

Beyond The Paper...Accounts Payable Automation

There are a lot of misconceptions when it comes to accounts payable automation, fallacies that hold companies back from embracing new technology that could make a real difference in the cost-effectiveness and efficiency of their accounts payable operations. The purpose of this paper to dispel those misunderstandings and provide realistic advice you can use to get started on the path to enhanced productivity through accounts payable automation.

What's the holdup?

The current environment is rife with new advances in technology, much of which has been brought to market within the last few years. Interestingly, much of this technology is being used in and focused on the accounts payable function. No longer being relegated to a secondary position, the accounts payable process is now front and center when it comes to advances and enhancements offered to the business community.

That's great news for those looking to upgrade or enhance their current accounts payable processes. Unfortunately, there are some misconceptions that hold organizations back, keep them from taking that next all important step towards proficiency improvements.

The Reality vs. The Myth

What follows are some of the more common mistaken beliefs when it comes to accounts payable automation along with a discussion of the related issues.

Myth #1: Accounts payable automation is complicated

The Reality

It's not. Anyone currently running or working in an accounts payable operation already knows half of what they need to know, and that's the hard part. Automation is simply a different way of handling invoices and it's not convoluted.

Myth #2: It will take a long time to implement

The Reality

That might have been true five or ten years ago but the new AP automation products currently available can be implemented in a very short period of time, sometimes in as little as four to six weeks.

Myth #3: It will require massive IT resources and AP always has difficulty getting allocations for more big IT projects.

The Reality

That might have been true five or ten years ago but the new AP automation products currently available can be implemented in a very short period of time, sometimes in as little as four to six weeks.

Myth #4: AP automation is beyond our pocketbook; it will cost a fortune

The Reality

This is another holdover that might have been true ten years ago but is no longer the case. There is an affordable solution for companies of all sizes, not just the giants. Looking at it from the payback standpoint, most automation projects will have paid for themselves in less than six months.

Myth #5: Our processes are unique so we'd have to spend a lot of money customizing any automation product on the market

The Reality

While every organization has a few idiosyncrasies that make them different from the masses, those differences are not as great as you might imagine. What's more today's automation products are not one-size-fits-all as in the past. Most are configurable with a number of different options. The end result is many firms are able to use the out-of-the-box solution with little or no customization.

Myth #6: We'll need to hire consultants who charge exorbitant fees to get the software up and running

The Reality

AP automation products on the market today are designed to be set up and used by the business owner, not a consultant. There is no need to hire a consultant to get the project off the ground and hence, no outrageous fees.

Myth #7: We'll need to hire consultants who charge exorbitant fees to get the software up and running

The Reality

While AP automation will certainly make the AP process more efficient, it will not do away with the need for an AP staff. For starters, staff will be needed to deal with discrepant invoices. Unfortunately, discrepancies caused by inaccurate invoices submitted by vendors won't go away. What's more, there's a whole raft of new responsibilities coming to accounts payable and management is unlikely to add staff to handle them. By making your process more efficient through AP automation, you are in a much better position to handle them.

So now that we've dispelled any misconceptions that you might have about the realities of AP automation, let's take a look at some of the other benefits that might accrue to a company who takes advantage of it. A few of those include:

- Greater data accuracy due to fewer errors
- Fewer duplicate payments
- Fewer late payments
- Ability to check 100% of expense reports
- The ability to earn more early payment discounts
- The ability to easily identify rogue purchasers and use of non-preferred vendors
- Improvement in regulatory compliance
- Improved morale in the AP department

As you can see from this short piece, AP automation is now a realistic approach for every organization. The benefits are too numerous to ignore. Are you ready to start exploring the option of AP automation for your organization?

For more information visit our website www.Vision360Enterprise.com