SAP Concur

Your AP Process: Working Harder or Smarter?

Comparing manual processing to invoice automation

These days, if you want to encourage growth across the business, you have to make a choice about your accounts payable processes: Are you and your team going to work harder or smarter?

What does your vendor invoice process look like?

In a manual environment, paper, faxes, e-mails, and ERPs are the basic building blocks. By automating, you can create a single system to capture and route invoices digitally from approval to payment, regardless of format.

Harder OR Smarter

Harder

86% of invoices are still received as **paper or e-mail**.[1]

Small and midsize businesses take **14.3 days on average to process an invoice**.[1]

Lots of information-stitching and dot-connecting. This is doable for AP superstars, but it's not a scalable solution for employee and business growth.

Smarter

Automation helps finance employees **reduce invoice processing time by 16%**.[2]

Automation **improves the average time** to pay vendors by **51%**.[5]

No bottlenecks. No manual matching. No error-prone 10-key entry. The number of workflow steps are reduced, and AP teams have more time to focus on strategic work.

Do you have visibility into cash flow?

With manual process, you struggle with uncaptured, disorganized, outdated data and disparate cash management insights and decisions. Automation offers real-time data for early-payment discounts (available/captured), on-time payments, and category spend.

Harder OR Smarter

Harder

22% of all businesses can only **forecast their midterm cash flow** with **5%** accuracy.[1]

60% of firms indicate that **tracking spend was a challenge** prior to automation.[2]

Only **9%** of companies have access to real-time data for **financial analysis and planning**.[3]

The lack of insight creates a ripple effect across the entire business – from forecasting accuracy to effective growth investments.

Smarter

Improved tracking saves finance firms **$28,000** per year and retail businesses **$33,000** per year.[2]

More accurate data saves professional services firms **$39,000** per year.[2]

Better analytics saves tech firms **$35,000** per year.[2]

Data insights provide greater ability and assurance to make cash management decisions.

Is your AP process giving you control over spend and workflow?

Working manually results in a reactive AP environment, spending over budget, rogue spending, and paying unapproved, unfulfilled, duplicate, or potentially fraudulent vendors. Automation provides proactive AP environment that can identify anomalies, optimize payment methods, and audit processing records.

Harder OR Smarter

Harder

Businesses experience a **1.29% invoice duplication rate,** or about 6 per month.

2.4% of **disbursements contain errors** when using a low level of automation.[4]

Costly inefficient process with the risk of noncompliance (tax industry) and the potential for unexpected spend.

Smarter

Automation delivers an average **29.2% reduction in invoice processing costs.**[4]

1.7% of disbursements contain errors when using a **high level of automation.**[4]

Ability to plan ahead, see the unseen to mitigate risks, set clear expectations, cut costs and grow.

And the winner is: Working Smarter

As one SAP Concur customer said, after her company had implemented invoice automation, "I get to actually be an accountant now."

Automation means good things for your team and great things for your business – not just time and money savings, but the processes, visibility, and control you need to keep your AP staff fulfilled and your business growing.

Interested in learning more? Check out the guide How to Choose an Automated AP Invoice Solution.

Sources:
[1] *Webinar: From Automation to Optimization, SAP Concur, 2018*
[2] *Elevate Business Performance and Better Manage Spend with Automation, AMI-Partners study, 2018*
[3] *Financial Planning & Analysis Benchmarking Survey: FP&A, a Function in Transition, Association for Financial Professionals, 2016*
[4] *The True Costs of Paper-Based Invoice Processing and Disbursements, AP&P2P Network sponsored by SAP Concur, 2016*
[5] *The Business Value of Concur Invoice, IDC white paper, 2017*

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