



# Invoice and Workflow Automation

Progressing Beyond Efficiency to Strategic and Tactical Benefits



Q2 2013

*Featuring Insights on ...*

Current Need for Automation Solutions

Challenges in the Invoice Management Process

Top Financial Automation Goals for 2013

Barriers to Automation

Key Performance Indicators for AP

AP Automation Solution Providers

## Table of Contents

Introduction .....	<b>1</b>
Executive Summary .....	<b>2</b>
The Need for Automation Solutions.....	<b>3</b>
Defining the Invoice Automation Universe .....	<b>10</b>
Various Forms of Invoice Automation.....	<b>12</b>
Benefits of Approval Workflow .....	<b>18</b>
Workflow Automation Best Practices.....	<b>20</b>
Key Performance Indicators for AP .....	<b>26</b>
IPS .....	<b>28</b>
IPS Case Study .....	<b>32</b>
Conclusion .....	<b>33</b>
About PayStream Advisors .....	<b>33</b>

## Introduction

In an effort to streamline the accounts payable process, more companies are adopting automation solutions. Electronic invoicing and automated workflow are both experiencing increased adoption, as more companies strive to migrate from a manual paper-based invoice system to an efficient automated system. This holistic approach to electronic invoicing and automated workflow is gaining momentum, since a static electronic invoice isn't much better than a paper one. The true value of an electronic invoice lies in how successful companies are at assimilating invoice data into accounting systems and management workflows. This culture of integration yields the best return on investment (ROI). An integrated approach to invoice automation works to automate data capture, invoice coding, workflow, review and approval.

As predicted, in last year's report, the adoption of automated workflow increased with the increase in electronic invoicing. According to PayStream's 2013 Electronic Invoice Adoption survey, use of electronic invoicing increased by 3 percent, and workflow automation increased by 2 percent, from 2011 to 2012. Interestingly, survey respondents ranked electronic invoicing via portal or network (31 percent) and automated workflow (25 percent) as their top AP automation goals for the coming year.

For accounts payable departments, invoice processing can be expensive and time consuming if dealing with manual processes and paper documents. The adoption of electronic invoicing and automated invoice workflow can help lower costs and speed up processing. Additional benefits include increased control and visibility into spend, on time payments, increased capture of discounts and added efficiency in the AP department to focus on more strategic issues that help drive business.

The market for electronic invoicing and automated workflow continues to open up as adoption trickles down from large organizations to small and medium enterprises (SME's). The market for electronic invoicing is currently at \$280 million. PayStream predicts demand is growing at a compound average annual growth rate of 13 percent. PayStream anticipates seeing the majority of this growth in SME's, as these organizations strive to reap the benefits of automation that large, early adopters witnessed.

## Executive Summary

The purpose of this report is to explore the convergence PayStream analysts are witnessing between Invoice and Workflow Automation solutions and Electronic Invoicing, as more accounts payable departments migrate towards paperless processing. PayStream Advisors conducted in-depth surveys among AP and other finance professionals, and this report contains the results.

Key findings in this report include:

- » Electronic invoicing increased by 3 percent and workflow automation increased by 2 percent from 2011 to 2012.
- » Electronic invoicing (31 percent) and automated workflow (25 percent) are the top AP automation goals for 2013.
- » The use of electronic invoicing to trade B2B invoices increased by 8 percent from 2011 to 2012, while the use of paper decreased by 5 percent.
- » The fact that the majority of invoices are received in paper format (61 percent) is the number one challenge in the invoice management process.
- » Over one-third of survey respondents report that less than 10 percent of their invoice process is automated.
- » Survey respondents report that the top barrier to imaging solutions is a lack of budget (27 percent).
- » Nearly half (48 percent) of respondents report they are currently utilizing a front-end imaging solution.
- » Companies invest the most resources into implementing workflow technology (24 percent).
- » Nearly one-quarter (24 percent) of survey respondents report they are currently utilizing an electronic invoice solution.
- » The number one benefit to the implementation of approval workflow is the quicker approval of invoices (76 percent).

This report is based on the results of PayStream's Electronic Invoice Benchmark, Invoice Workflow and Automation, and Shared Services surveys of over 500 account payable and procurement professionals at U.S. based enterprises. AP professionals are encouraged to explore electronic invoice and automated workflow solutions with the goal of reduced processing costs, increased visibility, increased on-time payments and capture of supplier discounts, improved vendor satisfaction, fewer duplicate invoices, and a reduction in exceptions and discrepancies.

Based on the number of survey respondents, PayStream believes that the survey has a confidence level of +/- 5 percent.

For more information on this and other research reports available from PayStream Advisors, visit PayStream's Research Library at [www.paystreamadvisors.com](http://www.paystreamadvisors.com)

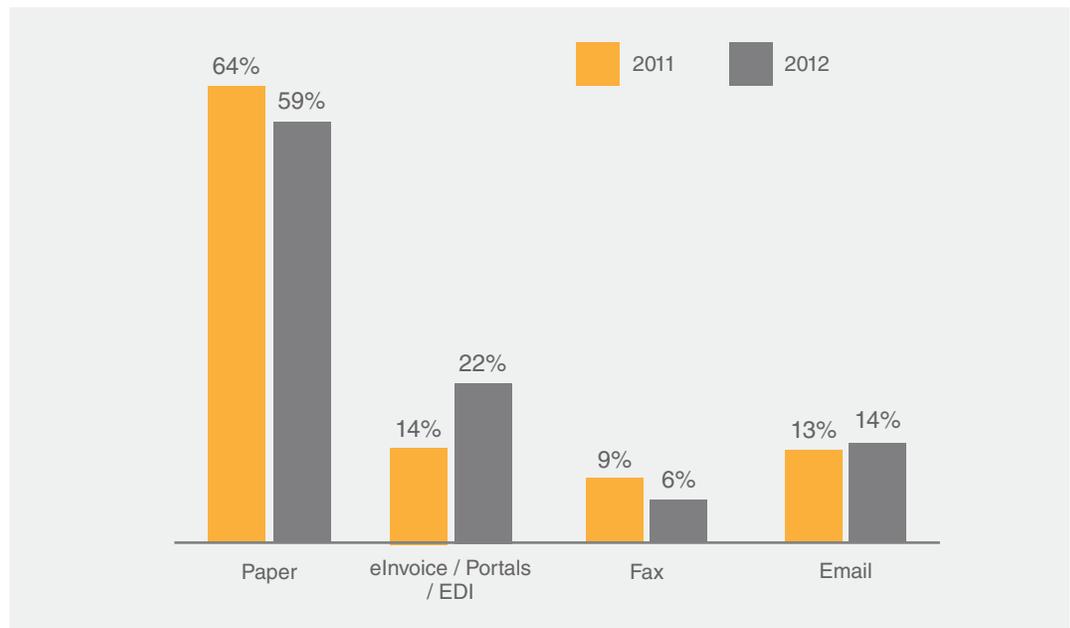
## The Need for Automation Solutions

Inefficient, paper-based invoice processing methods are still the primary method that businesses are utilizing to trade invoices. However, there is a light at the end of the paper trail – electronic invoicing to trade B2B invoices increased by 8 percent from 2011 to 2012, while the use of paper decreased by 5 percent, see Figure 1. Electronic invoices now account for nearly one-quarter of invoice volume. Only one in every ten companies surveyed said they were satisfied with their old paper system. More companies are witnessing the benefit of AP automation, which has led to a decline in the belief that current paper-based processes work. In an effort to gain the benefits of invoice automation, more companies are adopting electronic invoice and automated workflow solutions. Survey results reveal that 11 percent of organizations are currently deploying an einvoice solution and will go live within the next 6 months. An additional 46 percent are currently evaluating the usage of an einvoice solution. Twenty-nine percent report they plan on implementing an automated workflow solution within the next 6 months as well.

Figure 1

**Methods Used to Trade B2B Invoices**

*Electronic invoicing increases as invoices traded via paper continue to decline.*



Paper invoices are the enemy of efficiency in the Accounts Payable department. This challenge is further compounded by the fact that invoices are rarely sent directly to the AP department. In many cases, suppliers send invoices to buyers in the purchasing department or directly to field approvers. If a company has multiple buyers in multiple locations, tracking down an invoice for on-time payment becomes even more difficult. Often times an invoice will sit on an approver's desk for a week or two, without even being entered into the accounting system. Routing of invoices in paper form is time consuming and leads to other problems downstream. Worse yet, some companies don't even have a formal policy that specifies where invoices should be sent and routed, which can result in a number of problems, including:

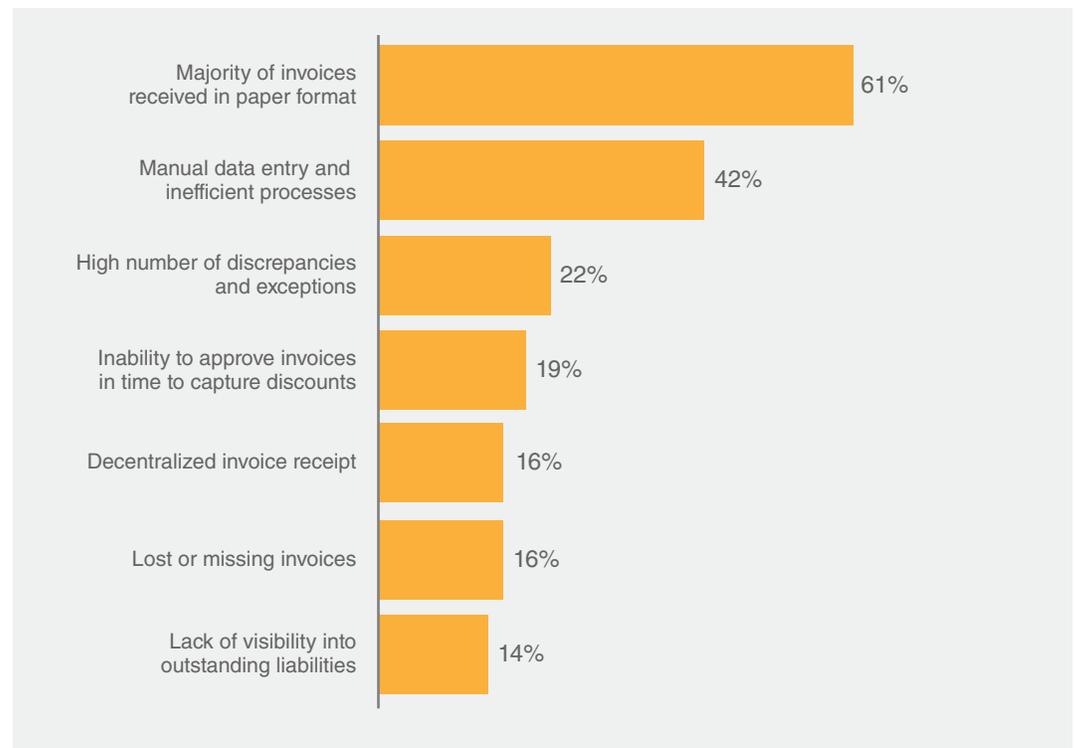
- » Management does not have visibility into all of the company's outstanding liabilities when making investment and borrowing decisions.
- » Invoices are beyond the discount period by the time they are entered into the accounting system and are ready for processing.
- » Suppliers could cut off inventory or put your company on credit hold because invoices are late and not paid on time.
- » Invoices not paid on time increases the potential for duplicate invoices if the supplier sends a second invoice.

The fact that the majority of invoices are received in paper format and require manual data entry is the number one challenge in the invoice management process, see Figure 2.

Figure 2

**Challenges in the Invoice Management Process**

*Paper invoices and manual data entry rank as the top challenges in the invoice management process.*

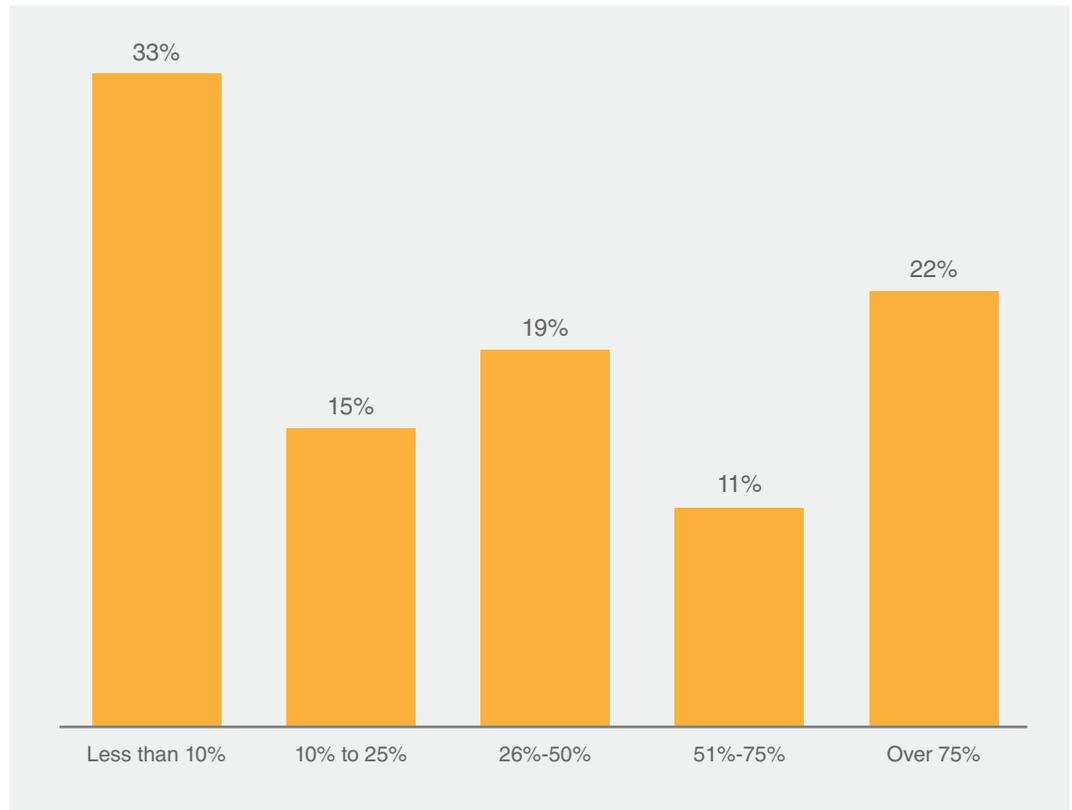


The challenges associated with the invoice management process as shown in Figure 2, can quickly be alleviated through invoice automation. However, PayStream's survey results reveal that over one-third of companies report that less than 10 percent of their invoice process is automated, see Figure 3. Only 22 percent of companies report that over 75 percent of their invoice process is automated.

Figure 3

**Percentage of  
Automated Invoice  
Processes**

Over one-third of companies report less than 10 percent of their invoice process is automated.

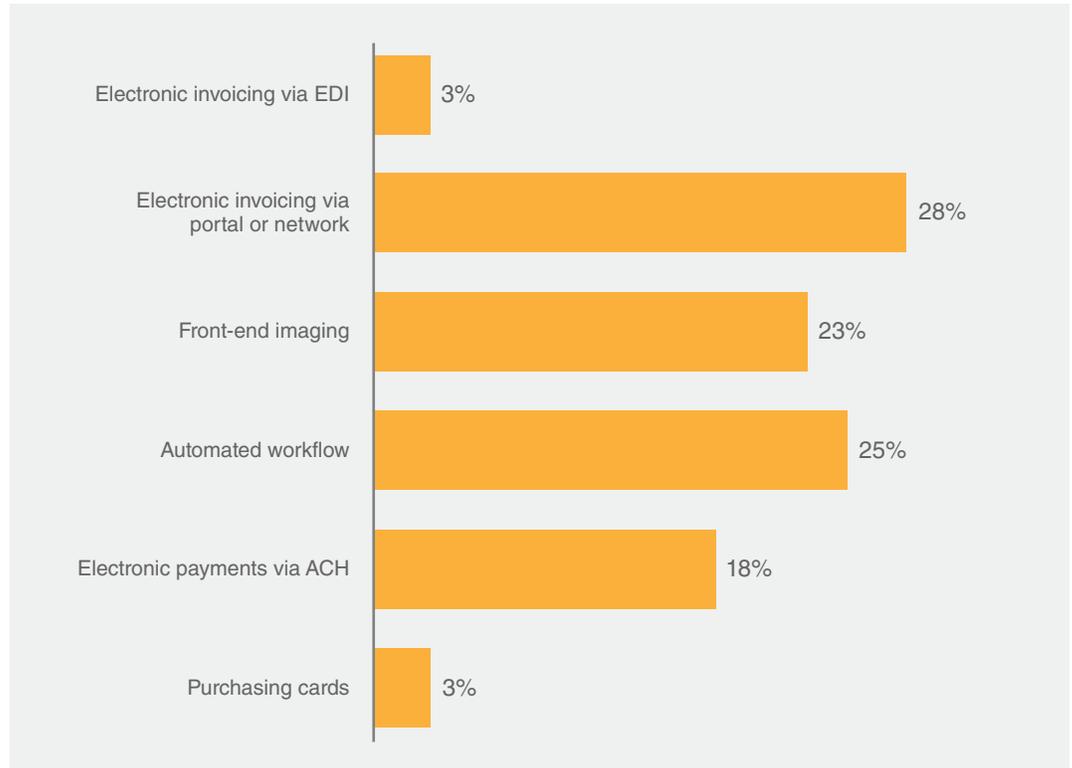


It's no surprise why electronic invoicing and automated workflow rank high in 2013 automation goals for companies surveyed by PayStream, see Figure 4. Today's savvy AP professionals recognize that eInvoice and workflow automation solutions are more than just efficiency tools but also serve to improve spend analytics, cash management and vendor relationships.

Figure 4

**Top Financial Automation Goals for 2013**

*eInvoicing via portal or network ranks as the top financial automation goal, as more AP professionals work towards paperless invoice processing.*

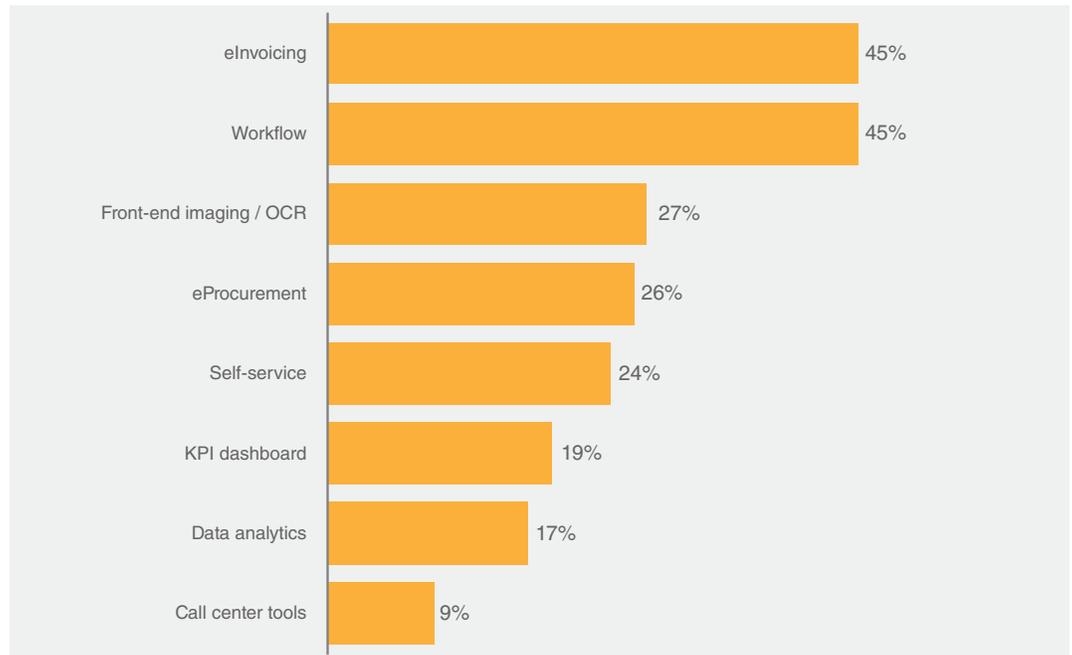


Keeping pace with the 2013 financial automation goals shown in Figure 4, survey respondents report that the top three financial automation technologies that have been most useful include eInvoicing (45 percent), workflow (45 percent) and front-end imaging/OCR (27 percent), see Figure 5.

Figure 5

**Three Most Useful Financial Automation Technologies**

*eInvoicing, workflow and front-end imaging ranked as the top three most useful technologies.*



## Factors Driving Automation

Analysts have predicted paperless invoice processing for quite some time. Over time, the drivers leading to invoice automation adoption have evolved from an efficiency standpoint to more strategic and tactical benefits that include spend visibility for accurate forecasting, cash management, increased control of the entire invoice process through workflows and business rules, and improved vendor relationships.

- » **Cash Management / Working Capital** – Invoice automation pays dividends to both buyers and suppliers in the form of liquidity and control. Through automation, buyers can manage their free cash and invest it for big returns in the form of early-payment discounts to suppliers. Suppliers benefit by the accelerated collection of receivables.
- » **Data Analytics** – Automated invoice processing solutions brings increased visibility into all invoices, which allows for greater control of cash flow and working capital management. Powerful reports can be quickly generated and used to make highly data-driven business decisions. Companies that harness this data are able to quickly drill down into report details with increasing granularity and accuracy for fast, effective decision making.
- » **Software-as-a-Service** – (SaaS) solutions have worked to significantly lower the cost of implementing an eInvoice and workflow solution. SaaS solutions are vendor maintained and updated, which provides users with the latest functionality with minimal commitment of IT resources.
- » **Ease-of-Use** – Today’s turnkey purchase-to-pay solutions eliminate disparate legacy solutions, simplifying the approval process and moving documents along with clear rules, permissions and escalations to ensure that invoices get to the right people, arrive on schedule, and get paid on-time. The powerful functionality and usability of today’s automation solutions allow for wide-spread adoption in companies of all sizes. Mobile functionality enables managers who travel to use their mobile device to approve an invoice for payment. This enhanced workflow functionality keeps invoices moving seamlessly through the system.
- » **Results** – It’s hard to argue with results. The benefits of electronic invoicing and automated workflow have been well documented for both buyers and suppliers.

### **Benefits of sending eInvoices:**

- » Get paid faster with invoices going straight to processing
- » Cut costs and increase efficiency
- » Track the status and increase visibility of every invoice for improved cash flow and working capital management
- » Trade anywhere in the world with the correct sales tax automatically applied

- » Easily add digital signatures to comply with policies and regulations
- » Quickly resolve disputes and queries with collaboration features
- » Boost your green credentials by eliminating paper immediately

***Benefits of receiving invoices:***

- » Save on every invoice – slash invoicing costs from day one
- » Eliminate paper and save time with invoice automation
- » Integrate automatically with any invoice processing or back-end system
- » Qualify for early payment discounts by paying suppliers faster
- » Bring new suppliers on board faster and get the relationship off to a flying start
- » Free up office space with easy-to-use electronic invoice archiving

**Barriers to Automation**

Invoice imaging is often the first step in automating accounts payable. Imaging helps tackle the toughest part of a manual accounts payable process, which is paper. Once a paper invoice is translated into an electronic document, it becomes much easier to manage. Front-end imaging is the most beneficial, since it captures an invoice as soon as it enters the organization and can be easily tracked throughout the entire process. By connecting with an automated workflow system, the invoice approval and payment process increases which leads to more on time payments and discounts captured.

Despite the proven benefits of automation that have been witnessed by early adopters, change does not come easy. PayStream survey results shown in Figure 6, illustrate the full spectrum of challenges; however, PayStream analysts point to three main concerns:

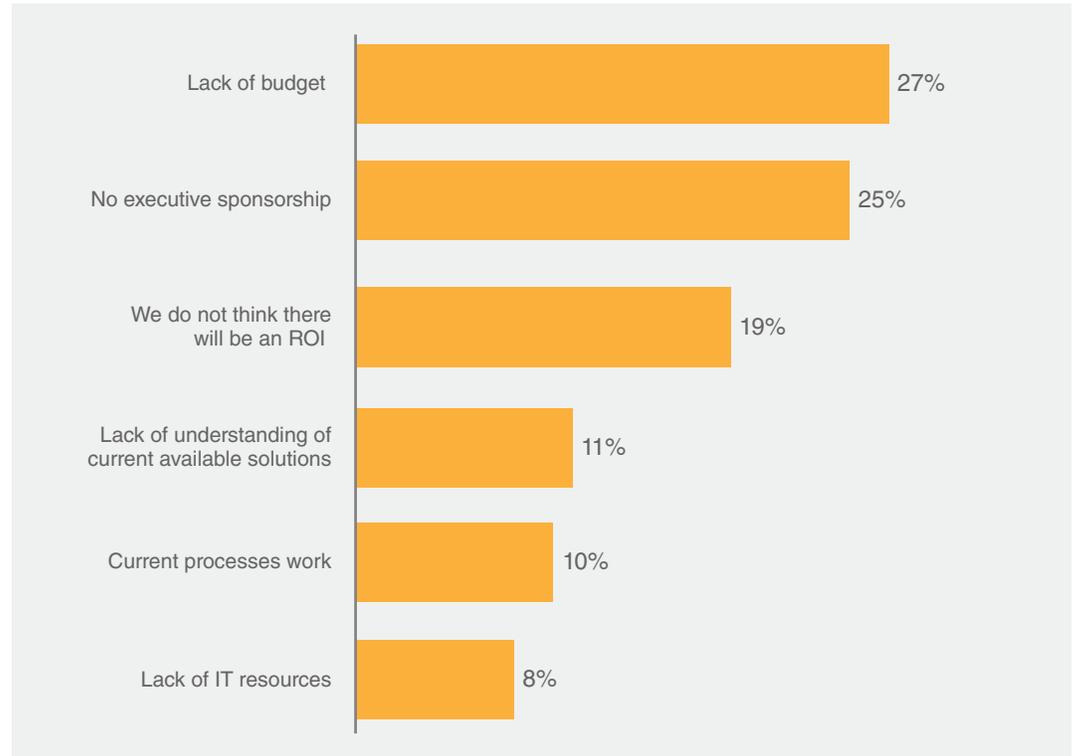
1. ***Business Practices*** – Internal resistance to change and the persistent insistence that current paper-based processes work, even though they are not the most efficient, means that solution providers and change management champions must clearly identify the tangible benefits of invoice automation and communicate them efficiently. The clear communication and understanding of the benefits will impact many of the barriers including no executive sponsorship, lack of understanding of current available solutions and the belief that current processes work.
2. ***Technical Challenges*** – The increased usage of Software-as-a-Service has been a real game changer in the financial automation market. Unlike solutions in the past, most applications on the market today are designed to integrate easily with legacy systems on the buyer and supplier sides, resulting in secure and seamless data transfer, streamlined processes and more efficient workflows with minimal IT resources or upfront hardware/software cost commitment.

3. **Supplier Resistance** – Increased functionality and ease of use with supplier portals, supplier on-boarding initiatives and increased emphasis on win-win functionality such as accelerated payment, free supplier analytics, and dynamic discount management, are winning over more suppliers, resulting in increased supplier adoption.

Figure 6

**Top Barriers to Imaging Solutions**

*Lack of budget ranked as the top barrier to imaging solutions.*



## Defining the Invoice Automation Universe

An integrated or holistic approach to invoice automation that works to streamline the entire P2P process, has opened up a world of powerful possibilities that companies large and small can reap rewards.

Converting paper invoices to digital images and data on the front end not only eliminates the need for costly paper handling and storage, but also provides management with better business analytics and control over spending and working capital. Automated workflow is not only more efficient, but it is also much faster, ushering in a new era of working capital management and buyer/supplier collaboration through supplier portals and dynamic discount management.

### Components of the Invoice Automation Universe

From paper to payment, the invoice automation universe comprises a number of different functional components. Some solution providers deliver all the functionality in an integrated, end-to-end solution, while others focus on some of the components. The following illustration shown in Figure 7, separates the process into its component parts.

***Paper Invoice Receipt*** – This is the hands-on process that is necessary to prepare paper invoices for scanning and electronic access. Steps may include sorting invoices into different batches (by cost center, business unit, vendor type, etc.), removing invoices from envelopes, removing staples, and making photocopies of smaller items, if required. Sometimes blank separator pages need to be inserted between invoices and their attachments. AP operators in the mailroom typically carry out the paper invoice receipt step.

***Document and Data Capture*** – This is the process of converting paper invoices and other transaction-related documents into digital images and index data. Document scanning and data extraction could be centralized or remote, based on an organization's specific needs. Specific steps include scanning, image enhancement, indexing, validation and data extraction, most of which are handled automatically by the solution provider that is being used. In some cases, manual data entry or review of extracted data is required.

***Electronic Invoicing*** – Most invoice automation solutions come bundled with a vendor portal or can be integrated with an electronic invoice network, which suppliers can utilize to submit invoices electronically. Suppliers have the option of selecting the method that best suits them from a range of electronic submission options; enter data manually in the portal, flip purchase orders into invoices, or browse and upload documents from accounting systems. The electronic invoice component is also configured with validation checks and buyer-defined tolerance levels to check invoices for missing information and exceptions. Suppliers are immediately notified about invoices that fail the validation criteria and are asked to correct the exceptions before the invoice is resubmitted and forwarded to the AP department.

Figure 7

*Invoice Automation  
Universe*



**Content Management** – This refers to the delivery, storage, management and disposition of electronic documents and index data. Some invoice automation solutions come bundled with a central repository that can store invoice images and data, while others rely on third party content management solutions for this purpose. The content management system integrates closely with clients’ existing ERP or back-end accounting systems to enable seamless retrieval of documents from within the client system to users with the appropriate access rights.

**Matching and Workflow** – This includes the matching of PO-based invoices as well as the electronic approval of non-PO based invoices and the resolution of any exceptions related to PO invoices. Most solutions allow the creation and maintenance of workflows through a menu-driven, easy to use interface, which can be managed by business administrators, without involvement of the IT department. Tasks and pending invoices can be routed to various individuals within the organization according to pre-defined business rules. Common features include automatic notifications to users when specific actions are required, reminder messages, and escalation procedures based on approval hierarchies.

**Reporting and Analysis** – Analyzing key invoice receipt-to-pay metrics and the ability to monitor individual user’s actions for quality control and load balancing is a key part of implementing a workflow automation solution. Typical reporting and analysis tools include the generation of standard and ad hoc reports detailing invoices pending approval, past due invoices, and average invoice processing time. Some solutions offer robust reporting functionality bundled with the solution, while others only allow for download of transactional data to third-party reporting tools.

## Various Forms of Invoice Automation

The common goal that all invoice automation solutions share is improving process management. Not every solution follows the same approach or provides the same functionality at each step of the invoice automation cycle. It's important for accounts payable professionals to fully understand the various forms that invoice automation solutions assume, in order to decide which methods would work best in their specific workflow.

**Back-End Document Capture and Archival** – The simplest form of invoice automation is the usage of scanning technologies for back-end imaging and archival. This method does not impact the invoice approval process, since scanning and imaging occur after the fact. For this reason, back-end document capture and archival are not favored, as it is primarily a storage and retrieval solution that fails to yield any improvement or efficiency in workflow.

In back-end document capture and archival, operators batch and scan paper documents at the end of the invoice receipt-to-pay process. AP staff then indexes the invoices manually by using a split screen view to key information from invoice images into electronic forms. Once indexing is complete, the document images are stored in an electronic repository for retrieval, based on the searchable fields created.

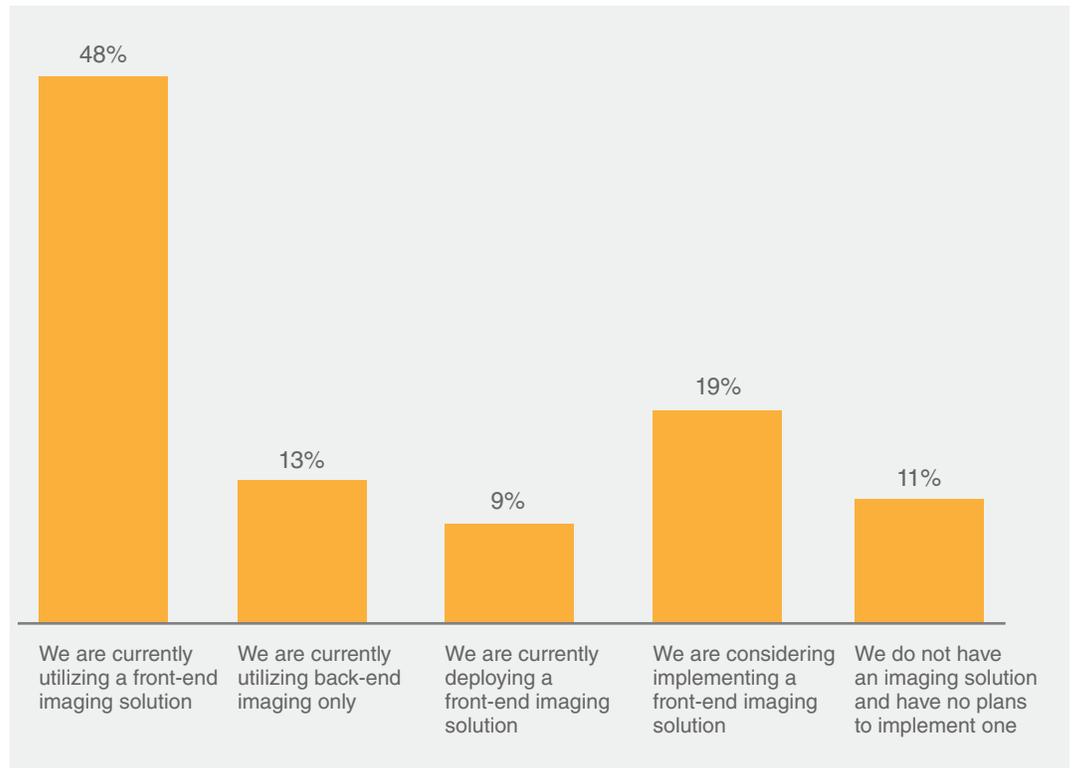
Historically, AP departments have used imaging in this manner to eliminate physical storage requirements, facilitate document retrieval for discrepancy resolution and audits, and improve responsiveness to supplier inquiries. Since scanning and indexing occur after approval processing, the invoice approval process continues to follow its current manual and paper-intensive course.

Survey results reveal that more companies are moving away from back-end imaging in an effort to implement front-end imaging to increase invoice cycle times and efficiency. Nearly half (48 percent) of survey respondents report that they are currently utilizing a front-end imaging solution, up from 40 percent in 2011. Also worth noting is the decrease in the number of companies that reported they do not have an imaging solution and have no plans to implement one – down to 11 percent in 2012 from 18 percent in 2011, see Figure 8.

Figure 8

**Where Companies Stand  
in Regard to Imaging  
Technology Adoption**

Nearly half of companies surveyed report they are utilizing a front-end imaging solution.



**Front-End Document and Data Capture** – Employing an imaging solution at the front-end of the invoice processing cycle, invoices are scanned remotely or at a central processing facility upon receipt. Once invoices have been scanned and images enhanced to optimize recognition, data is extracted from the documents using automated image recognition technologies. Front-end document and data capture represents a quantum leap over back-end imaging, because it sets up genuine improvements to the invoice receipt-to-pay cycle. This is truly the starting place for workflow automation.

Validation rules ensure that the data extracted is valid and accurate by directing the solution to compare specific fields against the information held in the appropriate back-end system (e.g., purchase order numbers against the purchasing system). The accuracy of such rules-based matching has reached the point that many companies now opt to automatically pay invoices that meet all validation rules, freeing AP staff to focus only on exceptions. Most current generation systems put the onus of exception and discrepancy correction back on suppliers, facilitating the evolution of AP departments into profit centers focused on spend analytics and working capital management.

**Data Extraction** – Tools and technologies that facilitate the extraction of information from scanned invoice images have had an interesting life cycle, beginning with template-based optical character recognition (OCR) to free-form recognition and more recently intelligent document recognition (IDR).

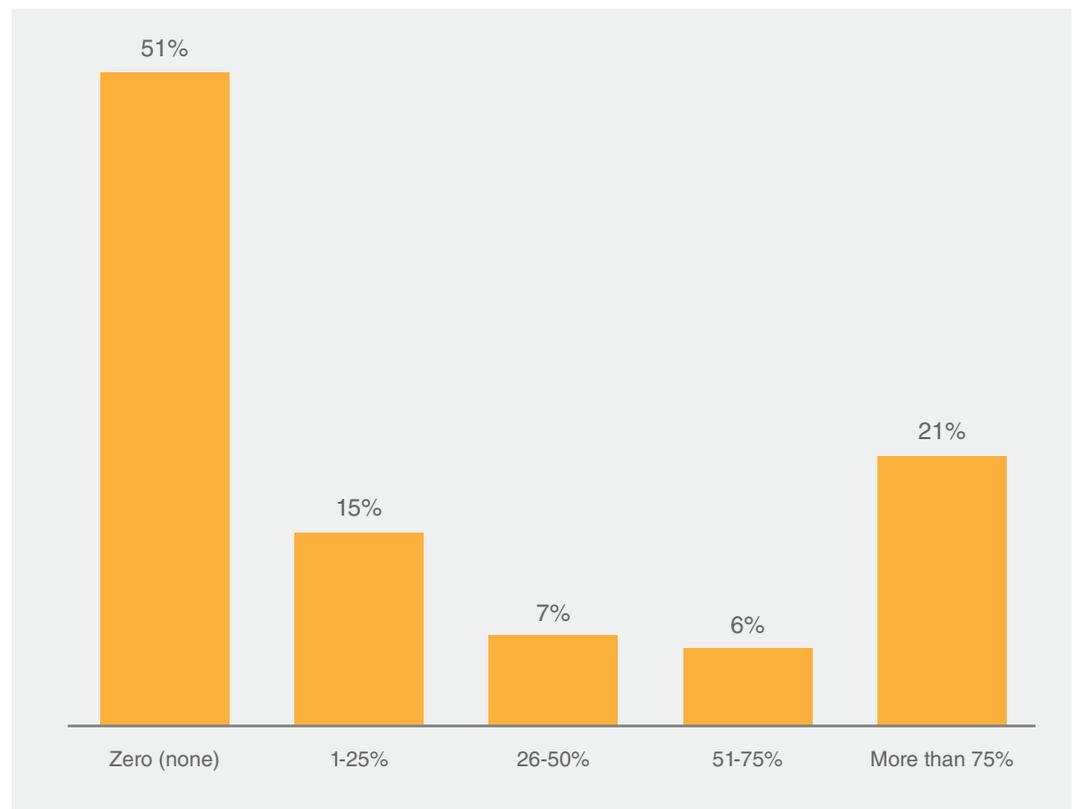
IDR systems enable end users to extract content from invoices without the system having to learn the layout of the invoice. Some intelligent engines are able to correctly sort batches on the fly, locate data fields such as invoice and PO number, as well as line item information, and then extract the desired content from those data fields. Intelligent solutions do not require the coding of rules or design form templates. Rather, the systems learn by reviewing a relatively small number of invoice samples. This helps the system scale to large invoice volumes and widely varying document layouts without requiring a human operator to specify a template for each one, or to explicitly create and tune an extensive library of keywords.

Increased functionality has turned automated data capture into state-of-the-art technology, with over one-quarter (21 percent) of survey respondents reporting that they use automated capture on more than 75 percent of their incoming invoices, up from 17 percent in 2011, see Figure 9.

Figure 9

**Percent of Incoming Invoices that are Captured on the Front End Upon Arrival**

*Over half of incoming invoices are not captured on the front-end upon arrival.*



Embedded fuzzy search methods improve the extraction results by using other known data sources to automatically validate the information before exporting it to the ERP and document management systems. The benefit of this is that more invoices can be processed straight through, whereby documents can automatically flow from scan to post in the least amount of time and with minimal amount of manual intervention. Fuzzy logic can also make the IDR solution language-agnostic, allowing global organizations to process high volumes of invoices in multiple languages.

## Front-End Capture with Matching and Workflow

In a more advanced form, invoice automation solutions combine front-end document and data capture with matching and workflow capabilities to streamline and automate invoice receipt and approval processing. Workflow solutions enable AP departments to define how different types of invoices are processed. PO-based invoices can be matched against the purchase order and receipt documents automatically, while non-PO invoices can be routed to the person or people who are required to approve them. All tasks are routed based on pre-defined business rules, and user roles and access rights can be set to match the organization's existing approval hierarchy.

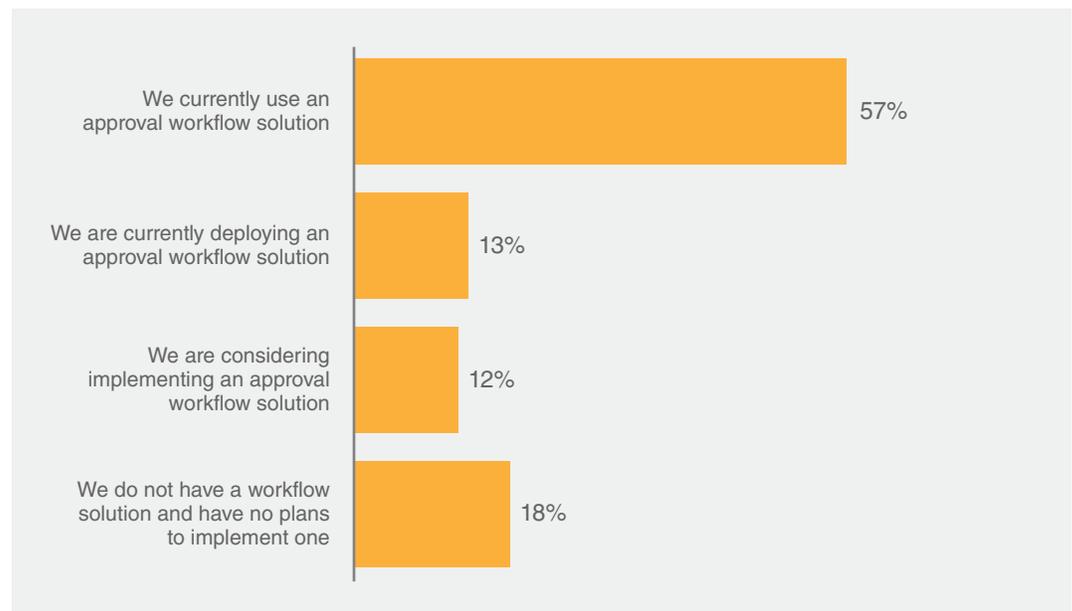
Approvers are typically notified via email when invoices require their review and approval. Users click on the hyperlink contained in the email message and log onto the system to view, code and approve invoices online. Many solutions on the market today have mobile functionality that keeps invoices moving through the system when approvers are on the go. Mobile applications are becoming increasingly popular and allow users to approve or deny invoices for payment. Most solutions available today come bundled with alerts and reminders, out-of-office delegation rules and escalation procedures to ensure that invoices are processed in a timely manner.

Use of workflow and line item matching technologies are on the rise, with 57 percent of survey respondents reporting they utilize an approval workflow solution, up from 37 percent in 2011, see Figure 10.

Figure 10

### Utilization of Approval Workflow

Over half of respondents report their company utilizes an approval workflow solution.



Workflow enabled invoice automation solutions automate more of the invoice receipt-to-pay cycle than stand alone document and data capture solutions. They also deliver auditing, reporting and management benefits that document and data capture solutions alone cannot provide. Workflow solutions track every action taken by each user on every invoice, providing a complete audit trail for all users and transactions. Users can respond quickly and effectively to supplier inquiries, while supervisors gain the ability to track the status of individual invoices, view the work of individual approvers, and monitor the entire approval process. The benefits associated with workflow automation are leading more companies to invest more resources into implementing this technology, as seen in Figure 5.

### **Combining eInvoicing with Imaging and Workflow Automation**

The most sophisticated invoice automation solutions combine front-end document imaging and data capture with electronic invoicing and automated workflow. This enables organizations to process all the invoices – irrespective of whether they are submitted in paper or electronic format, through a single, common process.

Under this scenario, accounts payable staff members work with the technology solution provider to transition suppliers from paper to electronic means of invoice submission, usually a stand-alone portal or a shared supplier network. Most solutions offer suppliers multiple options when it comes to submitting electronic invoices including direct integration with ERP and billing applications to transmit invoices in a hands-free manner without manual intervention, flipping purchase orders into invoices and web forms and templates that can be used to generate electronic invoices. Most solutions also provide supplier on-boarding programs that aids in transitioning suppliers to electronic.

Once invoices have been submitted, they can be subjected to a range of validation criteria based on buyer-defined rules - check for mathematical integrity and duplicates, ensure completeness and accurately of information provided on invoices, apply business rules and tolerances, etc. Invoices that do not meet any of the specified criteria are flagged as exceptions and suppliers are asked to correct the errors before resubmitting the invoice. Clean invoices are then forwarded for further processing.

Electronic invoicing has witnessed a steady increase with nearly one-quarter of survey respondents reporting they are currently utilizing an einvoice solution, see Figure 12.

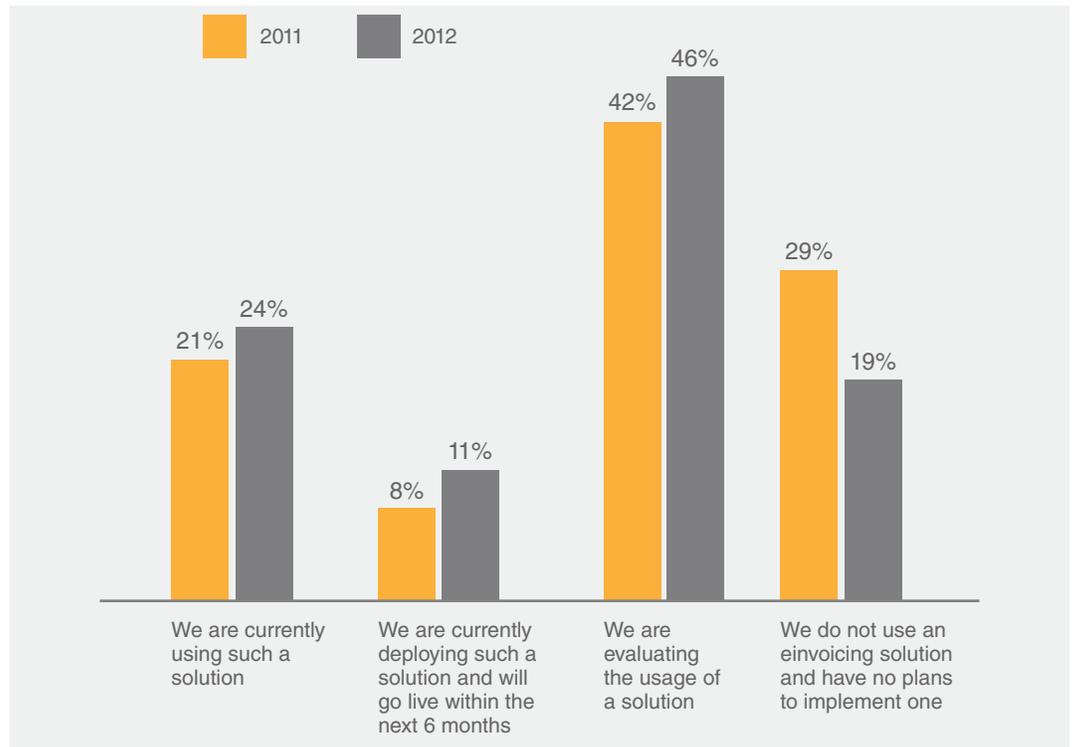
For suppliers that continue to send paper invoices, organizations can use front-end imaging and data capture to extract information from the invoices. After the data extraction step, these invoices are also processed using the same matching and workflow rules as the electronic invoices.

Another practice that continues to gain in popularity is outsourcing the scanning and data capture function, in conjunction with electronic invoicing. In this case, a third-party service provider takes on the responsibility of receiving invoices, scanning them and extracting the requisite data. These advanced invoice automation solutions enable organizations to process and approve all invoices from a common, integrated platform, irrespective of the channel of entry.

Figure 12

**Implementation of Electronic Invoicing Solutions**

Nearly one-quarter of respondents report they are currently utilizing an eInvoice solution.

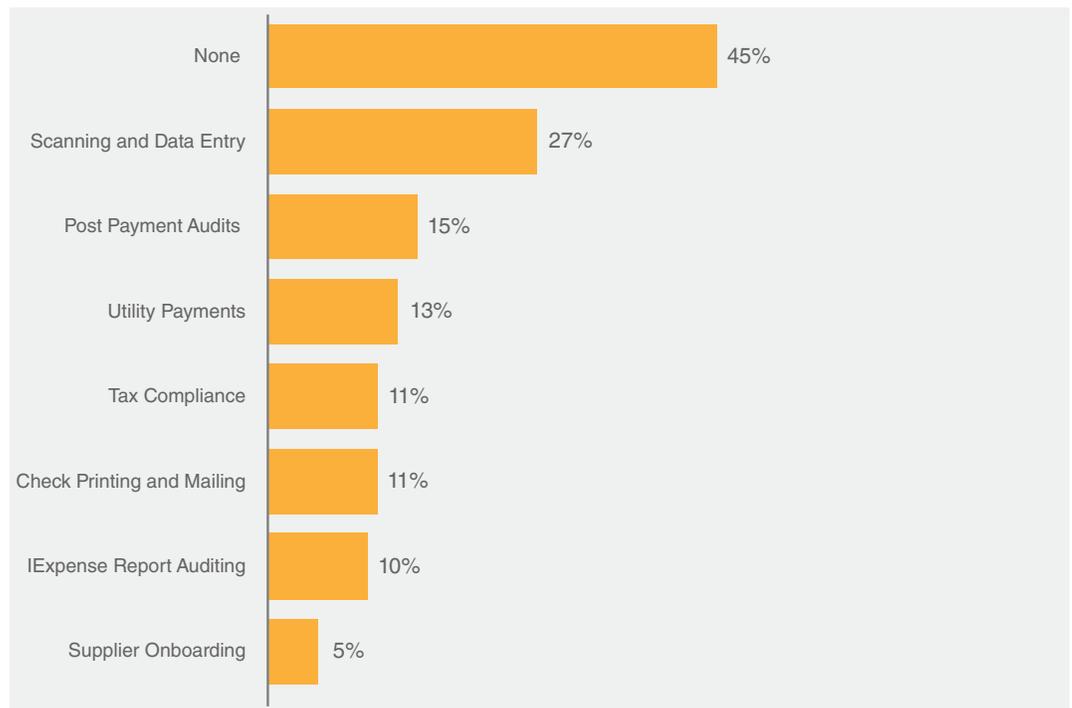


According to PayStream survey results, scanning and data entry is the top service that organizations are currently outsourcing, see Figure 13. Please note that survey respondents were asked to choose all outsourcing functions that apply.

Figure 13

**Outsourced Services**

Scanning and data entry ranks as the top outsourced service.



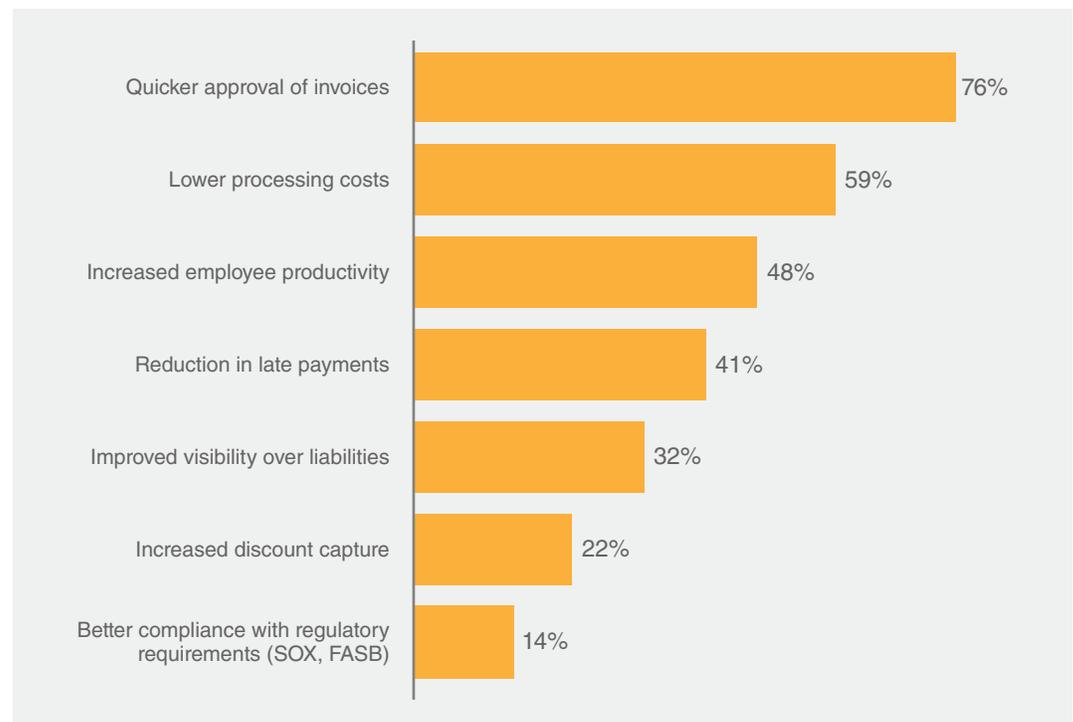
## Benefits of Approval Workflow

The implementation of an automated workflow system removes the friction of paper invoice workflow and speeds up the invoice approval and payment process. As the implementation of automated workflow increases, more companies are cashing in on rewards. According to PayStream survey results, the biggest benefit achieved through the implementation of approval workflow is quicker approval of invoices, see Figure 14. Quicker invoice approval leads to less late payments and penalties and increases discount capture.

Figure 14

### Benefits of Approval Workflow

Quicker approval of invoices ranks as the top benefit to approval workflow.



Additional benefits of approval workflow include:

**Expedite Approval** – With automated workflow, invoices can be matched to purchase order numbers during the capture process and sent into queue to export for immediate approval, suspension or denial. Authorized personnel can review, annotate or assign the invoices appropriately from any location, which increases the invoice and payment approval process by removing the delay of interoffice mail, but it also removes the need to wait for authorized persons to return to the office to render needed approvals, and eliminates the possibility that papers will be overlooked and further delayed. Data on invoices can be used to set automatic alerts that immediately notify the appropriate party when a specific action needs to be taken, helping AP offices to avoid late penalties. In addition, workflow provides organizations with an overview of the status of all invoices and the total payables in process.

***Avoid Penalties and Cash in on Discounts*** – In order to avoid late penalties and make the most of discount opportunities, invoice data needs to be entered into the payables system quickly so payments can be made before the discount due date. In a paper world 2/10, Net 30 can be challenging due to the time it takes just to enter invoices into the system. With the proper capture and automated workflow solution, large volumes of invoices and their discount and penalty information can be entered as payables within hours of their receipt, and approved and processed in time to capture all discount opportunities provided.

***Integrate with AP Systems*** – Many organizations have valuable data in disparate systems that are not able to communicate with each other, making the management of this information difficult. Integration of automated workflow with an organizations invoice processing and payables system makes it possible to extract and share data between applications.

***Quickly Audit and Comply*** – When information is stored digitally rather than on paper, authorized users can gain a real-time overview. Automated workflow makes it possible for users to see exactly where any invoice is in the process and track who is responsible for which actions, and at what time. Detailed reporting can be utilized to assist users in tracking down information quickly and accurately. Workflow reporting leaves digital trails that show every action related to an invoice, which allows for quick queries of any data needed. An electronic audit trail can be created in minutes instead of hours, which helps a company comply with audits and regulations, and to meet service level agreements.

***Maximize Productivity*** – The implementation of imaging and automated workflow eliminates the manual processing of invoices and allows AP staff to focus on more important work, such as exceptions.

## Workflow Automation Best Practices

Companies often try to automate their existing accounts payable process, despite the fact that their existing process is broken. Implementing technology to a flawed process simply automates a flawed process. The key to successful workflow automation lies in the redesign of invoice and payment management processes and a strong strategy to leverage the available technology to meet each organizations specific business requirements. In this section, PayStream explores some of the best practices innovators are following to leverage technology to maximize accuracy, speed, efficiency, control, cash management and visibility of spend.

### Invoice Receipt

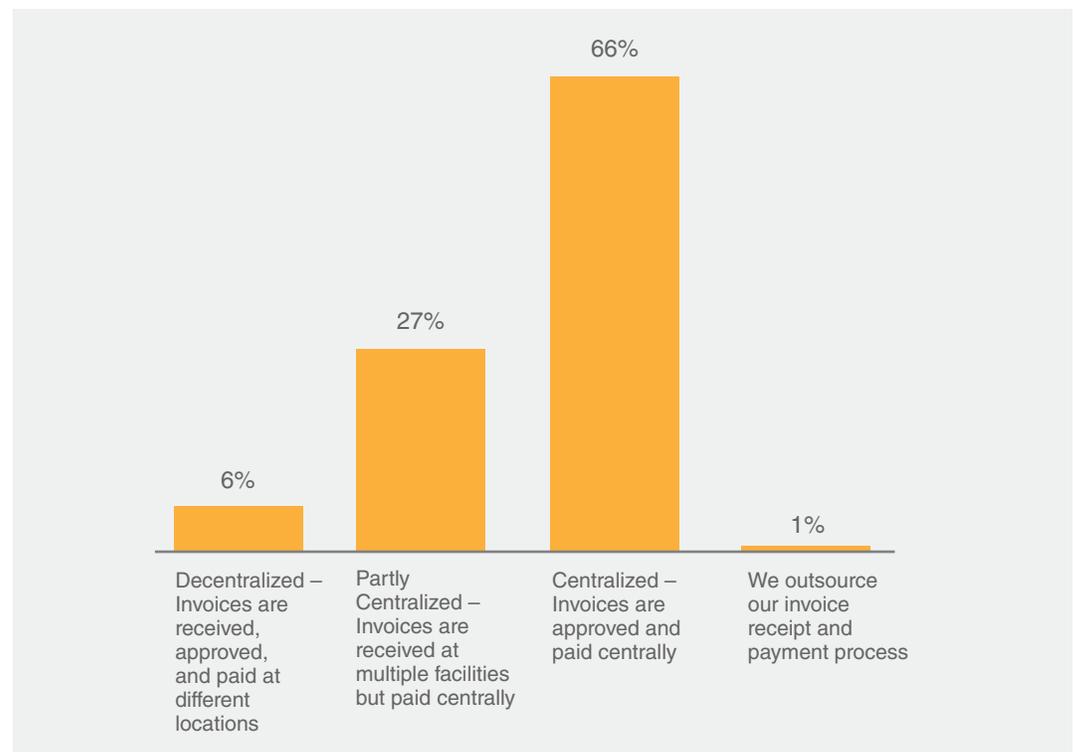
As stated earlier, paper invoices are the enemy of efficiency. Often invoices are sent to the wrong department, or sit on an approver's desk for weeks on end before they are entered into the accounting system.

**Centralize** - A formal policy mandating that all invoices be sent to the AP department is the first step in addressing this issue. Respondents to PayStream's survey understand the value of centralization, with 66 percent reporting they are receiving and paying invoices from a centralized location, see Figure 14. Suppliers should be contacted and directed where to send invoices. Once invoices are received, they can be entered into the accounting system, with visibility to all relevant parties.

Figure 14

#### State of AP Operations

The majority of AP operations are centralized.

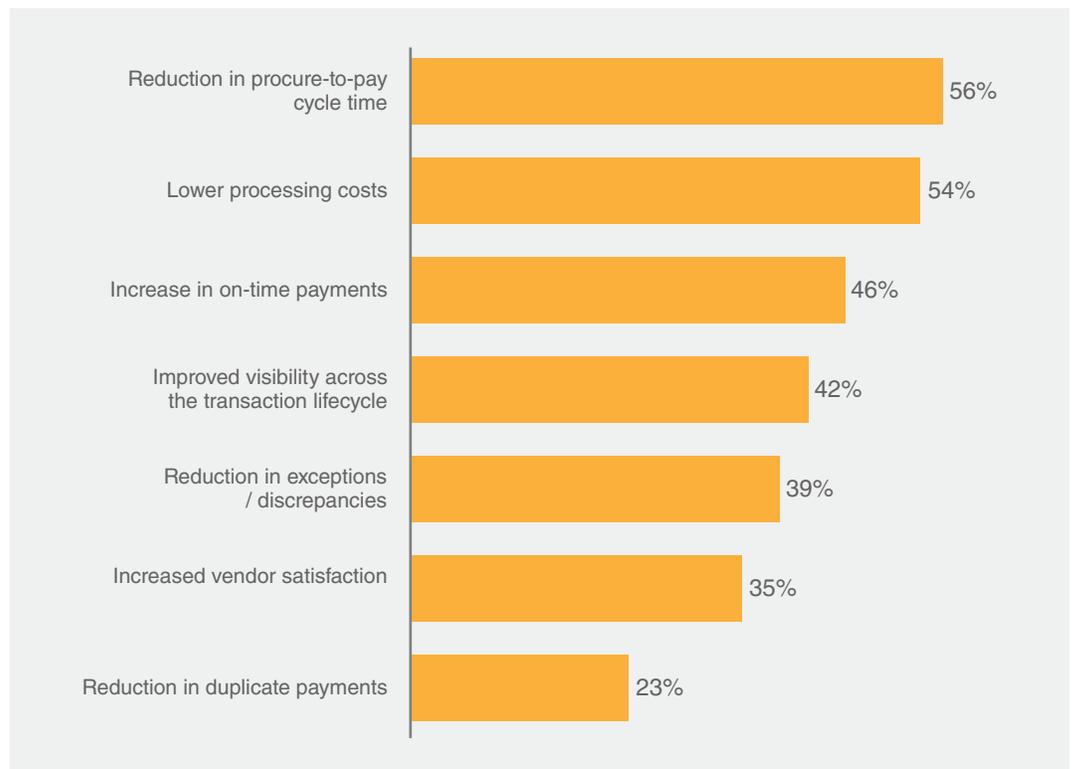


**Leverage Automation Technology** – Front-end imaging ensures that invoices enter the system quickly and are available to all parties immediately, irrespective of where they are located. Combining imaging with automated data capture adds further benefits in terms of quicker data extraction and fewer errors. An electronic invoicing solution goes a step further in streamlining the invoice receipt process. All invoices are submitted via a central solution and suppliers receive immediate confirmation that their invoices have been received. The benefits of implementing an electronic invoice solution are driving the increase in eInvoice adoption. Survey respondents report that the top benefits to electronic invoicing is the reduction in the procure-to-pay cycle time (56 percent) and lower processing costs (54 percent), see Figure 15.

Figure 15

**Benefits of Electronic Invoicing**

*Lower processing costs ranks as the top benefit to electronic invoicing.*



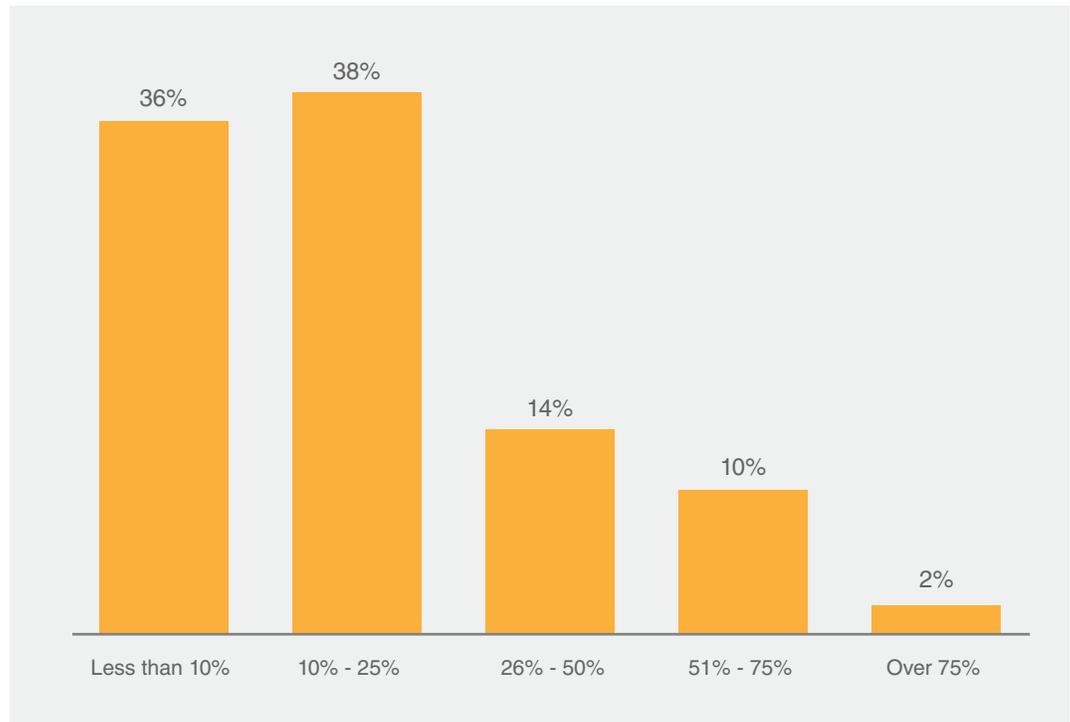
**Invoice Validation**

In many cases, invoices are sent to the AP department for approval having missing or inaccurate information, which can take days or even weeks to resolve before the invoice can be processed and paid. Survey results reveal that the top causes of invoice exceptions result from a price discrepancy or missing contact information on the invoice. The exception resolution process can involve a number of calls and/or emails between AP staff, field approvers and suppliers. This arduous process of exception handling is compounded by the number of exceptions that AP staff must contend with, see Figure 16.

Figure 16

**Percentage of Invoices that Result in PO to Invoice Exceptions that Require Manual Intervention**

Manual intervention is required on the majority of PO to invoice exceptions.



**Business Rules and Tolerances** – Invoice automation solutions apply multiple validation checks to ensure that invoices have all the required and correct information. Is the PO number valid? Is the invoice number a duplicate? Does the invoice have the approver name on it? If the invoice fails to satisfy any of the validation criteria, the supplier is notified immediately and asked to correct the error, without any intervention from AP staff. This not only ensures that only clean invoices come into the AP department for processing, but the clock on discounts doesn't start ticking until the supplier corrects all of the exceptions to the invoice.

**Approval Workflow**

The AP department typically deals with two types of invoices:

- 1. Purchase Order (PO) based invoices** – undergo a two or three-way match before they can be paid.
- 2. Non-PO invoices** – require approval from an authorized person within the buyer organization. Sometimes PO invoices need to be reviewed by an approver as well, if they fail the match process.

**Formalizing the Process** - Identify all people in the organization who can approve invoices. Approvers can be classified by the types of invoices they can approve, for example invoices from a specific vendor or certain spend types, up to a dollar limit. All AP employees who will route invoices for approval should have a copy of the list and be familiar with who should review what type of invoices. A similar list

should be made identifying the appropriate persons who would be responsible for collaborating with the suppliers or buyers to resolve exception invoices.

These lists should be updated periodically or when employees leave the organization and ensure that old lists are collected and destroyed when new lists are created.

**Going a Step Further** – Organizations can further streamline the process by leveraging an automated workflow solution. In this case, the approver list is maintained and updated in the automated workflow solution itself. Invoices, once entered in to the solution, will be automatically routed to the required approver, based on pre-defined business rules. The business logic is typically configured at the time of solution implementation and can be updated as needed.

Employees who have invoices pending their approval receive email notifications to links to specific invoices. Users have the option of either approving the invoice directly from the email itself or they can log into the system to view more details about the invoice. Workflow solutions also come bundled with reminder and escalation features. If no action is taken on an invoice within a certain period of time, either a reminder can be sent to the employee or a message can be sent to the employee's manager. This ensures timely processing of invoices.

## **Supplier Management**

To date, one of the biggest barriers to accounts payable automation initiatives, especially when it comes to electronic invoicing, has traditionally been supplier adoption. Persuading suppliers to change the way they do business to align with buyer's needs can be a costly and time consuming process. Success depends on the ability to present a compelling value proposition to suppliers, in addition to the advent of an aggressive supplier onboarding program provided by most solution providers.

In order to ensure the success of accounts payable automation efforts, buyer organizations need to be proactive in demonstrating the benefits of AP automation to their supplier base.

**Involve Suppliers from the Start** – When implementing any automation technology that will involve a change to the supplier process, whether it is around invoice receipt or payment; communicate this initiative to your suppliers as early as possible. If it is not possible to keep all of your suppliers involved, at least notify strategic suppliers about imminent changes. Keep suppliers in the loop as much as possible about any changes that are expected on their part. Supplier conversion and management should be a key component of any AP automation strategy and not an afterthought to the technology implementation process.

**Supplier Onboarding Initiatives** – Given that supplier adoption is a critical component to an electronic invoicing solution; many technology providers deliver strong value-added services around supplier recruitment and enablement. This

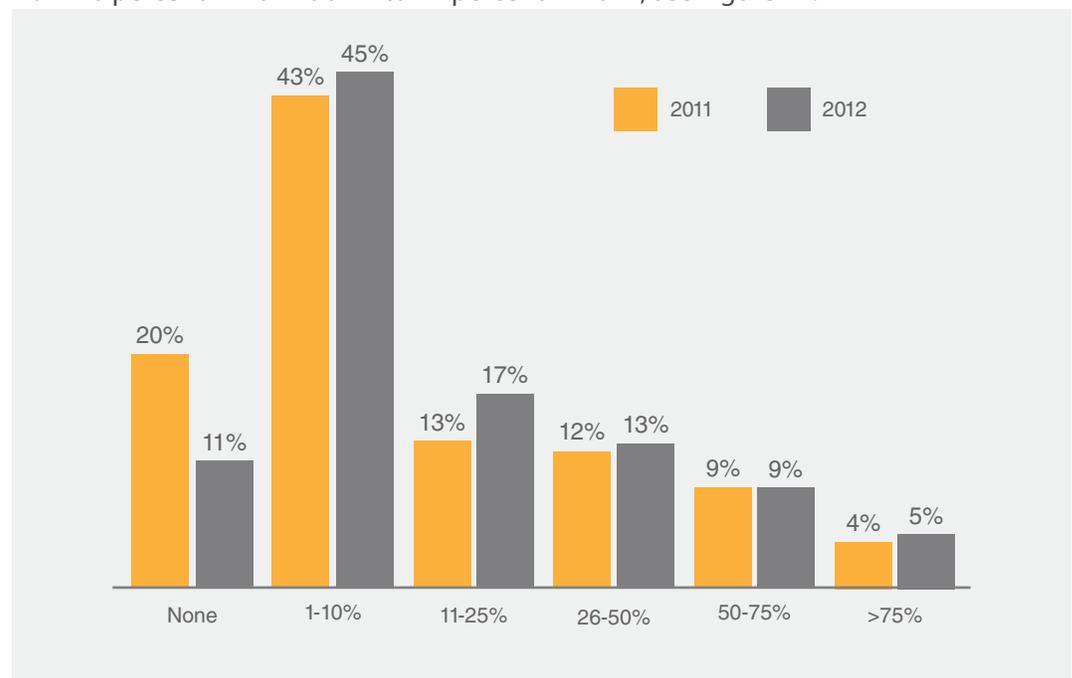
includes segmenting vendors based on different criteria to identify those most likely to adopt, developing mail/email/phone activation campaigns for different supplier types and actually contacting suppliers to bring them onboard the automation solution. Organizations that do not have the in-house resources to tackle these tasks should leverage the expertise and experience of their technology provider for supplier onboarding.

In addition to aggressive supplier onboarding programs, many solution providers offer free supplier portals to help entice supplier adoption. The free supplier portals in addition to supplier onboarding initiatives are certainly paying off, as witnessed by the increase in supplier adoption. The most notable difference in the number of suppliers that have converted to electronic invoicing is witnessed in the 9 percent decrease in the number of suppliers that have not converted, dropping from 20 percent in 2011 down to 11 percent in 2012, see Figure 17.

Figure 17

**Percent of Suppliers that have Converted to eInvoicing**

Nearly half of suppliers have converted 10 percent or less of their invoices to eInvoices.



**Discount Management**

One of the key drivers of AP automation has been senior management’s emphasis on improving visibility to payment liabilities. This has come to bear along with a strong push toward increasing discount capture from suppliers. In today’s economy with low interest rates, an early payment discount term of 2% 10 net 30 translates to an APR of almost 36 percent, which is very appealing to buyer organizations. However, the biggest hindrance to discount capture is paper invoice receipt and processing. PayStream research on Dynamic Discount Management shows that the average invoice cycle time is 23 days from receipt to approval, while best-in-class companies have succeeded in compressing this cycle to as little as 5 days. Invoice automation speeds up the invoice approval cycle resulting in the ability to capture early payment discounts.

**Learn from the Innovators** – What are innovators doing that you can adopt in order to maximize discount capture?

- » Communication and integration between procurement and AP ensures that AP processors are aware of available discounts.
- » Front-end imaging, combined with automated workflow, makes invoices available to the approvers quickly and helps shrink the approval cycle.
- » Electronic invoicing can further compress the invoice receipt-to-pay cycle by as much as 10 days, by eliminating mail and desk float.
- » Validation capabilities that are provided in conjunction with eInvoicing place the burden of submitting a clean invoice on the supplier, instead of tying up valuable AP resources.
- » Prioritization capabilities available as part of approval workflow solutions allow organizations to move invoices with discounts to the top of the processing queue, ensuring that they are approved in a timely manner.
- » Alerts, reminders, out-of-office delegation and escalation procedures keep the invoice approval process moving smoothly.

### **Payment Processing**

There is no question that the lack of proper procedures around invoice receipt and approval lead to profit leakage through duplicate and erroneous payments. This is one reason recovery audit services (RAS) has grown into a billion dollar industry. RAS firms are brought in by companies to comb through historical transactions and identify erroneous payments to suppliers, which they then try to recover. Anyone who has tried to get money back after the check has already been cashed knows how difficult this task can be. Sometimes, the supplier is no longer in business, which results in lost money.

**Check Before You Pay** – Prior to payment, all invoices should be checked against previous payments to ensure no duplicate payments are made. This means not just checking invoice numbers, but checking against a combination of criteria. For example, if the amount and date on two invoices are the same, it may be a duplicate even if the invoice numbers are different. If it's not possible to check every single payment, the AP department should at least spot-check a certain percentage of transactions each time payments are made.

**Proactive Audits** – Sophisticated invoice and payment audit technologies are now available as part of invoice automation solutions. Alternatively, a number of best-of-breed payment audit solutions that integrate seamlessly with numerous accounting applications are also available. These solutions run a variety of algorithms on the transactions to flag potential duplicates. Clients have the option of configuring the business logic, which will be applied to identify erroneous payments. On a periodic basis, a report is generated with potential payment errors, which need to be resolved before payments are made.

## Key Performance Indicators for AP

An old adage that is still applicable for any business is “What gets measured gets done”. The accounts payable process has many moving people and parts, and unless certain metrics are identified and performance is measured against these indicators, something is bound to fall through the cracks.

To ensure the smooth functioning of an AP department, key performance indicators (KPIs) should be measured at least once every quarter. These metrics become even more critical when a company is undergoing a merger or acquisition, new technology implementation or organizational restructuring. Measuring and comparing KPIs before and after any of these initiatives is a good indication of the impact it had on the AP process.

Below are some key KPIs every accounts payable department should track on a regular basis.

**Number of Invoices Processed per Day, per Operator** – This metric helps an organization understand the invoice efficiency of each AP operator. If some operators are way ahead of the curve, they may be able to share tips and train others that are lagging behind. Invoice efficiency also enables you to try different ways of allocating invoices to specialists – PO vs. non-PO invoices, by spend type or by geographic location/business unit, and determine the one that works best.

**Average Cost to Process an Invoice by Type** – Calculating processing costs can provide valuable insights into the factors driving the costs and ideas on reducing total costs. Include salaries and benefits, facilities and hardware, software and IT support and managerial overhead in cost calculations. Also calculate processing cost by different types of invoices, for example clean vs. exception, and by steps involved in each process such as data entry vs. exception resolution, to address any expensive invoice types and processes.

**Exception Invoices as a Percentage of Total Invoices** – It is a well-known fact that exception invoices cost way more to process than clean invoices and drive up the overall processing costs for the AP department. Track the number of dollar value invoices that end up in an exception queue and log details such as expense type, vendor information and type of exception. Understanding the source of exceptions and addressing them is critical to reduce the occurrence of exceptions.

**Average Time to Approve an Invoice from Receipt to Payment** – Knowing how long it takes an invoice from the time it gets to the AP department to the time it is ready to pay can help AP managers identify where the invoice spends the most time – data entry, approval or exception management, and take the appropriate steps to compress the invoice receipt-to-pay cycle. Accelerating the processing cycle can help reduce late payment penalties and increase the capture of discounts offered by suppliers.

**Electronic Invoices as a Percentage of Total Invoices** - Electronic invoices are quicker and cheaper to process as there is no mail float, desk float or data entry involved in the process. Track the percentage of electronic invoices as well as the percentage of suppliers sending them. Increasing the percentage of invoices that come into the AP department in electronic format will have a beneficial impact on the other two metrics you are tracking – average processing times and costs.

**Suppliers Onboarding Invoicing as a Percentage of Total Suppliers** – The best electronic invoicing solution will not deliver a payback, unless a critical mass of suppliers have been successfully on boarded. Develop a supplier recruitment and enablement plan along with solution implementation itself and periodically track the percentage of targeted suppliers that have been migrated from paper to electronic invoicing. If the percentages are too low, then it is time to change the activation campaigns and supplier communication methods.

**Discounts Captured as a Percentage of Discounts Offered** – While a lot of suppliers may offer a discount for paying early, most companies are unable to capture all the discounts that are offered to them, due to a lack of visibility into the existence of discounts or lengthy approval cycles. Track the invoices where discounts are missed with reason codes as to why the discount was missed, so that invoices with associated discounts can be prioritized and processed as quickly as possible.

**Erroneous Payments as a Percentage of Total Payments** – Duplicate payments, missed discounts, reconciled returns and other errors in payments are a huge drain on the bottom line. Tracking dollars lost to payment errors promptly can help recoup the monies from suppliers quickly. Keeping a log of error codes can help organizations understand the source of errors and address the problem at the root itself, instead of trying to recover the funds after the fact.

**Developing the Paper Invoice Quotient (PIQ)** - The PIQ is a score developed by PayStream from a standardized survey that represents dependency on paper in accounts payable, is fairly representative of processing efficiency. An organization’s PIQ is determined by dividing the percent of electronic invoices (the invoices that do not need any manual data entry, whether EDI, invoice network, P-card, or conversion of paper invoices by automated data capture), by the average number of approval days, from invoice receipt to approval, as shown in Table 1.

PayStream councils its clients to work towards a PIQ ratio of at least three or more, by either increasing electronic invoice receipt to drive efficiency or accelerating processing speed to improve organizational effectiveness.

Table 1

Paper Invoice Quotient

Percentage Of Electronic Invoices	10%	24%	40%
Approval Time (Number of days from invoice receipt to approval)	28	24	14
Paper Invoice Quotient	0.4	1.0	2.9

## Image Processing Systems (IPS)

Founded in 1991, Image Processing Systems, Inc. (IPS) is a pioneer in the invoice automation and workflow industry. IPS provides flexible, scalable end-to-end invoice processing solutions that convert slow, error-prone manual processing into an all-digital process based on the client’s existing technology and business needs. IPS offers invoice processing as services which include IPS Digital Mailroom™, IPS Intelligent Capture Services™, IPS Digital Workflow™ and ImageServ™ digital repository as well as traditional scanning services.

The IPS client base encompasses a wide range of industries with over 10,000 users, including numerous Fortune 500 companies that trust IPS to deliver state-of-the-art accounts payable (AP) solutions.

IPS has achieved a Best-in-Class Customer Satisfaction rating five years in a row. The company’s outstanding customer satisfaction success coupled with its state-of-the-art technology has afforded IPS double digit growth since 2007 in its invoice processing services.

<b>Website</b>	<a href="http://www.ipsservices.com">www.ipsservices.com</a>
<b>Founded</b>	1991
<b>Headquarters</b>	Secaucus, NJ
<b>Other Locations</b>	Columbus, OH; Austin, TX and an extensive network of global processing centers
<b>Number of Employees</b>	475
<b>Solution Name</b>	IPS Digital Mailroom™, IPS Intelligent Capture™, IPS Digital Workflow™ & ImageServ™
<b>Number of Customers</b>	> 10,000 users
<b>Target Verticals</b>	Finance, Media and Advertising, Healthcare, Pharmaceutical, Manufacturing, Life Sciences, Insurance, Legal, Information Technology, and Government
<b>Partners / Resellers</b>	IBM, Emptoris, iPayables, Derive Technologies & CTP Solutions
<b>Awards / Recognitions</b>	Best-in-Class for customer satisfaction for five consecutive years

### **Solution Functionality**

IPS solutions are delivered as hosted services that include electronic document processing and paper document scanning services from its Global Network of Processing Centers. Whether on-site or off, clients benefit from IPS high-volume electronic document processing and scanning, its proven Project Management, Subject Matter Experts, expertise in workflow analysis and delivery, quality control methods

and technological capabilities. With over 20 years of experience in creating end-to-end invoice processing solutions for any financial system, IPS provides scalable services that include:

- » IPS Digital Mailroom™ - Centralized invoice receipt service for all types of invoices.
- » IPS Intelligent Capture Services™ - Transforms 100% of invoices to electronic invoices for processing on digital platforms.
- » IPS Digital Workflow™ - Creates a 100% digital approval process.
- » ImageServ™ - The IPS hosted digital document repository.

The IPS invoice processing solution is easy to use and accommodates the most basic business user, as well as highly sophisticated technical users. All of the IPS solutions can be accessed anywhere, and at any time through a web browser or a mobile device.

The IPS system integrates with Oracle, SAP, Lawson, JD Edwards, MS Dynamics, MediaOcean and many other ERP or Legacy systems through flat files, XML, and web services. In addition, IPS has the ability to write custom interfaces to legacy systems.

### ***Invoice Receipt Functionality***

The IPS Digital Mailroom™ services include invoice capture, sorting, scanning, data extraction, validation and delivery of invoices back to a client's AP solution. IPS' Digital Mailroom services are integrated with its Intelligent Data Capture Services and Digital Workflow for delivery of electronic invoices and invoice data to client ERP systems.

The IPS Digital Mailroom™ handles all varieties of invoice formats and receipt channels, including USPS (PO Box), courier, email, fax, SFTP, digital media and direct attachments to digital workflows. For Vendors that have electronic or scanned invoices, IPS provides the ability to upload them directly via the IPS Vendor Portal.

IPS accepts any attachment format for documents that are entered into the system via web portal or as fax or email attachment. Each client is assigned email boxes for Email Attachment Processing which are automatically checked through the day and night, on a schedule specific to each client's needs. The IPS software captures all header information from the email message and logs it in a database for document tracking and history. Attachments are converted to a common file format (PDF), metadata files are created and the batch is marked ready for Quality Control (QC).

Throughout the Email Attachment process, an IPS operator is monitoring an internal dashboard that provides color coded information regarding the stage of each batch. If there is an issue along the way, the IPS operator has the tools to immediately remedy any problems that arise.

IPS can handle multiple attachments per email, including multiple attachments in a ZIP file, which will be split during the QC process, with each document receiving a unique document identifier for tracking purposes.

Physical documents are scanned as part of the IPS Digital Mailroom™ process, which can be done at IPS or on-site at client locations. IPS supports both a centralized scan center and a distributed capture model.

IPS utilizes large high volume scanners for production scanning and smaller production grade scanners for reprocessing and distributed capture. Documents are typically scanned at 200 to 300 DPI and incorporate VRS scanning technology, which systematically examines documents and applies image clean up.

### ***Vendor Portal***

The IPS Vendor Portal enables both vendors and AP staff the ability to upload invoices to the IPS Invoice Processing Platform. The IPS system provides immediate feedback via email and provide the user a status of the uploaded invoices.

### ***Data Capture***

IPS applies the most advanced technologies, yet understands the importance of the human element and has incorporated Subject Matter Experts (SME's) within the IPS Intelligent Capture Services™. Extracted data is entered into IPS' Quality Assurance (QA) application which programmatically performs data validations, from simple through complex, and flags any potential errors. IPS validates against client supplied Vendor Master, PO and G/L account files and internally developed IPS data files. Quality Assurance Operators review all suspected errors, and any questions that cannot be resolved and cleared by the primary level of the IPS Intelligent Capture process. Only if the IPS QA operators determine a client exception exists will it be presented to the client via IPS Digital Workflow™ for efficient resolution, ensuring maximum straight through processing of invoices. IPS SME's review all exceptions and are able to clear the majority of these exceptions prior to forwarding them to the client, ensuring a high percent of straight through processing. The IPS Intelligent Capture Services™ ensures a 99.95 % or better accuracy rate.

### ***Approval Workflow***

The IPS Digital Workflow solution creates a 100% digital process for invoice approval and exception handling. This is accomplished through configurable and easy to use assignment logic and chain of custody features. This cloud-based workflow integrates with client accounting systems to validate documents and shepherd invoices through the approval process.

Automatic escalations and reminder email alerts can be received by the user and their supervisor and workflow records can be escalated at any time. In addition, records that exceed a threshold dollar amount can be automatically diverted to a Threshold Approver(s). The IPS Digital Workflow solution can identify suspected duplicates, PO discrepancies, 2 & 3 way matching requirements and manage invoice revisions and G/L coding.

Each and every invoice process is automatically recorded in the Digital Workflow database which provides a comprehensive audit trail of all actions performed.

Completed invoices, along with any supporting documents, are automatically forwarded to IPS ImageServ™, a hosted document repository that provides clients the ability to store and access invoice archives electronically via the web. Like Workflow, ImageServ™ offers full search capabilities, which can be filtered according to user rights. IPS has scheduled an ImageServ™ upgrade that will be available in the summer of 2013.

### ***Reporting and Analytics***

IPS provides a wide range of standard and ad hoc reports ranging from batch manifests to user-configured and exportable digital workflow reports. Detailed reports and dashboards regarding invoice metrics such as volume, percent of exceptions, etc., are also available for clients to analyze and glean details regarding their receipt-to-pay cycle.

### ***Pricing and Implementation***

IPS' flexible approach insures that clients only pay for what they need.

IPS invoice processing services are priced by image or invoice. Customized features and services are included in the setup fee. All IPS training and customer support is included as part of its service offering, with a Project Manager available via phone 24/7.

Depending on a client's specific needs and timeline, the average implementation takes 3 to 16 weeks.

## **Image Processing Systems (IPS) Case Study**

### **Viacom**

#### **Challenge:**

As a leading global entertainment content company, Viacom delivers television, motion pictures and a wide range of digital media across the globe. As an industry leading company, Viacom senior management wanted “Best in Class” innovative solutions to automate accounts payable. Viacom previously had a legacy, paper-based invoice process which relied on manual routing to approve an invoice for payment. Viacom was looking to enhance the level of transparency into the invoice approval process.

#### **Solution:**

Viacom chose to partner with Image Processing Systems, (IPS) in 2009 to digitize their invoice input process in the U.S. IPS provides Viacom with centralized invoice receipt services for all types of invoices through the IPS Digital Mailroom. Invoices are digitized through IPS’ Intelligent Capture Services, and all exceptions are handled through the IPS Digital Workflow, which creates a 100 % digital approval process. The input is captured in Viacom’s automated invoice approval workflow system.

As a result of the IPS solution, coupled with their automated invoice approval workflow system, Viacom was able to capture invoices in their system upon receipt and route for approval. Previously, invoices were input into the finance system after the manual, paper based routing for approval. “Through IPS, Viacom now has immediate visibility into pending invoices,” stated Brian Goorevich Director, Application Development.

#### **Results:**

With the IPS solution implemented, Viacom experienced quick and accurate invoice routing and enhanced visibility into pending invoices. Metrics are now available through robust reporting functionality and can be quickly created by anyone in the system. “Working with IPS changed our business,” says Goorevich. “We were up and running with the IPS solution in a matter of weeks. The IPS team is very client focused; they began by asking us the right questions to ensure the least amount of exceptions. Their invoice processing experts knew exactly what areas to focus the project team on.”

Viacom has plans to expand the IPS solution to their international offices later this year to partner with their automated, paper-free system in 32 countries, including Latin America, Europe and Asia.

## Conclusion

Electronic invoice and automated workflow solutions continue to increase as more companies look beyond the efficiency factor of automation, and focus more on the strategic and tactical benefits. Automation creates instant visibility into spend for accurate forecasting and cash management. In addition, automation brings increased control of the entire invoice process through workflows and business rules, leading to improved vendor relationships and the ability to capture more early payment discounts.

Rather than implementing automation solutions in a modular approach, more and more companies are taking an integrated approach to the implementation of electronic invoicing and automated workflow. This holistic approach yields the best ROI.

As more SME's strive to emulate the automation results that early adopters witnessed, PayStream predicts that electronic invoicing and automated workflow solutions will continue to increase.

## About PayStream Advisors

PayStream Advisors is a technology research and consulting firm that improves the way companies plan, evaluate, and select emerging technologies to achieve their business objectives. PayStream Advisors assists clients in sorting through the growing complexities of IT applications related to business process automation with the goal of making objective, analytical, and actionable recommendations. Wherever business process automation technology is an issue, PayStream Advisors is there to help. For more information, call (704) 523-7357 or visit us on the web at [www.paystreamadvisors.com](http://www.paystreamadvisors.com).