

ACCOUNTS PAYABLE AUTOMATION:

Understanding Why and How Esker's Cloud-Based Solution Is Used

Increasingly, companies looking to gain new operational efficiencies and improve their bottom line are turning to processes such as accounts payable (AP) as prime candidates for modernisation. Traditional paper-based AP invoice processing is associated with high costs, limited visibility and lengthy turnaround times that ultimately impede business progress and profitability. Fortunately, Esker's cloud-based Accounts Payable solution allows these challenges to be solved with ease.



Key Benefits of Automation

Based on Esker customer results, typical benefits achieved by organisations using Esker's Accounts Payable automation solution include:

- Up to 65% faster AP invoice processing speeds
- Data entry accuracy rates of over 99%
- Return on investment realised in 3-6 months
- As much as 40-60% lower purchase-to-pay costs
- 100% visibility into every invoice via a full audit trail and KPI dashboards for monitoring and reporting
- Improved supplier relationships and increased supplier self-service via a convenient online portal
- Elimination of duplicate payments
- Support for shared services centre initiatives

Accounts Payable Challenges

When using manual methods to process and handle AP invoices, an AP department's ability to achieve its main goals is often hampered by several main obstacles, including:

- **Processing delays.** Manual routing, processing and signoff procedures can lead to missed vendor discounts, late payment penalties and even strain supplier relationships.
- **Reduced accuracy.** Errors, such as double invoice booking and payment, misplaced/lost invoices, and lack of standard processes for payment signoff and vendor management, directly impact working capital and compliance.
- **No visibility.** Limited process visibility and control makes it harder to assess AP operations, optimise the use of company cash and develop strategies for improvement.
- **High costs.** Excess paper, transportation and physical archiving expenses cost companies money. Processing errors require resolution which can also drive up the cost per invoice.
- **Difficult data retrieval.** From audits to vendor inquiries, finding information quickly can be virtually impossible when invoices are stored and retrieved using manual methods.

Inside Esker's Solution

Esker's Accounts Payable solution automates every phase of AP invoicing — from reception of the original document to the creation of an accounting book entry in the ERP/business system — minimising the number of manual touch points, reducing IT requirements and enhancing overall visibility.



Advantages of AP Automation

Greater processing speed and accuracy

An end-to-end automation solution removes the error-prone and time-consuming manual steps of keying-in, reviewing, coding and approving AP invoices. Purchase order (PO) and non-PO invoice posting are automated and fully auditable. Not only does this improve staff productivity, it speeds up processing time while preventing costly errors such as duplicate payments.

Workflow efficiency at every stage

Regardless of format, scanned or electronic invoices are entered into an automated workflow where Esker's intelligent image recognition technology accurately extracts data for verification. The invoice is then dispatched for approval and automatically archived for anytime availability.

Improved oversight and visibility

Dashboards provide users with readily available data needed to perform their daily tasks, monitor performances, and spot problems or opportunities as soon as they arise. A complete audit trail of every point within the process also provides peace of mind regarding Sarbanes-Oxley Act compliance, giving insights into "who did what, when and where."

External ERP workflow

Web-based AP workflow outside of the ERP/business system has many advantages, including: better business continuity, anytime access, non-ERP user approval capability, easier training and user acceptance, and simplified setup of shared services centres.

KPI improvement

Over time, an automation solution can improve key performance indicators (KPIs) in comparison to top industry metrics (e.g., increase productivity, lowered cost per invoice, more discounts captured, etc.).

Mobile invoice approval

Esker's mobile invoice approval app equips managers with on-the-road accessibility to review and approve supplier invoices – anytime, anywhere. The app is available 24/7 from Apple or Android devices.

Improved supplier relationships

As part of Esker's Accounts Payable automation solution, a convenient online portal gives suppliers self-service access to payment information, helping them get paid quicker and reduce costs, while saving your company time and money previously allocated to responding to invoice status calls.

Esker Solution Methodology

Cloud-based implementation

Esker offers the flexibility to allow businesses to easily deploy their automation solution according to their unique needs. Because all of the functionality is built into a single, collaborative platform, solutions can be implemented quickly with minimal upfront costs and without disrupting current processes.

Requiring nothing more than an Internet connection and web browser (i.e., no additional hardware, software or maintenance investments), Esker's on-demand offering is specifically designed to help customers avoid lengthy deployment cycles.

Agile and Change Management

Esker's solutions are implemented using Agile methodology and Change Management practices. This type of collaborative and phased approach allows users to get hands-on solution experience early on in incremental stages while also being more receptive to procedure changes once the solution is in place.

Benefits of Agile and Change Management include:

- Gaining the benefits more rapidly with faster ROI
- Ability to make decisions with context and experience
- Quickly receiving new features to test
- Direct involvement in the project
- Greater process insight
- Investing resources in the most valuable features
- Reducing risks and lowering overall startup costs