

The Challenges Accounts Payable Automation Can Help Overcome

There never seems to be enough hours in the day for accounts payable professionals. They spend most of their time on manual, repetitive tasks such as keying data, shuffling paper, and chasing down information. That leaves little time for more fulfilling, higher-value activities such as data analysis and supplier management. Accounts payable managers also get bogged down by mundane tasks, taking them away from the managerial activities they were hired to perform.

The right accounts payable automation solution could take some of the most tedious tasks off the plate of accounts payable professionals and their managers.

Here's how an integrated accounts payable automation solution can ease the daily grind.



1. Fraud

The shift to remote working has caused major disruptions to established accounts payable processes. But no matter where AP teams are working from, fraud is a constant concern—and manual accounts payable processes open up plenty of possibilities for fraudsters to take advantage of.

Every paper check you send passes through multiple sets of hands, increasing the risk of fraud and exposing your account and routing numbers. Checks also can be intercepted, “whitewashed,” and deposited into a fraudster’s account.

The right accounts payable automation solution mitigates the risk of payment fraud, encrypting each payment and centralizing invoice processing. This can also allow you to customize the approval process, implementing multiple layers for stakeholders to review—and helping spot fraud much easier.



2. Timely Payment

Missed supplier payments have big implications. Not just on the budget, but on the overall relationship with your supplier. As AP teams like yours chase

down vital information, they’re getting burnt out in an effort to stay on top of payment deadlines.

Adapting paper invoice approval processing to a remote working environment is hard. And routing invoices via email provides no assurance that an invoice will reach the right person, and not languish at the bottom of their email in-box. Accounts payable automation eliminates the friction that slows invoice approvals down. Invoices are digitally routed the right person, based on pre-configured business rules. Approvers are notified of invoices awaiting their approval, and alerted when invoices are approaching their due-date. And invoices are automatically escalated to a manager if they sit too long. What’s more, accounts payable professionals have real-time visibility into where things stand so they can act on potential bottlenecks.



3. Payment Status

Suppliers want to know when they will be paid. Even in the best of times, suppliers must monitor their cash flow closely. Without automation, there is no way for suppliers to know the status of their invoices and payments or whether their invoice was even received. It’s not uncommon for AP departments to receive lots of calls and emails from suppliers each month. Researching the status of things takes up a lot of an AP professional’s time and often requires back-and-forth phone calls and emails.

That’s the advantage provided by accounts payable automation solution. As AP teams like yours adapt to a mix of in-office and remote working environments, you can avoid frustrating phone calls and save time searching for payment status. Meanwhile, suppliers can log in to their own portal to see every payment for themselves—in real time.



4. Cash Flow Visibility

AP team members are caught between the slow world of outdated processes and the fast pace of modern business. To provide accurate, up-to-the-minute information, cash flow records need to be digitized.

The right accounts payable automation solution stores detailed, easily searchable data, allowing AP team members to easily monitor cash flow. Current records also help in scheduling payments, so you can control exactly when money is withdrawn—allowing your team to stay close to the bottom line no matter when the quarter ends.

SO WHAT’S NEXT?

Your daily routine in the AP department is ripe for improvement, without changing the way you do business. Today’s accounts payable automation tools can streamline both the day-to-day process and help when big-time budgetary requests hit your inbox. See how American Express and accounts payable automation can help.

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