Making AP work easier: Streamlining daily tasks with automation

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What this white paper is about

Automating Accounts Payable (AP) tasks can significantly improve efficiency, accuracy, and control within finance teams. This whitepaper discusses common manual tasks that slow down invoice processing, such as data entry, purchase order matching, approval and document archiving, and shows how automation can help remove bottlenecks, reduce errors and accelerate the process.

We'll outline how AI-driven automation solutions can automatically capture invoice data, perform 3-way PO matching effortlessly, route invoices for approval and securely store documents for easy retrieval and compliance.

Key takeaways:

1. Manual AP processes leave more room for human-error and employee frustration, as lots of time-consuming data handling tasks need to be performed daily.

2. Next-generation AI-driven AP automation solutions eliminate manual tasks like data entry and PO matching to ensure a faster and more accurate process.

3. Freeing up teams from the manual tasks associated with traditional AP processes improves employee morale and leaves more time for important strategic tasks.

Introduction

Accounts Payable (AP) teams face many challenges in their day-to-day operations. From entering invoice data to Dynamics 365 Business Central (or another system) and ensuring timely approvals to ensuring compliance and reducing errors, the workload can feel overwhelming at times.

Manual processes, such as data entry and document tracking, not only consume valuable time but also leave room for inaccuracies and bottlenecks. In a world where efficiency and precision become ever more vital to financial processes, the traditional approach to AP is no longer sufficient.

AP automation is a game changer for busy finance teams. By streamlining repetitive daily tasks like data entry and PO matching, it enables teams to focus on higher-value activities like financial analysis and strategic planning.

With the right tools, automation can reduce inefficiencies and errors, whilst making AP operations more agile and reliable. This whitepaper explores how automation can simplify several routine tasks and free up more time for the finance team.

AP automation
& Business Central

The creation and approval of invoices within Business Central can often involve multiple steps and stakeholders. In a manual process, team members must input data into Business Central, route invoices for approval, and follow up with approvers to ensure timely processing. This can lead to delays, miscommunication, and bottlenecks that impact payment timelines.

Choosing an AP automation solution that integrates with Business Central simplifies that workflow by turning invoice processing into just a few steps with minimal manual work required.

Once invoice data is extracted and validated, it can be automatically populated in Business Central, eliminating the need for manual data entry. Automated workflows can also route invoices to the appropriate approvers based on predefined rules, such as invoice amount or department. Notifications and reminders can be sent to approvers, ensuring that invoices are reviewed and approved in a timely manner.

By automating invoice creation and approval in Business Central, AP teams can significantly reduce processing times and eliminate bottlenecks. Approvers benefit from streamlined workflows that provide them with all the necessary information at their fingertips, allowing them to make informed decisions quickly. This not only improves operational efficiency but also ensures that vendors are paid promptly, maintaining strong business relationships.

The following section identifies and analyzes some of the common, manual AP tasks that can be made more efficient through automation.

Daily task 1:
Entering invoice data into Business Central

Manually entering data into Business Central is the starting point of invoice processing, and one of the most frustrating tasks.

Traditionally this task is prone to human error and takes a long time to do, leading to considerable employee frustration. The accounts payable team not only need to manually input data, but also spend time carefully assessing that the data is complete and accurate once it has been keyed in. In a busy AP department, this can result in delays and even missed payments, which can strain vendor relationships and lead to additional costs.

AP automation solutions accelerate invoice processing by automating this task. Instead of manually entering data, automated systems use AI to scan and capture invoice details directly from emails, PDFs, or scanned documents, and enter these accurately into Business Central.

As AP automation solutions process more invoices automatically, they become better at recognizing patterns, such as common invoice formats or frequently encountered errors, and can remember the GL account or Item code used on a specific invoice line (once set) for the future. This means that the more you use the solution, the faster and more accurate it becomes.

Despite this technology being widely available, AI adoption in AP is still in its early stages, with only 7% of AP processes currently using AI (AccountingWeb). However, the benefits of automating data entry, and AP automation as a whole are clear. According to the same article by AccountingWeb and based on a study by Kefron, 'automated invoice processing leads to a 67% reduction in invoice processing costs, 99% accuracy in data capture, and an 80% improvement in productivity, allowing teams to focus on strategic tasks.'

Daily task 2:
PO matching

In traditional workflows, manually matching Purchase Orders (PO's) involves AP team members carefully reviewing each invoice and cross-checking the information against the related PO's and receipts records to make sure that they match.

Manual PO matching is slow and error-prone, often requiring staff to sift through emails, spreadsheets, and paper documents to verify basic (though essential) details. This increases the risk of mismatches, lost information, and delays in payment cycles. Having documents spread across platforms or on paper also limits financial visibility, makes audits harder, and takes up time that could be spent on more strategic work.

AP automation solutions help teams to eliminate much of the manual work by extracting invoice data automatically and comparing it to the PO and receipt records within Business Central (i.e. 3-way matching). This enables teams to apply matching rules and flag any discrepancies instantly before routing everything through a digital workflow. This removes the need for manual document checking and frees up time whilst allowing the AP team to address any potential issues much faster.

Ultimately, automatic PO matching leads to greater payment control. It ensures invoices are only paid after the goods or services are received. The documents related to a purchase are all available to view on one screen, which makes life easier and ensures accurate payments are made at the appropriate time.

By eliminating the repetitive task of PO matching, AP staff can focus on resolving any exceptions and improving overall process efficiency.

Daily task 3: Getting invoices approved
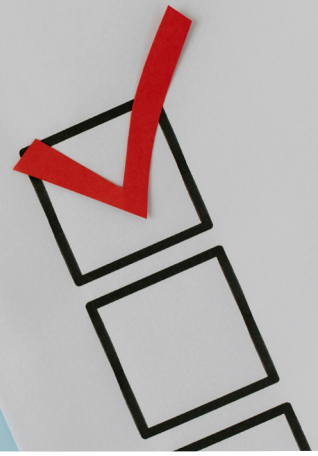
Waiting on invoice approvals can be a major contributor to AP delays.

A study quoted by Resolve states that delays caused by tax calculation errors on invoices can even add 2 to 3 extra processing days. Without automation, teams may rely on email reminders, manual tracking, or regular follow-ups with department heads. All these tasks take time, and the results are often late approvals, which risk frustrated teams and strained vendor relationships.

Automation helps to resolve this issue by providing approval workflows that route invoices based on pre-determined rules like department. Approvers receive all the information they need like notifications and reminders in one place, eliminating much of the manual work usually involved in chasing up invoice approvals.

This structured workflow speeds up decision-making and therefore the invoice approval process as a whole - ensuring invoices are approved on time and reducing the workload of the AP team.

Daily task 4:
Archiving and
managing documents

Managing and archiving original documents is a critical but often overlooked part of the accounts payable process.

Paper-based storage systems are not only inefficient but costly and prone to risks such as document loss or damage. Even digital storage can be challenging if files are scattered across multiple systems or lack proper organization.

Combining AP automation with an effective document management solution solves these problems.

Once invoices are processed, they can be automatically archived in a secure, searchable repository. Metadata, such as invoice numbers, vendor names, and dates, is captured during the process, making it easy to locate specific documents when needed.

Automated document management systems also ensure compliance with record-keeping requirements by providing a clear audit trail. Access controls can be implemented to protect sensitive information, while advanced search capabilities enable quick retrieval of records.

By reducing the time and cost associated with document storage and retrieval, automation frees up resources for more strategic activities.

Zetadocs AP Automation
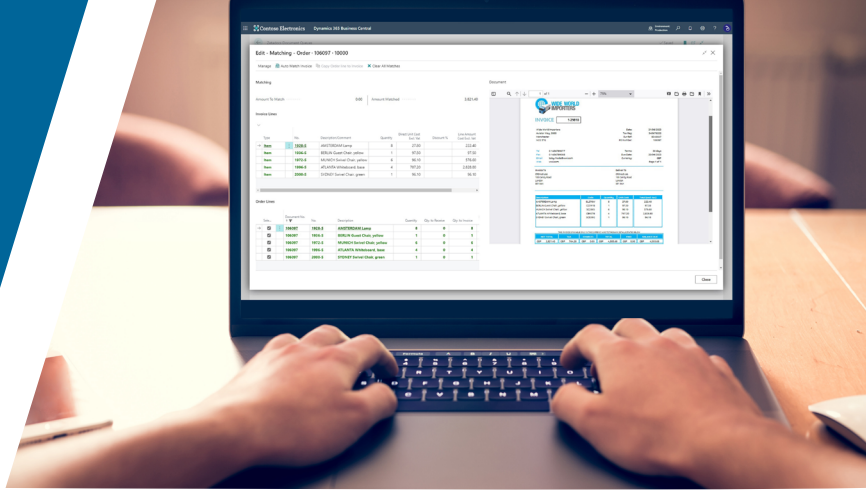
For AP teams looking to harness the power of automation, <u>Zetadocs AP Automation</u> is a comprehensive solution designed to streamline the entire accounts payable process.

From invoice onboarding to data extraction, Business Central integration, and document archiving, Zetadocs AP Automation provides all the tools you need to transform your workflows.

Zetadocs AP Automation offers a range of features to make the accounts payable process more efficient, including:

- **Smart invoice capture**: Extract invoice data and enter into Business Central automatically using AI-driven document OCR technology.
- **Automatic 3-way PO matching**: Automatically match invoice lines to the correct purchase order and receipt lines to streamline processing.
- **Simple invoice approval**: Integrates directly with Business Central for seamless approval workflow, with original invoices on screen to verify purchases quickly.
- **Document management**: Archive original documents in a secure, centralized repository with powerful search capabilities (Microsoft 365 SharePoint).

Whether you're looking to reduce invoice processing times, minimize errors, or improve compliance, Zetadocs AP Automation is the solution you've been searching for.

Take the first step toward a more efficient and reliable accounts payable process with Zetadocs AP Automation. <u>Visit our website</u> to learn more and <u>schedule a demo today</u>.

Conclusion

This whitepaper has outlined how automation can revolutionize accounts payable operations. From invoice onboarding and data extraction to approval and document management, automated solutions eliminate inefficiencies and empower teams to work smarter.

By incorporating all the advanced features discussed above, automation empowers AP teams to achieve even greater levels of efficiency and accuracy. These tools not only save time but also reduce the cognitive load on team members, allowing them to focus on more strategic and rewarding aspects of their work. With tools like Zetadocs AP Automation, AP teams can not only streamline their processes but also build a foundation for long-term success.

About Equisys

Equisys is a leading provider of AP automation, expense management and document management software on Microsoft Dynamics 365 Business Central.

Our software is known collectively as Zetadocs. The Zetadocs suite integrates with Business Central to help organizations automate manual processes, cut paper use, save time and money, and reduce their carbon footprint.

We also produce fax software for PCs and web-based project management software.

If you would like more information on our AP automation solution, please visit equisys.com/Solutions/AP-automation/Overview.