traditional AP processes are ripe for automation, and AP departments that take advantage of it are discovering operational efficiencies and providing real-time insight into the workings of the enterprise.

AP challenges for a digital, remote workforce

Remote work has had a significant impact on Accounts Payable operations. Existing challenges have become more complex, even as new ones have emerged. Some of the primary issues AP teams face today are:

Increased risk from paper-based processes:

Manual, paper-driven processes are time-consuming and prevent employees from working on higher-value tasks. They also create risk, as they make it difficult to document chain of custody and maintain an audit trail. With many employees working from home on personal, and potentially insecure, networks, manual processes are even slower and riskier. In fact, 25 percent of AP leaders worry that inefficiencies within their department have created additional perils.

Negative impact on the bottom line due to late payments:

Manual processes take even longer to complete when the workforce is remote, contributing to chronic late payments and associated penalties that hurt the bottom line. Organizations risk jeopardizing relationships with valued suppliers and may even be placed on a late-payment blacklist.

Lack of visibility into cash flow and spend patterns:

Paper-based processes leave data unorganized and inaccessible for larger strategic analysis. It's difficult to monitor process execution, exceptions and approvals. Remote work has only made the situation worse, with nearly half of AP departments lacking real-time visibility into corporate spend.

Three steps to reinventing AP with automation

As companies in all sectors struggle to recover from public-health and economic upheaval, AP leaders have had to reinvent their workflows. By leveraging intelligent automation, they've transformed their departments from paper-based transactional teams into strategic advisors that actively contribute to growth.

There are three objectives AP leaders should focus on as they shift to digital automation:

- 1. Day-to-day invoice processing automation:** AP staff waste too much time manually keying thousands of invoices into enterprise systems. When AP departments leverage automation, invoices can be processed in less than one-fifth the time. Intelligent automation capabilities such as automated email capture and electronic invoice processing enable AP to seamlessly ingest invoice data across multiple channels. And, as e-invoicing becomes more popular, automation makes it easy to keep up with rising volumes, regardless of which channel invoices come through.
- 2. AP process standardization:** Standardized AP processes create efficiencies and provide reliable data that can be used to make smart operational decisions. Automated digital workflows make sure segregation of duties are enforced and create a chain of custody. Pre-set business rules automatically route documents that require review and approval, and AP teams can manage exceptions and execute processes more consistently and efficiently.
- 3. Operational insight delivery:** Demand for real-time visibility into AP information has increased four-fold between 2018 and 2020, according to the [IOFM Future of Accounts Payable Study](#). Automation frees up employees from manual, transactional work so they can focus on strategic thinking. Automation technologies also gather and analyze data that identifies patterns, which can be used to make decisions around working capital, spending, process efficiency, budget monitoring, payment-term optimization and more.

AP departments that want to transform into a strategic business unit need the right automation solutions that deliver real digital transformation. The pressure is on to move fast and a SaaS-based solution delivers rapid ROI, making it a good place to start.

The solution should also easily integrate with your organization's Enterprise Resource Planning (ERP) systems, so you can avoid implementation headaches. The best solutions also leverage machine learning (ML) and artificial intelligence (AI), ensuring AP can process documents in any format and across multiple channels.

Say goodbye to AP's reactive and transactional workflows. Intelligent automation unleashes a gold mine of data that drives proactive business decision-making and digitally transforms processes and teams. It's time to move AP into the boardroom and work like tomorrow— today.

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