The Accounts Payable eGuide, Vol. 3: Breaking Bad Habits

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50 percent of accounts payable professionals underestimate the cost of invoice processing.

There's a paradox in accounts payable. While market data shows significant growth in AP automation tools and predicts strong software and service growth over the next five years, a recent survey found that 50 percent of accounts payable professionals continue to underestimate the cost of invoice processing. While teams often believe their average spend per invoice hovers around $5, they're actually paying more than double at just over $12 per invoice.

The disconnect?

Bad habits that die hard. From outdated manual processes to the moving target of human error, AP teams often fall back on familiar practices to ensure invoices are paid on time, even as these same processes make it harder to meet evolving industry standards. Bridging the gap means breaking bad habits — and replacing them with new best practices that directly address AP pain points. This means increasing accuracy, enhancing speed, and reducing total cost. In part three of our Accounts Payable eGuide series, we'll revisit five of the top AP pain points, and provide information about solutions that can help.

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The Error Equation

Humans make mistakes; Medium notes that human error costs hospitality businesses $9,000 per month, while Threat Post points out that 25 percent of all data breaches start with staff slip-ups.

Accounts payable has similar problems. Despite best efforts, even high-performing staff members typically have data entry error rates around 1/100. This rapidly becomes problematic as invoice data volumes increase and staff struggle to keep pace, in turn increasing error rates and raising the risk of potential missed payments or double-payment invoices.

Reducing this error risk means finding ways to take human data collection and capture out of the equation. Accusoft's FormSuite for Invoices can help jump-start this process.

This backend SDK is able to recognize, identify, and capture data within invoices identified by AP users, in turn taking the job of data collection off the plate of AP staff. Using superior OCR and advanced forms technology, companies get fast and accurate invoice capture from scanned documents — and break the bad habit of error-prone human data entry.

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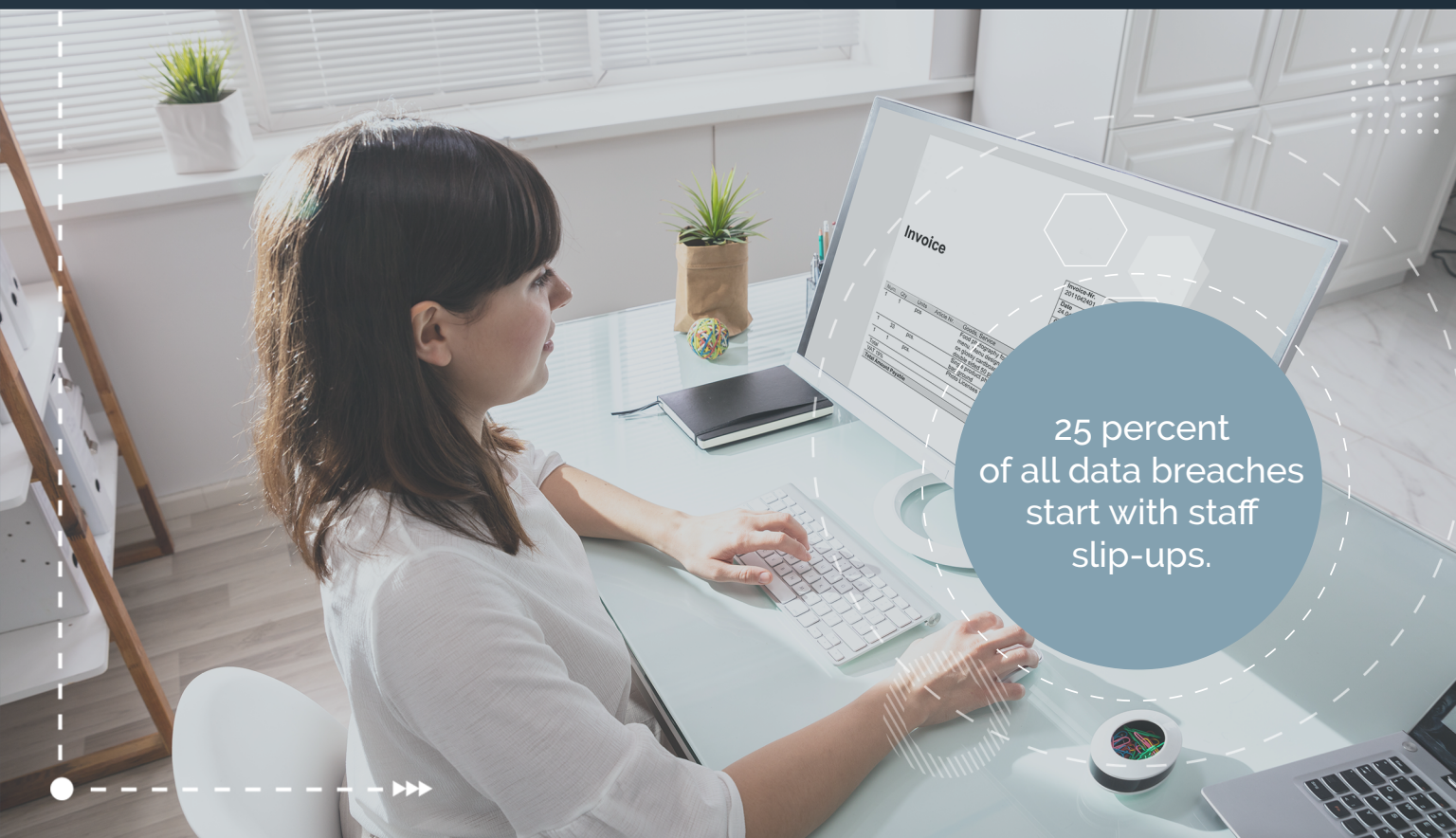
The Manual Multiplier

Manual processes cost more — and they're the reason 80 percent of accounts payable teams underestimate the actual cost of processing an invoice.

For example, many AP departments estimate the time it takes to process invoices assuming no data errors and only one approver. In fact, most companies use two or more approvers and often don't account for the extra time it takes to route invoices through secondary human evaluations, especially if errors are discovered.

80 percent of accounts payable teams underestimate the actual cost of processing an invoice.

PrizmDoc Viewer provides a way to streamline this process by allowing staff to view AP documents regardless of file format. This makes it easier for multiple reviewers to coordinate their efforts by viewing the same document version, annotating it with relevant information, and providing comments to ensure second (or third, or fourth) approvers don't repeat the work of earlier AP staff.

Simply put? Manual processes cost money.
Save by streamlining invoice access, viewing, and collaboration.

The Paperwork Permutation

Document management processes remain a pain point for accounts payable teams, especially as companies look to bridge the gap between physical and digital invoices. Security also plays a role here. If physical documents aren't properly stored and secured, both data breaches and compliance penalties could result.

Here, FormSuite for Invoices offers a way to improve document management without adding another application to your AP environment. Instead, developers can build out corporate systems within existing software solutions. Simply add FormSuite functionality and allow users to keep using familiar tools. They enjoy enhanced usability without added complexity. Machine learning allows FormSuite for Invoices to improve accuracy based on users' corrections. You can help your team get expanded document management abilities without abandoning the familiarity of in-house apps.

The Standardization Sequence

AP teams know current processes can't keep pace with on-demand invoice requests and increasing data volumes. But complexity remains a key constraint — businesses deploying new technologies often struggle to standardize new processes, limiting the overall value of new solutions. As noted above, accounts payable processes are notorious for fragmentation. Multiple approvers and manual processes frustrate team efforts and hinder the ability to ensure invoice processing is keeping pace with business initiatives.

OnTask by Accusoft offers a way to route documents and standardized processes, allowing you to ditch the paper and only enter data once. For example, OnTask can route and track invoices for payment as they move from start-to-finish through your workflow. From initial data collection to AP approval and ensuring all legally-binding signatures have been obtained, OnTask helps break bad habits by removing the conundrum of complexity as a pain point in adopting digital-first AP solutions.

The Visibility Vector

Visibility remains a problem for accounts payable. Existing processes are naturally obstructive — paper forms combined with multiple approvers and potential errors pave the way for unpaid invoices or duplicate claims. This can cost companies both time and money.

"Many companies lack visibility into how much, how often, and when they pay their suppliers."

- Deloitte research

FormSuite
for INVOICES

PrizmDoc
Viewer

ONTASK
powered by accusoft

This leads to our final bad habit:

Giving these processes a pass because there's no clear path from confusion to clarity. With invoices piling up and expectations on the rise, AP teams lack the time to address process problems. Instead, changes are always "on the horizon", even as that horizon recedes.

Here, the trifecta of FormSuite for Invoices, PrizmDoc Viewer, and OnTask provides the end-to-end visibility organizations need but often struggle to find. Consider, FormSuite for Invoices helps streamline the collection and capture of data with reduced error rates, while PrizmDoc Viewer provides the UI component necessary to view and annotate key documents. Finally, OnTask lets you track and customize workflows to ensure that every invoice and every action is recorded, verified, and available in the case of compliance audit requests.

Even better?

Everything happens in your own application ecosystem, providing the critical combination of function and familiarity. Bad habits hurt accounts payable processes. Break the cycle and boost your AP impact with Accusoft.

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