paperwise

Top 7 Benefits of AP Process Automation

paperwise

Contents

Overview

The Institute of Finance & Management recently reported in a member survey that as many as 75% of their member companies are looking at ways to institute better AP process automation.

When you consider the many problems associated with manual AP invoice workflows, it's no wonder why that number is so high.

Here are just a few of the most common problems leading CFOs site with manual AP processes:

- Incomplete or inaccurate data

- Poorly organized information and lost documents

- Difficult to find information

- Missed payment discount deadlines due to inefficient approvals

- Poor integration of systems leads to more manual work and data entry

- Decision makers lack data about each invoice and about the entire AP process

Fortunately, AP process automation addresses these concerns and more. Here are the top seven benefits of AP process automation.

1. Faster Accounts Payable Approvals

Probably the biggest benefit you get from AP process automation is increased speed and accuracy. Increased speed means you'll make more discount deadlines, reduce your overall staffing needs and cost structure and reduce the amount of frustration throughout your organization.

Paperwise provides you with automated routing and no-touch processes for your entire team, inside and outside of your AP department.

Automation can reduce the amount of work involved in various steps of your AP workflow by up to 90%. Faster AP approval speed comes from a number of areas, including:

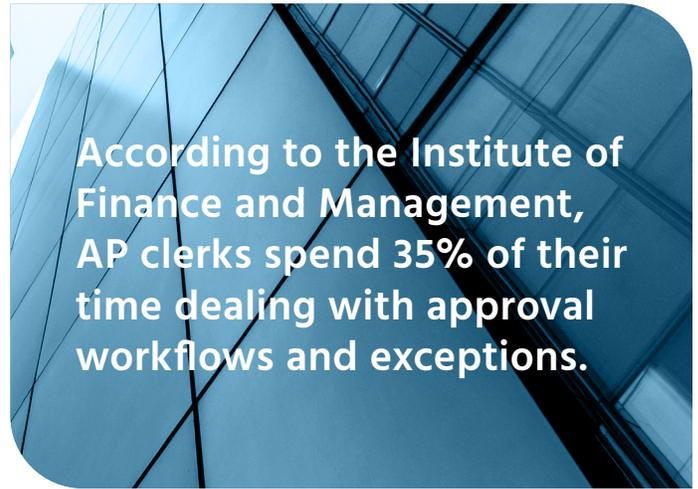**Gathering payment details and matching purchase orders**

- Automation, optical character recognition of both paper and emailed invoices and tight ERP integrations can match your invoices to the right data and POs 80% to 90% of the time.

Reduced manual entry and increased accuracy

- Paperwise reads the information off of your invoices, matches the POs and integrates to your ERP system so that you don't rely on slow, inaccurate manual entries of invoice information.

Approval workflows

- Without automation, every desk an invoice has to travel to for approval costs time and risks errors and

According to the Institute of Finance and Management, AP clerks spend 35% of their time dealing with approval workflows and exceptions.

misplacement. Paperwise automatically routes the invoices to the right people for approval, no more interoffice envelopes lost on manager's desks.

Rules-based exception handling

- If an invoice is above an approver's authorization or requires extra approval, you can establish rules to match your corporate governance to automatically route invoices and send alerts.

Issue resolution

- If there is a dispute with a vendor or other question, your documents are available from anywhere in one secure central repository and can be shared with self-serve portals for vendors.

Automation reduces AP processing work by up to 90%. You'll make more discount deadlines while reducing staffing costs and errors.

2. Anytime, Anywhere Access

You may not have thought about how many times you have to touch an AP invoice during it's processing cycle. Our experience has shown that companies involve a minimum of three employees – an AP clerk or data entry specialist, the PO writer purchaser and a managing approver.

In most cases, up to 15 different people can get involved for a typical AP invoice as questions arise, managers need to review exceptions, controllers need to understand unique requirements and CFOs need to approve large payments. Every time another employee gets involved with an invoice, you lose time.

It becomes difficult to chase down the status of an invoice without process automation. If a question comes up from an approver or a vendor, it can take hours if not days to locate the right documents to expedite approvals.

With Paperwise, you have anytime, anywhere access to all of your documents in one central repository. And with tight integrations to your ERP system, you'll never have to hunt down another invoice.

It can take up to 15 people to enter data, research questions and approve an AP invoice. With a central repository of invoices, you'll never waste time hunting down lost invoices again.

3. AP Invoice Accuracy

Every process in your company that relies on manual data entry inevitably suffers from inaccuracies.

What is the cost of inaccuracy and manual errors on your AP workflow:

FRUSTRATED VENDORS

Errors eventually lead to more questions for vendors, delayed payments and a gradual erosion of trust in your business

INCORRECT PAYMENTS

Inaccurate manual entries into the ERP system can result in underpayments that lead to more time involved in corrections and vendor communications or overpayments which directly impact your cash flow and bottom line.

ADDITIONAL WORK

No matter the source of the error, each error causes a growing chain of additional work to correct from data entry through to controller approvals.

Manual processes are fraught with errors.

Automation reduces errors, vendor frustration, inaccurate payments and extra work.

4. Smart OCR

You may already be familiar with optical character recognition (OCR). OCR can read the data off of a scanned invoice so that your team doesn't have to manually input the data. No OCR is perfect. No two invoices are exactly the same, so your OCR may have difficulty recognizing what part of the invoice contains the invoice number, vendor name, PO number or other important information. Sometimes you receive damaged, stained or incomplete invoices.

- Paperwise's OCR is smart and self-learning. It can learn from previous invoices, corrections and exceptions so that your OCR accuracy approaches 90%.

- With Paperwise's OCR, your AP process automation leverages human-like learning and intelligence to actually improve over time:

- The OCR "sees," patterns of information to learn where certain types of information tends to present itself in various invoices

- The system can quickly learn from a relatively small set of examples so that your documents are automatically classified, coded, sorted, stored and routed and the right data is extracted for import into your ERP system

- The system can correct and optimize images for better understanding

Smart OCR learns from previous invoices, corrections and exceptions so that your OCR accuracy approaches 90%. That means that only one of ten of your invoices will need manual intervention.

5. Low-Code Design of AP Workflows

In our fast paced business environment, they only constant you can count on is change itself. Ordinarily, a change in your business processes would mean missed steps in your workflow or expensive software customization projects.

With Paperwise, you don't need a degree in software architecture and data science to create and connect your software, workflows, collaboration and communication, alerts, business rules, data visualizations and more.

That means that you're in complete control of your processes with rules and automation that you can build and change as needed. Rules that match your corporate governance can cut out 90% of the delays in your workflows through automated routing, re-routing and approvals.

Our low-code workflow design is one of the main reasons leading companies choose Paperwise over other AP-only solutions. In addition to reducing your AP processing costs by 80% or more, the versatility of Paperwise allows you to bring automation to all areas of your company without investing in additional single-point solutions.

6. Data Visualizations

When you process all of your AP invoices through an automated workflow, you can then easily build data visualizations that allow you to track the progress of invoices, your bottlenecks, compare vendors and much more.

By automating your process you can watch important metrics throughout the entire process including:

- Invoice processing time
- Invoice processing cost
- AP invoices per employee per period
- Percentage of invoices that require manual intervention
- Percentage of errors, disputes and inconsistencies per vendor
- Number of vendor information requests
- Days payable outstanding
- Payment discounts and penalties
- Invoices flagged for fraud

Build data visualizations on top of your AP workflow to track progress, identify bottlenecks, compare vendors and improve your processes.

7. Smart AP Invoice Routing, Alerts and Reminders

Paperwise gives you the ability to process all purchasing-related invoices in a single, touchless stream of digital approvals. When an invoice enters your workflow, the system determines who needs to see or approve the invoice next based on rules that you establish.

Whatever your rules, your invoice will go into the right inbox every time. Because so many people are involved in every AP invoice approval, it can be easy for invoices to get lost on desktops or inboxes. Paperwise includes automated alerts and reminders for your managers outside of AP to stay on top of their AP workflows.

Paperwise processes AP invoices in a single, touchless stream of digital approvals. The system determines who needs to see or approve the invoice next based on rules that you establish.

Unique Rule Examples

If the invoice is related to the Perkins account, send it to Mary

If the invoice is over $5,000, bypass all approvers and send to the controller directly

Send the invoice to another approver if the first approver is on vacation

If an invoice perfectly matches an existing approved PO, enter information into the ERP and approve for payment.

If there is a discrepancy between the invoice and the PO of more than 4%, send to the PO writer.

Your Business. No Limits.

There is really no limit to the efficiencies you can drive with the Paperwise process automation platform.

Paperwise brings you the freedom to imagine, create and connect the way you want to work. Leave the limits of your current software behind. Stop operating in isolated silos. Start running your business the way you want.

We'd love to schedule some time with you and our process automation experts today to discuss where you want to take your organization. This is not a sales call, it's an exploration of your current processes.

Creating customer workflows and alerts

Connecting your systems, data and people

Better visualizing the performance and exceptions of your business

Managing documents and unstructured data securely and in compliance

Reducing inefficiencies from manual processes and spreadsheets

Imagine your business as it should be without manual processes, clunky spreadsheets, miscues and miscommunications.

Contact Us

📞 417-886-7505
888-828-7505

🌐 www.paperwise.com
info@paperwise.com

📍 1242 E. Independence St. Suite 100
Springfield, MO 65804

paperwise