



● Curing Your AP Ailments: How  
● Automation Heals Accounts Payable  
Pain-Points

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It's halfway through 2021 (yeah, we can't believe it either), but some of the challenges still facing accounts payable departments are so 2002. Despite the rise in accounts payable technology and other intelligent automation and ERP software like Microsoft Dynamics, many AP departments are still engaging in outdated practices with outdated (or non-existent) technology solutions. Luckily, more accounts payable departments are realizing the need to modernize, and technology solutions like MetaViewer are constantly innovating to meet and defeat the challenges that AP departments continue to face.

In a 2019 AFP Electronic Payments Survey by JPMorgan, they found that companies still make 42 percent of business customer payments by check. Checks are slow, costly, subject to fraud, and unreliable. However, companies that have been using paper checks for decades continue to use them in their business practices. In addition to this find, Ardent Partners estimates that about half of all invoices are still sent to the receiver manually, often resulting in missing payments, delays, and errors. Issues like these are expensive, in addition to making organizations that continue to use them less competitive, less reliable, and less agile.

In addition to these challenges, [NetSuite](#) highlighted eight AP challenges. Here's what they found:

**Slow Processing:** This is especially a problem when companies are manually processing invoices on paper. This leads to longer approval times as documents are passed from desk to desk, printed, copied, shoved into an envelope, and then mailed. It often results in late-payment fees, reduces credibility, and costs your company to pay employees for menial tasks that could, instead, be automated.

**Matching Errors:** AP automation systems, like MetaViewer, often engage in automatic three-way matching to make sure that there are no duplicates within the system and that the invoice matches the purchase order and other documentation. When automation software is not deployed, it is more likely that there will be errors caused by manual data entry, like errors with matching invoices, purchase orders, and line-item details.

**Exception Invoices and Manual Follow-Up:** Exceptions are one of the biggest challenges facing AP departments. If they are not followed in a streamlined, consistent way, they lead to errors and inconsistencies. In addition to this, they are also extremely time-consuming. According to Aberdeen Group, about 20 percent of invoices regularly have incorrect or incomplete information. And to top that off, Ardent Partners found that the average AP department spends almost one-quarter of its time handling supplier inquiries for issues like tracking down missing information. Trust us, your AP staff is built for more than manual follow-up and hunting for missing documents!

**Unauthorized Purchases:** Have unauthorized purchases going on at your organization? If your processes are manual, you may never know. Looking into approved and unapproved purchases is incredibly time-consuming for AP departments, so if processes are manual many of these purchases are likely swept under the rug with no system in place to catch them.

**Fraud and Theft:** According to NetSuite, "a typical organization loses 5% of its revenue to fraud every year, with a median loss of \$125,000." This is according to findings from the Association of Certified Fraud Examiners (ACFE). Fraud, including phishing and other scams, is a huge problem for everyone these days, but organizations that are processing payments and other crucial business information in insecure and unsafe ways are more likely to be compromised.

**Paying Invoices Before a Service or Product is Delivered:** It happens to the best of us. We're so busy with other day-to-day tasks that we pay an invoice before the service has been completed or before the product has been delivered. This lack of visibility can be a large cost burden on organizations, as it restricts cash flow and reduces liquidity, according to NetSuite.

**Disappearing Invoices:** Raise your hands if you have tried to solve the mystery of the disappearing invoice. When your office is handling piles of physical paperwork, invoices can easily (and literally) get lost in the shuffle, resulting in limited visibility, late or missing payments and fees associated with them, as well as accounting problems. It also leaves your leadership team in the dark about the company's actual financials.

**Double Payment:** The opposite problem from the disappearing invoice is the duplicate payment. Coding issues, missing and rediscovered invoices and, again, limited visibility can cause team members to make double payments on goods or services, especially if there are multiple systems in place that are not integrated properly.

In their report "The State of ePayables 2021: Operating in the New Normal," Ardent Partners highlighted the importance of thinking and acting strategic within the AP department in order to combat and defeat these challenges. Here are their strategies for success:

1. Create a plan for automation and innovation that includes the standardization of your invoice and payment processing procedures. This should include plans for expansion to other areas of the enterprise, as well as timing and benchmarks.
2. Collaborate with key stakeholders within your organization to develop a plan that fits your organization's needs and will work strategically with other areas of the business.
3. Take your entire workforce into consideration, including contractors, contingent workers and employees who may be remote. Figure out how they will contribute to your AP automation strategy, as well.
4. "Integrate payments and payment-related approaches into how AP plans to evolve." These areas are important to take into consideration as they will help your AP team achieve its goals and continue to adjust moving forward.

As technology continues to evolve, you may be surprised to find out that a lot of the problems facing today's AP departments are not necessarily modern-day issues. However, state-of-the-art, savvy technology is the key to eliminating old-school challenges and developing a plan for a successful future for your AP team.

### **Where do we fit in?**

MetaViewer is a paperless automation solution (RPA) that is constantly developing to offer the functionality needed to meet the needs of the modern business. Increasing ROI, effectiveness, visibility and precision, solution experts are always watching the trends to assure that the features included with this state-of-the-art document management system are what end-users are looking for in order to perform everyday tasks with greater efficiency and accuracy. Visit <https://www.metaviewer.com> for more information.