



Overcoming Invoice Processing and Expense Report Nightmares: A Checklist for AP Teams

As hard as [accounts payable \(AP\) teams](#) may try to track invoices, make on-time payments, manage expenses, etc., it's easy for day-to-day responsibilities to turn into headaches.

For example, if employees hire service providers on their own accord and do not send the vendor's invoices to AP in a timely manner, there's little to nothing that AP can do to ensure that the books are up-to-date and the vendor is satisfied.

Even worse, invoices that go unaccounted for can quickly cause nightmares like late payment fees that cause companies to go over budget, or a vendor might even stop extending credit to the company.

To overcome these types of nightmares, AP teams can leverage technology tools like [e-procurement](#) and spend management platforms that not only streamline the sourcing of products and services but also simplify the operational components of processing invoices, making payments, approving expense reports and more.

AP teams can use the following checklist to start assessing whether they're on the right track toward using technology to overcome AP nightmares in these areas:





1. Processing/Recordkeeping

One of the biggest challenges AP teams face can be managing the sheer volume of paperwork, such as purchase orders, invoices and expense reports.

Using paper-based documents can be hard to track, and they tend to involve manual processes that can be time-consuming and error-prone, such as if an AP professional tries to write cheques based on paper invoices and mistakenly writes down the wrong number.

Instead of facing these nightmares, AP teams can leverage technology tools that can:

- Automatically generate POs
- Analyze digital invoices from suppliers, e.g., [compare spend](#) with different vendors
- Automatically create expense reports based on employee purchases, e.g., those made through a [digital wallet](#)
- Automate reconciliation
- Securely store AP-related documents for easy reference



2. Payments

Often related to trying to get a handle on paperwork, AP teams can face obstacles trying to manage all of their payments, particularly when these involve manual, paper-based processes. For example, 81% of AP departments use paper checks, even though this only ranks seventh out of their favorite ways to pay suppliers, according to [PYMNTS.com](#) and [Concentric research](#).

To simplify payments, AP teams should look for systems that can:

- Streamline multiple vendor payments into one through a single procurement platform where possible
- Automatically schedule payments
- Initiate payments digitally, e.g., through online bank transfers or digital wallets
- Automatically generate p-cards for employee purchases



3.

Approvals

Another AP-related headache can be trying to streamline approvals, ranging from getting executive signoff on end-of-month reconciliations to ensuring employees send their expense reports through the proper approval channels.

Fortunately, e-procurement and spend management platforms can [automate the steps](#) in between purchasing and approvals. Some AP teams might also leverage additional technology tools like document management platforms that help ensure the right documents get the right sign-offs so that companies can properly manage risk.

Look for technology tools and implement processes that can:

- ❑ Set limits for purchases that require approvals beforehand to help avoid complicated reviews after the purchases are made
- ❑ Automatically send expense reports and other documents to the appropriate approvers
- ❑ Allow for [mobile/remote approvals](#) to improve efficiency
- ❑ Define a clear chain of command for approving any documents that need to be paper-based



AP teams that can implement the technology and processes to complete the items on this checklist can increase their productivity and deliver more value to their companies by reducing costly errors and freeing up more time to focus on other finance-related activities.

Have questions about the checklist or want to learn more about how your AP team can unlock significant savings? Request [a free consultation](#) with our product experts today.