



How Automating Accounts Payable Yielded Money-Saving Results



Paying bills. No one likes doing it, but imagine the responsibility of cutting about 2,500 checks each month — but only after the general managers and department managers have approved every expense — across five stores.

That's what the Accounts Payable team at Peterson Auto Group in Boise, Idaho, used to face. "We'd have to physically take the invoices from store to store or email them and hope that they didn't get overlooked," explains Patsy Price, Director of Operations. "And once a week, we'd do a 'round robin' to get the general managers' signatures on checks. One day, the stack would go to one manager, the next day to another. We always said that our process felt a lot like herding cats." she jokes.

Not anymore. Now the Group uses AP Automation from CDK Global, powered by Yooz and Nvoicepay AP Assist®.

Yooz streamlines the financial workflow by doing away with manual document entry, and instead, uses optical character recognition and learning algorithms to "read" invoices. The system then automatically assigns the correct General Ledger (GL) Code. Managers approve payments with a click of a button, whether they're using their desktop computers or mobile devices. Nvoicepay AP Assist generates the payments.

The more streamlined automated process immediately yielded impressive, money-saving results, according to Price's analysis.

Did You Know

Processing an invoice by hand costs \$18 to \$22 and takes over 22 days.*



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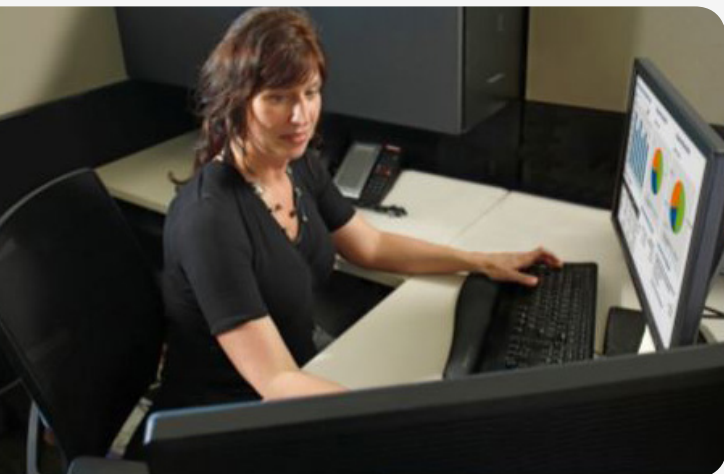
"We've all heard the saying 'Time is money.' Entering an invoice used to take about five minutes. Now it's 15 seconds or less. That's a 95 percent time savings right there. Now multiply that across the 2,500 invoices that we process each month." she states.

Invoice approval also takes much less time, dropping from an average of 45 minutes per invoice to just five. So instead of spending two or three hours a day attaching invoices to checks and routing them for signatures, the system sends the checks for electronic signatures, and funds are electronically transferred. Paying bills now takes only about 15 minutes a day. The cost associated with cutting checks also dropped from about \$5 per check to just \$1.43, a savings of nearly \$35,000 a year.

What about answering managers' questions about invoice status? It used to take at least an hour per request and involved thumbing through files and piles. *"Now we simply type in a vendor's name, and in just seconds, I know who approved the invoice and if and when it was paid,"* says Price. *"We literally don't have file cabinets anymore."* Additionally, because managers have information at their fingertips, they don't need to depend on the office for answers.

There's another benefit to automating the Accounts Payable process. *"We earn a monthly rebate from Nvoicepay AP Assist for just paying our invoices. This additional revenue allows us to offset our expenses,"* offers Price.

Perhaps the greatest benefit of AP Automation comes in the dealership's ability to control its business, not have the business control the dealership. *"Department managers and general managers used to be dependent upon calling others to get answers to their expense-related questions. Now they can know in an instant where things stand,"* shares Price. *"They have knowledge. And knowledge is power."*



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