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SMALL BUSINESS

Streamlining AP Automation Implementations for Faster Time-to-Value

People are more likely to embrace new technology if there's something in it for them. Play up the ways automation will make the AP team's work easier and ...

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We all get into habits of doing things certain ways. They become part of our own ‘status quo.’ The same is true in finance organizations. It might be in the way they manage certain processes, pay suppliers, or evaluate new technologies. These habits can enable important efficiencies and predictable outcomes, but they can also act as inhibitors to important change and progress.

Consider AP operations. Many businesses continue to rely on outdated, expensive, and time-consuming manual processes for accounts payable. Forward-looking businesses, on the other hand, are turning to AP Automation solutions to streamline processes, cut costs, and improve supplier relationships, among the many other benefits.

Implementing any new technology means change, and companies might encounter some resistance or speed bumps along the way. Those that get bogged down with these issues could risk alienating staff, lose time and money, and miss out on other savings. For example, by [automating payments](#), companies could use [virtual cards](#) to pay their suppliers, and enjoy rebates with every payment they make. Those earnings could add up to cover the cost of the solution, be used for another investment, or in some cases, even turn AP from a cost to a profit center.

There are different solution options for AP automation. The key is a smooth implementation that delivers faster time-to-value. Here are six steps to ensure the transition to AP automation is a seamless one.

1. Choose the right technology.

Right off the bat, it’s important to pick the AP automation platform that will best address the organization’s needs. To minimize staff resistance and increase adoption—both within finance but across the organization—look for a solution that is intuitive and easy to use. Also, to accommodate the growing work-from-home trend, opt for cloud-based technology so AP staff, invoice approvers, and payment authorizers can work from anywhere without disrupting the [AP workflow](#) or slowing down [invoice payments](#).

To optimize efficiencies across the payment cycle, look for solutions that provide full invoice-to-pay capabilities. If you gain efficiencies in the payment part of the process, but invoices are still lost, misplaced, or take longer to process, you can still end up with late payments, penalties, and unhappy suppliers.

Consider a solution that can support the organization's long-term needs. For example, avoid a payment structure that is based on per-user licensing fees because it will end up costing you more each time you add users and approvers. Select a solution that makes it easy to add data files and entities to integrate new subsidiaries or acquisitions.

2. Choose a partner that can grow with the organization.

Consider an AP automation provider that can meet the evolving needs of the organization, whether through more robust enterprise capabilities or by being able to integrate with the next ERP system. Also, look for a partner that is committed to the organization's success, and provides solid training, and ongoing support throughout the business journey. Those that offer best-in-class implementation practices will provide faster time-to-live and deliver the benefits of automation faster.

3. Fix your processes.

Before automating AP, be sure to not carry over any broken or poor processes. Evaluate the current procedures to see what is lacking, and how they could be done better. Follow best accounting practices such as ensuring the segregation of duties and requiring multiple approvers for invoices over a specified dollar amount, to not only streamline processes, but also to help prevent fraud as well as improve control over AP spend.

4. Give the AP team a role from the start.

One of the major impediments to smooth AP automation implementations is user resistance. Involve the entire accounts payable / finance team from the start, from the selection process onward, so they can ask questions, and get involved in process improvement. This will promote goodwill, a sense of empowerment and, ultimately, user buy-in.

5. Promote the user benefits.

People are more likely to embrace new technology if there's something in it for them. Play up the ways automation will make the AP team's work easier and better by creating an improved workflow, and eliminating the tedious, time-consuming tasks of keying in invoice data, cutting checks, and tracking down invoice approvers and payment authorizers. This will enable them to spend their time on more interesting, higher-level activities, such as preparing reports and developing better workflows.

6. Involve key stakeholders.

In addition to the AP team, it's important to keep the IT department in the loop during the selection and implementation processes to ensure that all the technical details are being considered. Make sure that someone knowledgeable about the ERP system is also involved to ensure a smooth integration. Of course, the CFO, or other financial executive will need to sign off on the investment.

Creating a Better Workflow in AP

A smooth AP automation implementation means better workflow; happier, more productive finance staff; and faster time to savings—and value. By involving the right team from the start and fine-tuning the processes involved, you'll not only improve AP operations, but you'll also be supporting the company's growth and helping to further its business goals.

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