

10 REASONS EXECUTIVES

Need Accounts Payable Automation Support



**Compatible With
All ERP Systems**



IntelliChief
Paperless Process Management

Accounts Payable Automation For Your ERP System Can Significantly Improve Your Company's Productivity and Efficiency

As you consider your company's investment, keep these important points in mind.

REASON #1: AUTOMATION CAN REDUCE YOUR ACCOUNTS PAYABLE COSTS BY 70%+

Accounts Payable is traditionally a cost center. Most companies pay a team of processors \$50,000+ a year for repetitive, administrative work.

Automation lets you complete the lowest-value tasks behind the scenes. Software can handle everything from invoice collection and approval routing to unit of measure normalization and vouchering within your ERP — reducing your AP processing costs by as much as 70% or more.

As a result, your employees can allocate more resources to strategic, higher-level initiatives – making a larger impact on your organization.

REASON #2: AUTOMATION HELPS YOU CAPTURE A HIGHER PERCENTAGE OF EARLY PAYMENT DISCOUNTS

Manual invoice processing isn't just costly; it's slow. If you're sorting, matching, approving, coding, and keying each invoice into your ERP by hand, it can take 7 to 10 business days to close out a transaction, assuming none of your processors are out sick or on vacation. In the meantime, you are missing out on early payment discounts. If you want to take advantage of 2/10 net 30 opportunities, automation is critical.

Automation lets you process invoices the moment they're received. In many cases, they can be processed without any employee intervention, and scheduled for payment on the next available check run. It is an easy way to stack savings and increase capital using underutilized resources that are readily available.

REASON #3: AUTOMATION LETS YOU DOCUMENT AND STANDARDIZE KNOWLEDGE-BASED PROCESSES

If you implement an AP automation solution, you will first need to document your current processes. As part of this process, you'll have a chance to evaluate your company's long-held accounting procedures and policy, giving you the chance to remove unnecessary steps. You can also identify and document situations where your employees have – during their day-to-day experience – developed a more efficient approach than your company's officially documented policy.

To make the most of this opportunity, choose a vendor who has specific experience with your ERP. They can recommend process improvements based on customers they've worked with in the past - helping you implement proven strategies that you may not have considered otherwise.

REASON #4: AUTOMATION LETS YOU EASILY MANAGE AN INCREASE VOLUME OF TRANSACTIONS WITHOUT INCREASING YOUR HEADCOUNT

The more invoices your company receives, the stronger your case for automation. Your employees can handle a few hundred invoices per month without it being a burden - but as that number increases, so do the challenges (and the costs).

To deal with the increased volume of transactions, you may have to increase your headcount. Alternatively, you could outsource the work. However, automation is more cost-efficient. You don't have to budget for recruiting costs, salaries, and benefits, and you don't have to wait for new employees to get up to speed. And, as your volume continues to increase (either through corporate growth or M&A), you already have a solution in place to help you scale.

REASON #5: AUTOMATION PROVIDES INCREASED VISIBILITY INTO ROUTINE FINANCIAL PROCESSES

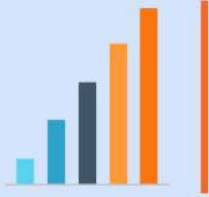
In a paper-based AP department, the only way to know the status of an invoice is to ask the processor for an update – and even then, they may not have very much information. The invoice may be pending approval from an employee who is out on vacation, or there may be an open dispute for an inaccurate charge. When you automate your workflows, you can easily see the status of every transaction. Pulling information directly from your ERP into an integrated solution can tell you:



- What payments are due
- Whether open invoices have already been vouchered for payment
- What expenses will need to be accrued in your next reporting period
- How many expenses have been assigned to a particular business unit or project
- Which invoices are being disputed
- How productive your AP employees are

REASON #6: AUTOMATED SOLUTIONS HELP YOU MAKE ACCURATE PREDICTIONS ABOUT THE FUTURE

The same way that you can more easily monitor your day-to-day processes, you can also monitor short- and long-term trends. As you build your projections for each upcoming period, you can:



- Measure your straight-through processing rate
- Monitor early payment discounts (both captured and missed)
- Identify your top vendors by spend
- Evaluate trends in delayed, disputed, and on-time payments
- Calculate your loss of discount as a percent of your purchases

Most AP automation solutions include automated reporting capabilities. You can design custom reports to share with senior stakeholders, or give them direct access to retrieve information as needed.

That said, not all solutions sync data in real time. This can prevent you from accessing the most up-to-date information.

Real-time integration with your ERP ensures that everyone in your organization – from your AP processors to your CEO – is working with the most recent data.

"What gets measured, gets managed."
- Peter Drucker



REASON #7: AUTOMATION LETS YOU EXTEND THE INVESTMENT YOU'VE ALREADY MADE IN YOUR EXISTING BUSINESS PLATFORMS

Your ERP system is a significant IT expenditure – especially when you add up each module's component price and corresponding maintenance costs. You've already paid the upfront costs, but you can reduce your lifetime cost of use by removing manual data entry, manual document processing, and manual reporting from the equation.

Things become more complicated if you use more than one ERP – but it is possible to use certain solutions with multiple business systems. As part of your selection process, you'll need to choose a platform that can enhance the infrastructure – and core applications – of each legacy technology. Here too, real-time ERP integration allows you to cross-reference and sync up-to-the-minute data across your entire software ecosystem.

REASON #8: AUTOMATION STREAMLINES REGULATORY COMPLIANCE AND AUDIT PREPARATION

Many AP automation solutions are specifically designed to comply with the Sarbanes–Oxley Act and various industry mandates.

Internal control systems can protect your financial data from unauthorized access. (Nearly every platform lets you decide which information each individual user should be able to retrieve.) Similarly, comprehensive access records provide complete transparency into your accounting department, noting who approved each purchase (and when).

Audit preparation is also faster when all of your data is stored on an electronic platform. Your employees don't have to put their own projects on pause to search for a specific invoice or purchase order; everything is neatly organized and directly accessible by your auditor.

REASON #9: AP AUTOMATION PLATFORMS DESIGNED FOR THE ENTERPRISE CAN BENEFIT MULTIPLE DEPARTMENTS

Considering how many Accounts Payable processes are administrative and data-driven, it's a natural candidate for automation - but it's not the only department that can benefit.

You can reduce your total cost of ownership by implementing your solution in other levels of your business, such as Accounts Receivable, Order Processing, Customer Service, and even HR. That does require that you invest in a more flexible, enterprise-level solution from the start – but it's typically a more cost-efficient approach. Instead of purchasing individual point solutions (and going through a separate internal needs audit and procurement cycle for each), you can seamlessly expand your automation initiative beyond your AP implementation.

REASON #10: AUTOMATION CAN PROVIDE A 100% ROI IN AS LITTLE AS 12 MONTHS

Depending on your volume and how many invoices are manually matched or sent for approval, you're looking at 12 to 24 months for a complete return on your investment. The following can also influence your payback period:



- # of invoices that you currently process each month
- Total value of missed early pay discounts
- # of matching vs. non-matching invoices
- Size of AP department and # of processors
- What you plan to automate in the future



CONCLUSION

With over a decade of experience in Accounts Payable automation, we have helped hundreds of companies streamline their back-office workflows. Many of our customers have achieved a complete ROI within a year of implementation and leveraged their savings to automate other departments. Whether you're just starting an internal needs audit or have already started looking for a solution, contact us today to learn more about our **ERP-integrated AP automation solutions.**

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