



12 Ways Automation Can Improve Your Workday

Table of Contents

1. Save Time by Eliminating Repetitive, Time-Consuming Tasks
2. Anytime, Anywhere Access via The Cloud
3. Increased Visibility and Control
4. Eliminate Paper from the Process
5. Expedite the Approval Process
6. Streamline the Accounts Payable Audit Process
7. Stop Scammers with Advanced Fraud Detection
8. Increased ePayment Adoption via the AvidPay Network
9. Easily Maintain the Master Vendor File
10. Increased Collaboration Between Employees and Departments
11. Organized and Efficient Month-End and Year-End Closing
12. Increase Data-Driven Decision Making and Improve Cash Flow Management



1. Save Time by Eliminating Repetitive, Time-Consuming Tasks

As an AP professional, you're always working against time. Wouldn't it be nice to stay ahead of the clock for good? Your company could save thousands of dollars tied up in the paper process, but one of the biggest savings will be time.

With automation, you can easily eliminate repetitive and time-consuming tasks like opening and sorting invoices, manual data entry, and waiting for interoffice mail or overnight courier for approvals. Automation reduces the invoice approval time from an average of 28 days to 2.7 days. Think of all the tasks you could accomplish if you weren't busy copying and scanning files to archives, searching for lost or misplaced invoices, and fielding inquiry calls.



“Using AvidXchange has enabled me to concentrate on other imperative things like procedure writing, customer relations, and internal commitments!”

– Lorrie Jackson-Bursey,
AP Manager at Westmount Realty Group.

2. Anytime, Anywhere Access via The Cloud

Cloud computing is the delivery of on-demand computing resources over the Internet. Cloud-based applications, also known as Software as a Service (SaaS), run on networks “in the cloud.” These networks connect to devices via the Internet through a browser or personalized user interface.

Financial departments often use public and internal cloud services to increase visibility and collaboration for big data, reporting, and forecasting. Since the cloud has matured, there's less concern about data breaches—thanks to increased security. In a recent Robert Half and the Financial Executives Research Foundation(FERF) study, more than half of organizations of all sizes



said they are currently using cloud technology, and 72% of finance leaders are either currently using cloud tech or plan to.

For finance professionals, the cloud's appeal goes beyond data storage and security. They appreciate the ease of collaboration and control of sensitive financial documents and data that encourage implementation. Use of the cloud in 2018 opens doors for secure, simplified automation processes for accounting workflows and up-to-date compliance.

AvidXchange's cloud-based solutions provide flexibility for approvers to review and authorize on the go by simply accessing an online portal. Payment automation solutions include automated rules to expedite the current approvals process. Instead of chasing down approvers, there's more time to focus on strategy and analyzing spend.

3. Increased Visibility and Control

Many accounts payable departments are still manually managing workflows and processes, a practice which makes it easy for an invoice to slip through the cracks. Often, finance departments receive and organize invoices several ways—via fax, email, electronic, paper, or a combination of all four. Without a centralized hub, losing an invoice in the piles of paper and scattered emails is always a possibility. **Two out of three surveyed companies reported wasting an average of one to eight hours a week handling invoice management problems in the AP department.**



Top performers are adapting to the Digital Era by implementing e-invoicing, the first step in a paperless payment automation process to streamline payables from start to finish. Because invoices typically are received after products have been purchased, there's a lack of visibility into the budget and spend. As part of the payment automation process, e-invoicing forces the invoice to the front and stores all invoices in a centralized, cloud-based hub, regardless of how they're received. Having visibility into invoices early on simplifies auditing, reporting, and budgeting. AvidXchange's invoice and pay solutions provide visibility into your bill payment process by digitalizing all invoices and payments, whereas with paper checks, a payment could get lost in the mail, take longer than expected to land in the vendor's hands, or be sent to the wrong address.

In an automated system, you know when invoices come in, which balances are outstanding, when payments are due, and who hasn't approved invoices and payments. Comprehensive search and reporting tools make it easy to search for and retrieve invoice and payment information when vendors call, or auditors are at your doorstep.

4. Eliminate Paper from the Process

Every day we speak with finance professionals about the advantages of automating their accounts payable and payment processes. Many understand the benefits of automation: increased control, real-time visibility, increased security, and cost and time savings, but many are still hesitant to leave paper in the past.

Reports show that 51% of payments in the B2B world are made with paper checks.

There are a lot of risks for organizations living in the Paper Age. PYMNTS.com reports predict that processing one paper check costs roughly \$10. In addition to the high cost, results show that buyers who are clinging to paper checks are suffering from lack of payment process efficiency and late payments. Isn't it time to leave paper in the past?

Processing paper invoices and checks is time-consuming, outdated and costly. Some companies are spending up to \$22 to process just one invoice. By transitioning to a paperless process, our customers have reduced their processing time by 700%, cut their processing costs in half, and tripled their output—without adding staff.

You can track the status of any invoice at any time, giving you the ability to analyze critical metrics like approval cycle times and month-end accruals. And with one-click accrual, you can see what's pending approval, how it's coded, and the dollars outstanding in an easy-to-use journal entry format.



“With AvidXchange, our AP process is completely automated. Everything can be found online and there are no more stacks of invoices all over the office.”
– Kelli Parke,
Accounting Manager at Sabadell United Bank

5. Expedite the Approval Process

Reviewing and approving invoices can take days. In many companies, there are different approvers for each part of the payment funnel including invoice and payment amount. Manually approving payments and invoices can be frustrating, especially when approvers are out of the office. Waiting on approvals slows down the payment process, which could lead to late payments.



To expedite approvals, organizations are leaning on automated AP processes with added rules and restrictions to the workflow. These rules and restrictions eliminate the hassle of reaching out to an approver every month about the same dollar amount threshold. Approvals can also be rerouted in the absence of the approver to keep business running as usual. All approval options can be set during implementation for a smooth, streamlined process.

AvidXchange's invoice application is designed to mirror your current approval processes and workflows, without all the paper and inefficiency. By automating the process, your company will be able to track invoices electronically, streamline workflows, and have a central repository for anytime, anywhere access to invoice data.

“ Our AP process is so efficient and streamlined now! From receipt of the invoice to approval and payment. For me, the best part is having all the invoice images in one place with easy access. Research now takes seconds instead of minutes or hours when searching for misplaced invoices. I am so grateful we switched to AvidXchange!” – *Nora Clavell, Staff Accountant at Apple Hospitality REIT*

AvidXchange's payment automation solution enables companies to pay vendors electronically while maintaining all their banking relationships and their current approval workflows. And our PayControl feature creates flexibility for things such as step-level approvals and multiple approvers. Once the workflow is established, invoices and payments are automatically routed to approvers when they're received into the system. The approver then looks at the invoice or payment within the portal and can either approve or dispute it.

No longer will you have to “gently remind” approvers to do their job and approve things—you've got intuitive software and aging reports to do the dirty work for you.



6. Streamline the Accounts Payable Audit Process

Audits can be as burdensome as outdated, paper-based processes. Often an auditor will spend 2-3 days searching through file cabinets spilling over with paper invoices to gain a clear picture of the business structure. It's nearly impossible for an auditor to accurately review all payments and processes during an accounts payable audit when there's the possibility of lost files or manual mistakes.

Automation is the secret to a simple, successful accounts payable audit. All payments and invoices are organized in a centralized, cloud-based hub. Automated solutions provide internal controls that streamline payment processes including signatures, approvals, and fraud alerts.

With an automated system, it may only take 2-3 hours for an auditor to complete the task. By providing an auditor read-only access to your online portal, they can easily search for any invoices they'd like to review and see the audit trail immediately.

Automation provides greater visibility into the entire audit process. There's no such thing as a paper trail: you simply log in to your portal to see the entire history of any invoice from receipt through payment. It makes it easier on your auditor(s), but more importantly, it makes it easier on you during the whole ordeal.

7. Stop Scammers with Advanced Fraud Detection

Fraud is at an all-time high. Scammers are moving at the speed of lightning to cash in big bucks. They're taking advantage of the Digital Era's easy access to private accounts and information in malicious ways that are frequently undetected. According to the Association of Certified Fraud Examiners' most recent report, there were \$6.3 billion in total losses from ACFE cases in 2016. **Across all industries, banking and finance services were the biggest victims at 16.8%, losing an average of \$192,000 annually.**

So, what's making all this fraudulent activity so easy? Paper checks. Checks may seem convenient and cost-effective, but the risk is greater than the reward. According to the Association for Financial Professionals' 2017 Payment and Fraud Control Survey, checks continue to be the top vehicle for payment fraud. The survey points out that 75% of businesses that were victims of fraud were targeted via checks—a new all-time high. Wire transfers were the second most targeted payment method, while credit cards followed closely in third place.

Accounts payable and payment automation enforces strict adherence to business rules, reducing opportunities for B2B fraud. Manual processes rely on post-payment review to detect deviations from business rules. By the time you've detected an issue or discovered an error, the fraud has already occurred.



Automation ensures that your company's invoice and payment information is secure in a cloud-based environment that can be accessed anywhere at any time. Automated fraud detection is one of your organization's best lines of defense against fraudulent and duplicate requests for payment.

AvidXchange uses Positive Pay, an automated fraud monitoring system that searches for red flags and suspicious vendor changes including duplicate electronic payments and invoices. Our automation solutions allow you to protect yourself in several ways:

- Identify a source as a trusted vendor
- Provide conditional approval rules
- Identify duplicate and similar invoices
- Configure unique workflow steps and approvals
- Issue immediate notification alerts
- Identify and eliminate fraudulent invoices

8. Increased ePayment Adoption via the AvidPay Network

Through the AvidPay Network, vendors can submit invoices in a variety of convenient ways. Invoice data is extracted and input to your accounting system via AvidXchange's invoice automation software. The same vendors submitting their invoices through our network can then also be paid through our network.

At AvidXchange, our Supplier Services team contacts all your clients and suppliers to verify and update their information, confirm their accepted payment types, and perform due diligence on any outstanding payments to get them resolved quickly. As a result, AvidXchange customers experience an average supplier conversion to electronic payments of 45%.



Part of our success rate is because AvidXchange works with unlimited banks and types of accounts and has different payment methods available. During our outreach to suppliers, we first offer virtual card and enhanced ACH, but for suppliers that can't accept those methods, we still pay them via paper check, so they don't have to worry about payment distribution.

This network of vendors creates opportunities for discounts and maximizes your potential to lower your payment processing costs by paying vendors in the most efficient way possible. Payments made through the AvidPay Network deliver enhanced email remittance to suppliers for each credit made to their bank account.

AvidXchange Cashflow Manager™, our supplier portal, enables suppliers to see the status of invoices and payments and gives them access to financing options that enable them to get paid sooner on invoices requiring approval.



9. Easily Maintain the Master Vendor File

Speaking of suppliers, vendor information is in constant flux because contact names, phone numbers, addresses, and terms change frequently. For AP professionals, vendor management can be one of the toughest challenges in a manual, paper-based environment. By updating the master vendor file on an ongoing basis, however, you can avoid the problems that arise with incorrect entries, such as duplicated payments, fraud activity, and noncompliance with federal laws like the Sarbanes-Oxley Act.

By utilizing an accounts payable automation solution, you can create a standardized supplier setup process with internal controls that will ensure your organization's compliance with regulations and 1099 tax legislation. You'll also eliminate IRS B-notices and fines by ensuring business isn't conducted with companies on federal watch lists.

By automating supplier data management, you can turn your vendor file into an increasingly valuable business asset. Use it to analyze and manage your AP spending and ultimately to renegotiate with your vendors.

10. Increased Collaboration Between Employees and Departments

AP automation can bring numerous benefits, including real-time visibility into performance, increased accuracy, and improved compliance with tax laws and industry regulations. But what about collaboration?

According to research by PayStream Advisors, the effects of automation technology reach far beyond the AP department. Automating accounts payable processes can lead to faster decision-making and better relationships with vendors while improving cross-departmental communication.

Instead of keying in data or filing physical documents, AP specialists can focus on tasks like verifying data, handling exceptions, fielding questions from suppliers, and maintaining the master vendor file. The time savings from automation allows managers and specialists to work together on dynamic discounting, supply chain financing, p-card rebate programs and other solutions to save the company money. And AP supervisors and managers can collaborate with staff to handle delicate issues such as disagreements with suppliers.

One of the first things AP departments notice when they automate is a drop-off in inquiries from suppliers, as most of these questions concern the status of payments. In an automated environment, vendors receive notification from the system when their payments are pending. After automating, the calls from suppliers concern more pressing issues such as short payments, discount terms, and quality of items delivered.

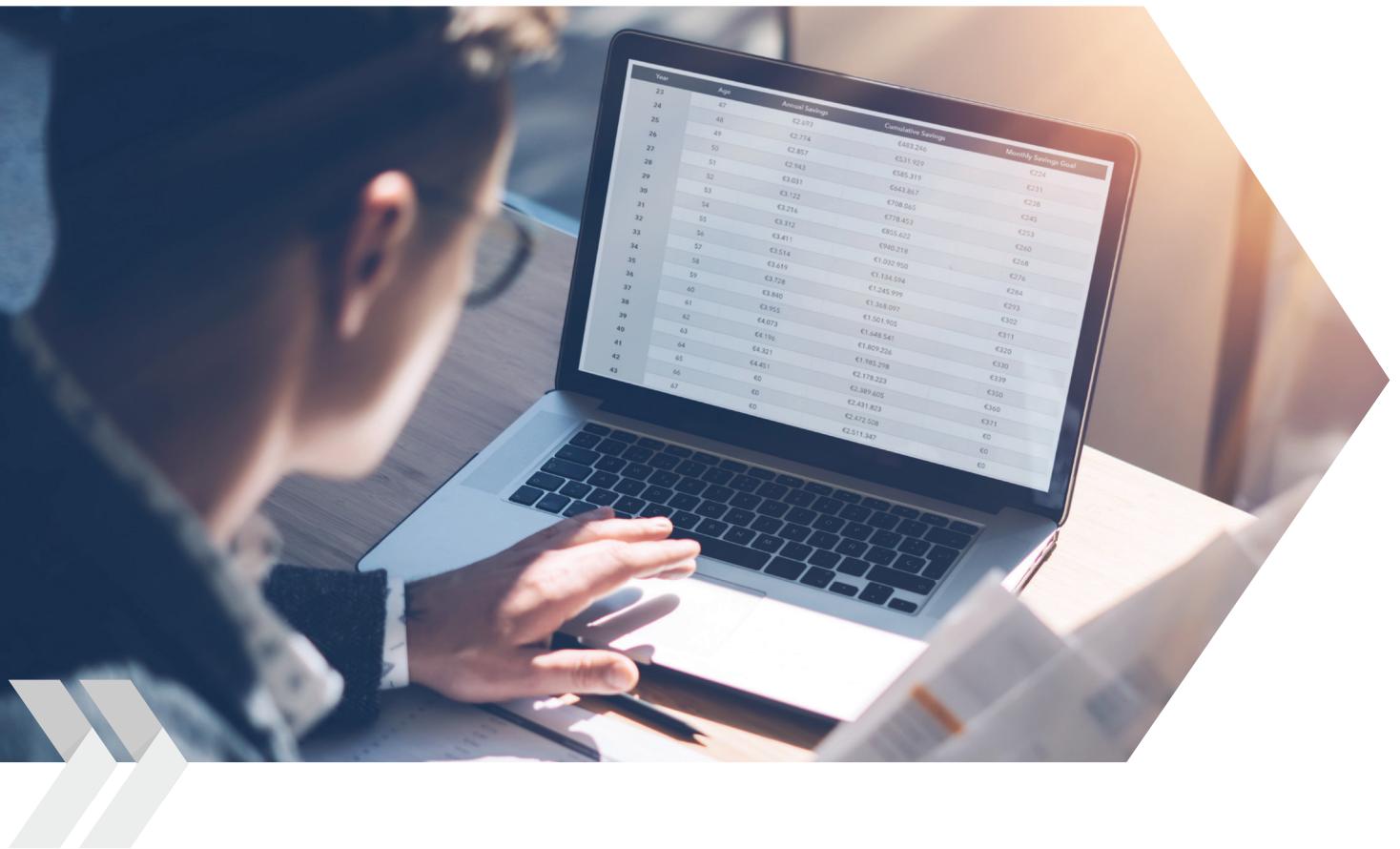


11. Organized and Efficient Month-End and Year-End Closing

Think about how you evaluate your personal budget for the month. How much money did you spend? Did it all add up? What exactly did you buy, and how much did you make? Spreadsheets and budget apps may help, but it's easy to miss the outstanding auto-drafted bill or upcoming payment.

Every business reconciles accounts differently based on expenses and expectations. Regardless of the method, paper processes are a problem. There's the risk of manual miscalculations and lost files, not to mention the fears of data security. To ensure that financial statements are accurate and timely, most companies utilize journal entries and detailed checklists for the various tasks that must be completed during month-end/year-end periods. Many of these manual, paper-based processes can be streamlined with AP automation.

“For AP professionals, tracking down invoices from the previous month and closing them out can be a tedious and time-consuming task, let alone for the entire year.”



In an automated system, all invoices are automatically stored in a centralized, searchable database so you can easily reconcile invoices, quickly satisfy vendor requests, and produce management reports on demand.

The AP team can track the status of any invoice, any time anywhere, giving you the ability to track critical metrics like approval cycle times, approver productivity, and month-end accruals. And with one-click accrual, you'll see what's pending approval, how it's coded, and the dollars outstanding in an easy-to-use journal entry format. When it comes to month-end closing, you'll have the following:

- Time savings and visibility into approvals
- Improved controls with approval documentation
- Historical data and improved analysis
- Regular approvals—no fire drills at month-end
- Missing invoice identification
- Accrual process reporting

We've seen companies dramatically improve their month-end close by automating accounts payable processes. A stressful, weeklong ordeal can quickly become an organized, efficient 1-2-day process. Who doesn't like the sound of that?

12. Increase Data-Driven Decision Making and Improve Cash Flow Management

The roles of corporate controllers and CFOs are evolving from traditional finance responsibilities to more big picture functions that can help diagnose the overall financial health and profitability of an organization. This diagnosis relies heavily on having the right tools in place to capture accurate data for different members of the organization to use for analysis.

If you're in the tech industry, you've probably heard the term "big data." Big data describes the large volume of data—both structured and unstructured—that inundates companies on a day-to-day basis. Cloud computing has given companies the ability to analyze huge data sets to run their business more effectively.

Finance departments are predicted to use cloud technology's 2018 advancements for big data to gain insights into bigger business bets and better strategic decisions. By studying the financial operations dashboards, you can see and compare real-time metrics, such as days payable outstanding (DPO) and days sales outstanding (DSO), for an unabridged view of your company's financial health, allowing you to be a stronger resource for the CEO and the board of directors in charting your business strategy.

If you want to leverage your cash-on-hand more efficiently to pay for vendor goods and services, automation provides unprecedented visibility into your organization's cash flow. The CFO can assist the CEO in high-level decision-making in ways that help your business grow and become more profitable, such as mergers and acquisitions, capital improvements, launches of new products and services, geographic expansion, and increases in staffing.

This guide was created by AvidXchange™. AvidXchange revolutionizes the way organizations pay their bills. Serving more than 5,500 clients throughout North America and 400,000 vendors nationwide, AvidXchange is the leading provider of cloud-based, purchase-to-pay solutions for Enterprise and Midmarket organizations, spanning multiple industries including Real Estate, Financial Services, Energy, Non-Profit, and Construction.

Interested in automating your payables and creating efficiencies for your AP team? You can read all there is to know about a car, but you're going to at least take it around the block before you sign on the dotted line. AvidXchange's automation specialists would be happy to schedule a customized demo for you. Call us at (888) 918.2843, email our sales team directly at sales@avidXchange.com, or [click here](#) to schedule a demo today.