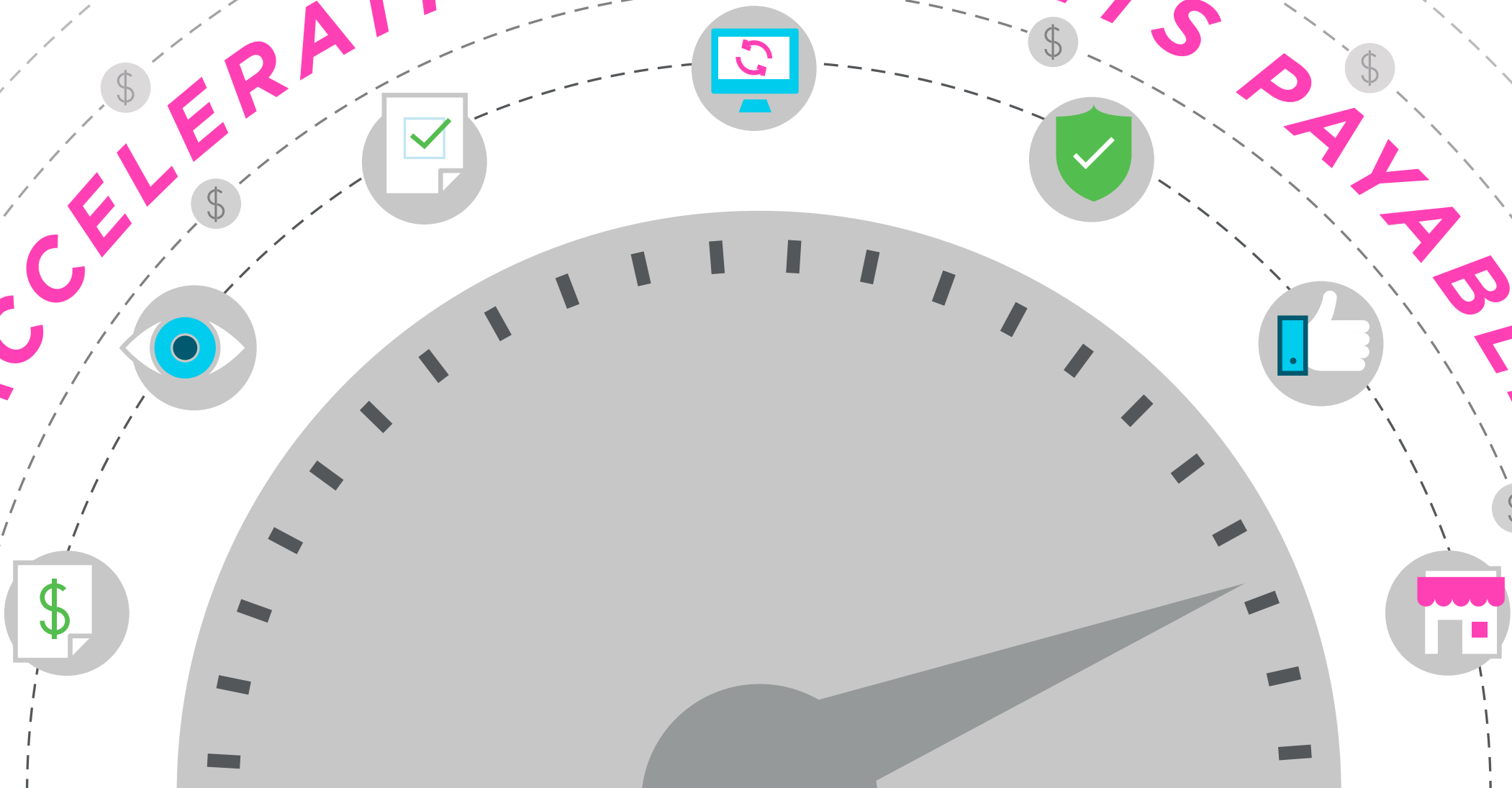# ACCELERATING ACCOUNTS PAYABLE

How content services can improve AP efficiency by increasing **speed**, **access** and **visibility** throughout invoice processing.

Hyland

As competition increases, organizational leaders are asking all departments to play a more strategic role in driving growth and controlling costs. **Accounts payable is no exception.**

But accounts payable (AP) teams are already under pressure to do more with less. In a survey by the Institute of Finance and Management (IOFM), most respondents anticipate their AP departments will be of greater strategic importance to the enterprise within the next three years. At the same time, invoice processing is expected to grow more complex.

53 percent of AP professionals surveyed by IOFM anticipate their department will be of greater strategic importance within the next three years. **25 percent** of respondents say their AP department is already of high strategic importance.[1]

51 percent of AP professionals believe AP processing **will become more complex** over the next three years.[2]

To support strategic goals, AP departments need to overcome three main obstacles:

Lost efficiency

Limited access

Poor visibility

LOST EFFICIENCY

Organizations have increasingly relied on technology to improve operations, but for many AP departments, invoice and payment processing remain manual and paper-intensive.

57 percent of organizations enter invoice data manually. 47 percent of organizations either route invoices manually, or scan and email them to stakeholders.[3]

EDI/ XML

At least 78 percent of all invoices are still received via paper or some form of unstructured content format like an emailed PDF or fax.[4]

LOST EFFICIENCY

AP teams spend countless hours manually keying in and sorting invoice and payment data from multiple documents and sources.

Even when an AP department is using a technology solution to manage processes, frequent changes in staffing, vendors or invoice approval limits can still bring work to a halt — especially when IT resources are required to modify the solution to meet the change.
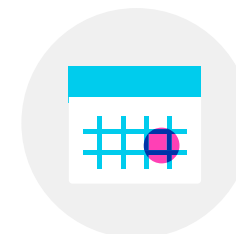
THIS LEADS TO:

DATA-ENTRY ERRORS

MISPLACED DOCUMENTS

MISSED OR DELAYED PAYMENTS

**NEEDLESS DISCREPANCY RESOLUTION AND EXTRA APPROVALS**

LIMITED ACCESS

Globalization has increased the growth of mobile office workers. When invoice approvals are required from mobile employees, but they cannot access the relevant documents and information from cloud-based or remote networks, it can cause significant delays in invoice processing.

As the number of remote consultants, field professionals and other mobile workers continue to rise, AP organizations must look for ways to meet this challenge.

LIMITED ACCESS
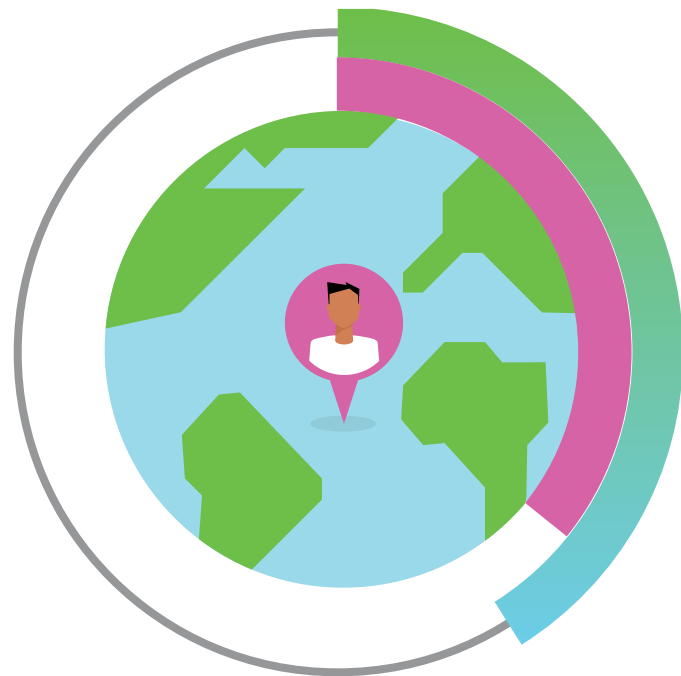
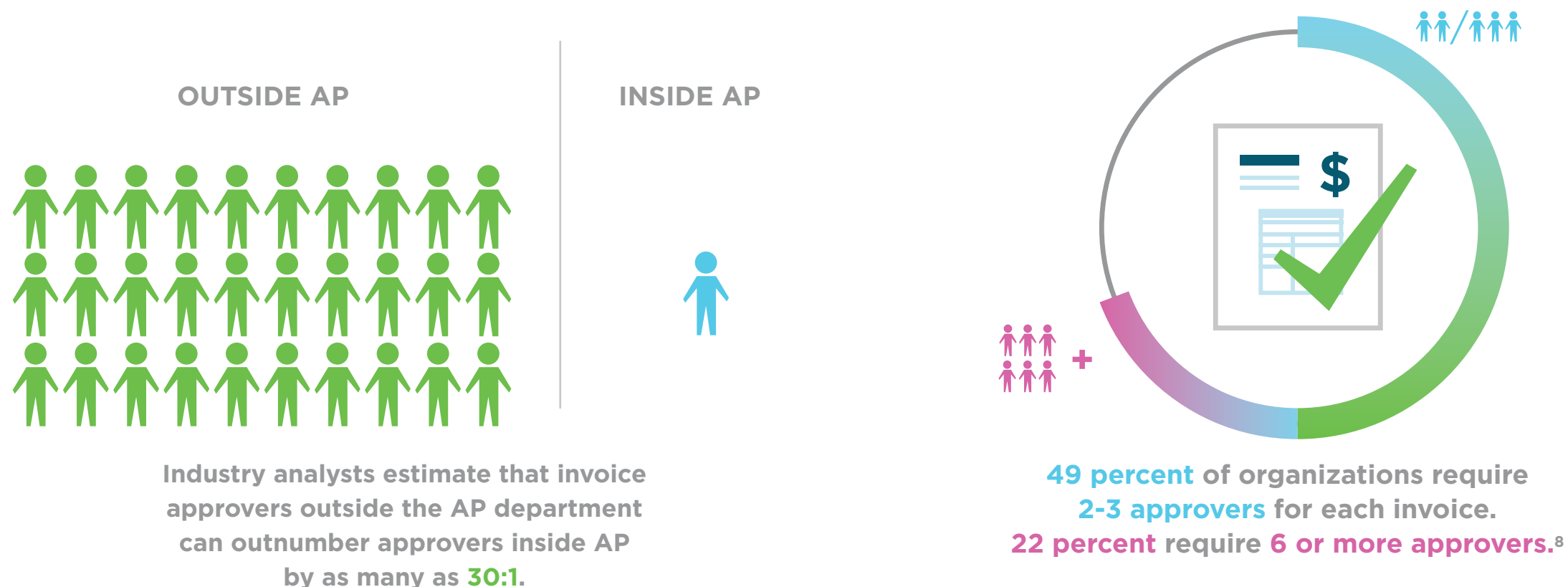By 2023, 1.88 billion workers will be mobile, making up 43.3 percent of the global workforce.[5]

49 percent of AP professionals believe mobile technologies will have a significant impact on their department's success over the next three years.[6]

52 percent of AP professionals believe at least half of their invoices will be approved via mobile device by 2022.[7]

LIMITED ACCESS

Mobile access isn't the only obstacle. Most invoices require approval from one or more stakeholders outside the AP department. Whether they're based in the office or working remotely, processing invoices through multiple levels of approval increases complexity and cycle time, especially if non-AP staff cannot easily access approval workflows. Giving non-AP employees access to the enterprise resource planning (ERP) or other core business system could require additional software licenses and training — at a significant cost to the organization.

OUTSIDE AP

INSIDE AP

Industry analysts estimate that invoice approvers outside the AP department can outnumber approvers inside AP by as many as 30:1.

49 percent of organizations require **2-3 approvers** for each invoice.
22 percent require **6 or more approvers.**[8]

POOR VISIBILITY

You can't measure what you can't see. And you can't improve what you can't measure.

Limited insight into invoice and payment volumes makes it difficult for finance leaders to accurately predict cash flowing out of the business.

Paper documents, or a mix of paper and electronic documents, prevent staff from seeing a complete view of AP transactions and processes. Without visibility into individual invoices, staff have a harder time tracking the status of payments or finding the information they need if a vendor issue arises. And without an aggregate view of all invoices in process, it's impossible to analyze the organization's spending trends, predict cash needs or identify process bottlenecks.

63 percent of AP professionals anticipate greater demand for real-time visibility into AP information over the next three years.[9]

43 percent of large enterprises cite "lack of visibility into outstanding liabilities" as a pain point in their AP process.[10]

POOR VISIBILITY

Paper documents are also easier to lose and misplace, and AP staff rarely have a view that lets them know what's missing or if documents have been modified or misrouted. This can complicate the financial close and auditing processes — putting the business at risk for heavy compliance fines and penalties.
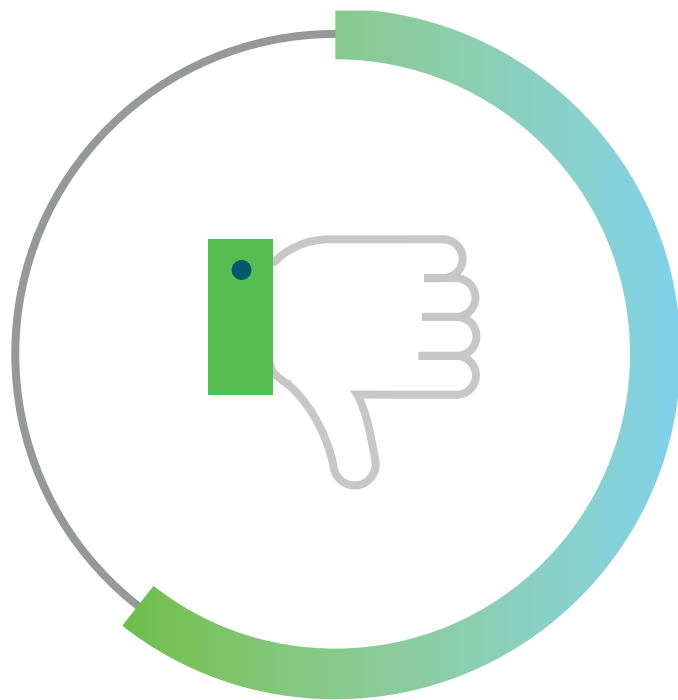
58 percent of AP professionals believe their audit and compliance burden will increase over the next three years.[11]
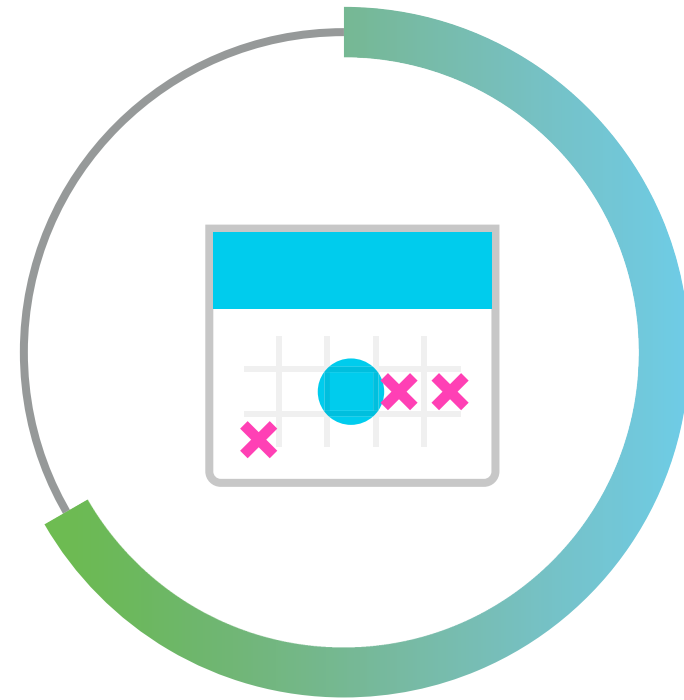
Nearly two-thirds of AP professionals surveyed are unable to search invoices by due date.[12]

HOW AUTOMATING AP WITH CONTENT SERVICES CAN HELP

IMPROVING EFFICIENCY

Content services can eliminate the excessive time and errors that result from AP staff manually entering invoice data and indexing files. Regardless of how invoices and supporting AP documents arrive — fax, mail, email, EDI, etc. — a content services solution can import the documents, and:
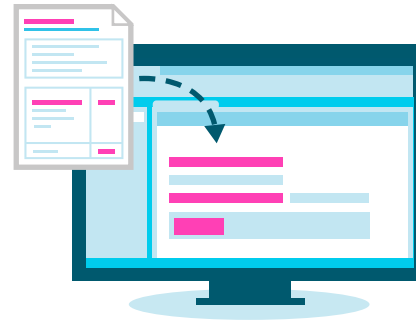
Capture and extract critical data like invoice numbers, due dates and even line-item details.
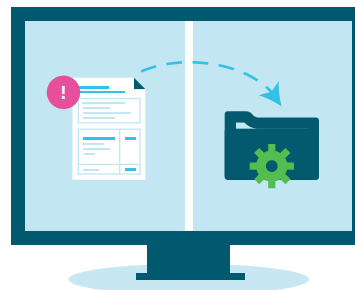
**Deliver that data directly to existing business applications and systems, like an ERP.**

Automatically file the documents into a single, secure database.

IMPROVING EFFICIENCY

Content services workflows can also automate invoice processing by routing documents and information to appropriate business units at each stage of the process. Key stakeholders can be automatically notified via email when action is required — so AP staff don't have to.

And when process changes are needed, some content services solutions also allow for business users like AP managers to update their workflow approval process in real-time — without needing to wait for IT.
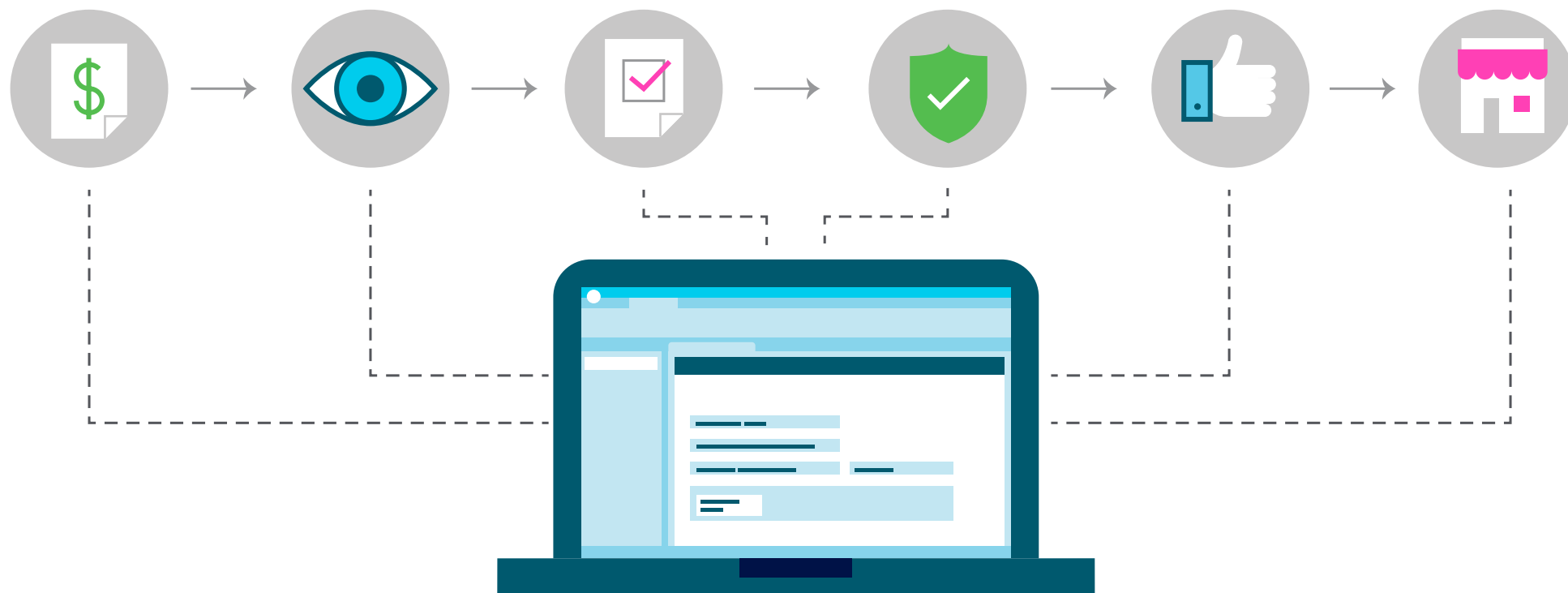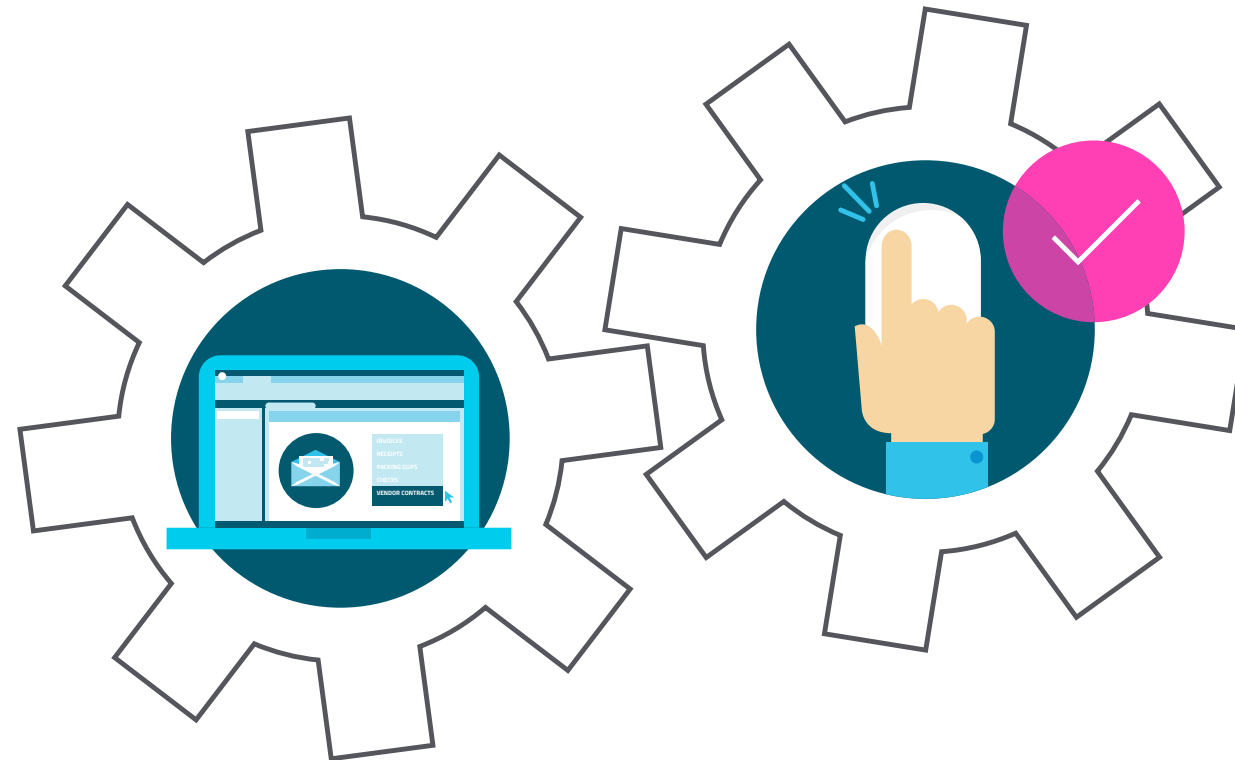
IMPROVING ACCESS

Web and mobile content services applications give remote and field employees quick access to information they need without any connection to the office. And because all AP documents and data are stored in a single system, that same information is instantly accessible when users are back in the office.
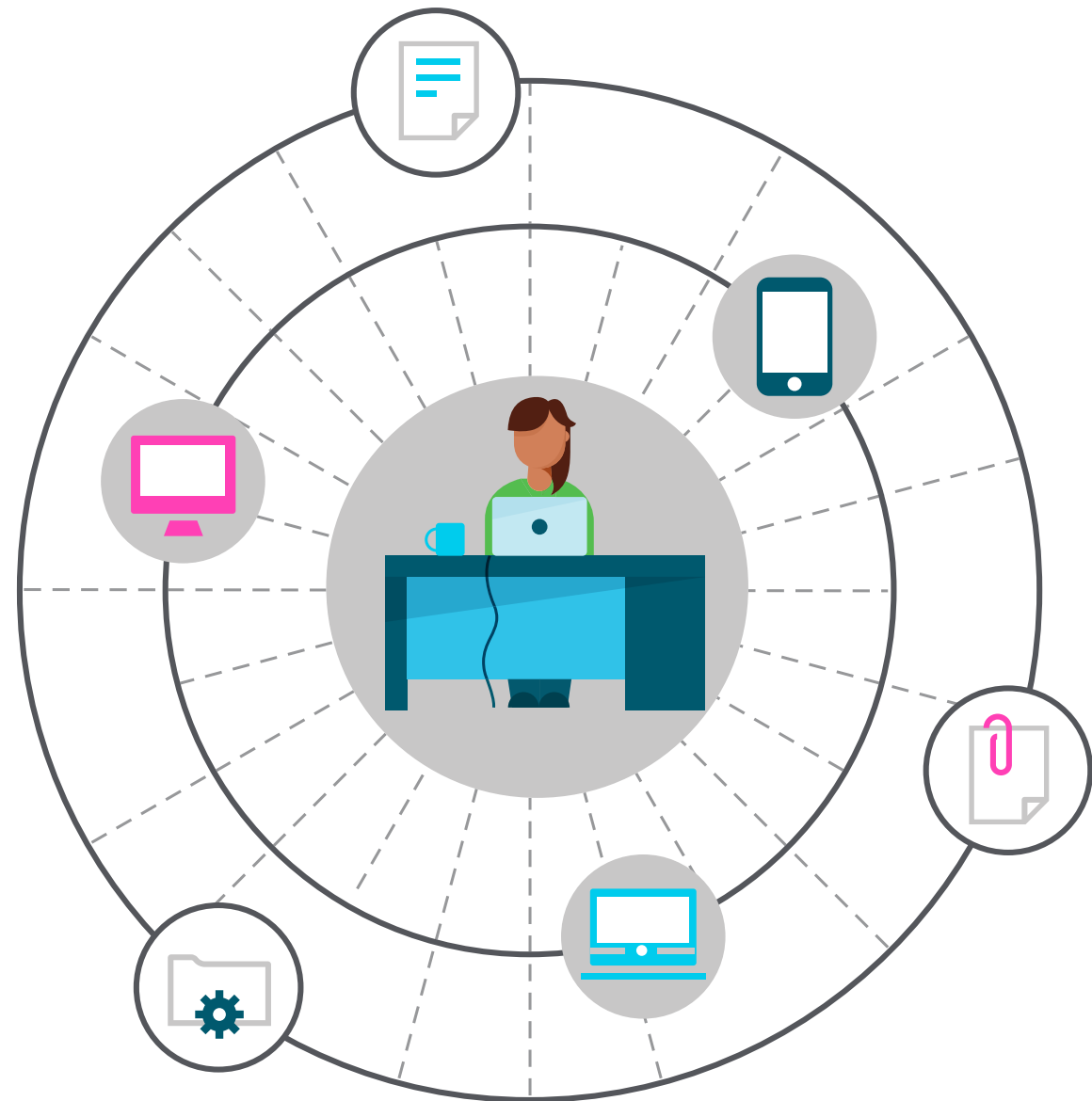
IMPROVING ACCESS

Also, when email applications like Microsoft Outlook are integrated with content services, non-AP business users can view and approve invoices directly from their inbox to keep invoice processing on track.

This keeps the invoice-approval engine running without additional ERP or other software licenses for non-AP staff. It also promotes greater user adoption since staff are working within their familiar email application.

IMPROVING VISIBILITY

When invoice processing is automated with content services, AP managers can use dashboards to monitor the status of invoice payments and summarize liabilities for more accurate accrual reporting. This real-time information provides finance leaders with a better view of outbound cash flow, enabling them to better predict and budget for cash requirements.

Content services can be integrated with an existing ERP system or other business application, allowing AP staff to view relevant documents without wasting time physically searching for critical information on paper. They can retrieve invoices, goods receipts, packing slips, check images and more directly from their ERP screen.

INVOICES
RECEIPTS
PACKING SLIPS
CHECKS
VENDOR CONTRACTS
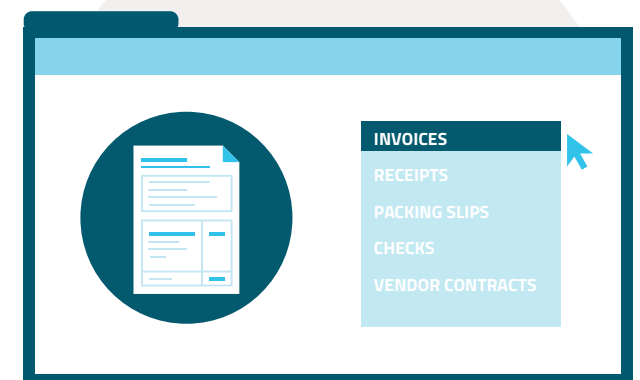
IMPROVING VISIBILITY

A robust content services solution can also help guard against compliance risk by providing a clear and auditable trail for every movement and touch of a document in the payables process. With all documentation in a single, secure location, users can proactively identify critical documents that may be missing in order to expedite the accounting close.
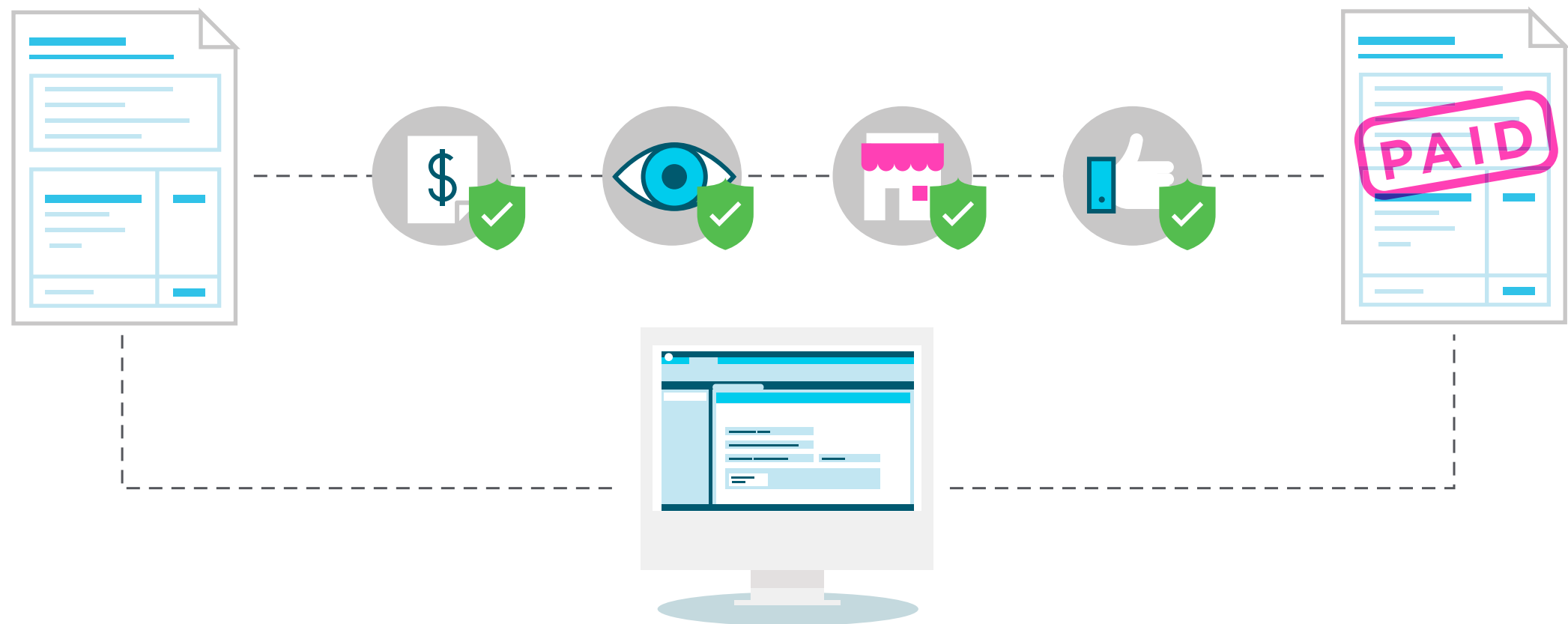
ONBASE BY HYLAND

Your accounts payable automation solution

OnBase centralizes access to all critical AP documents and automates invoice processing on a single platform. With extensive integration and mobile capabilities OnBase grants remote and non-AP users access to the information they need to accelerate approvals and minimize delays.

As a result, AP departments spend less time filing and searching for information on paper, and more time analyzing information to support the strategic goals of the organization.

1, 2, 6, 7, 9, 11. The Future of Accounts Payable: Digital, Profitable and Strategic | IOFM

3, 4, 8, 10. 2019 Payables Insight Report | Levvel Research

5. Global Mobile Workforce Forecast Update 2017-2023 | www.strategyanalytics.com

12. AP Control Panel Finds Automation Drives Operational Improvement | AP Control Panel

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