

THE LIFE OF AN INVOICE



Regardless of size, industry or location, every company receives invoices and makes vendor payments. However, when you are processing invoices and paying bills manually, the time and cost adds up. The strain on operational resources and your team can be substantial. And the majority of this strain is derived from the invoice processing alone.

With accounts payable automation, many of the areas of inefficiency that crop up throughout the life of an invoice are all but eliminated. In fact, automating the approval routing and reconciliation is proven to reduce the cost of this process up to 50%. This takes into account the hard and soft costs associated with AP.

In this infographic, we follow an invoice from the time your company receives it all the way through to the bill being paid.

STEP 1: THE INVOICE IS RECEIVED



You receive the invoice by mail, fax, email or vendor portal. The process requires someone to check the fax machine, open mail, check vendor portals or email.

With AP automation, invoices go directly into a central solution, limiting human intervention.

STEP 2: INVOICE ENTRY LOGGED IN ERP

The invoice is manually logged into the ERP/accounting system with vendor details, line items, amounts and coding. The process introduces data entry mistakes and is extremely time consuming.

With AP automation, line items, amounts and coding are automatically detected and extracted with both OCR technology and human review. The invoice is populated in the system automatically and synced back to the ERP/accounting system without any data entry required of the AP Team.



STEP 3: THE INVOICE IS ROUTED FOR APPROVAL



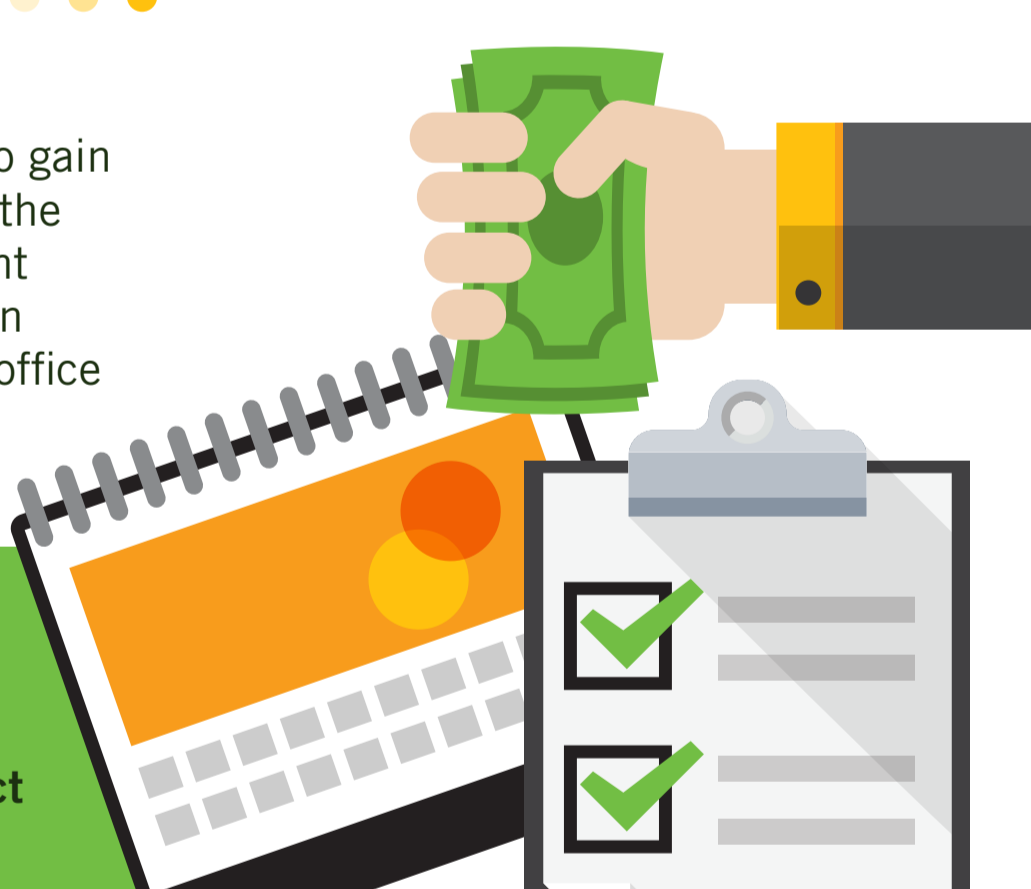
Typically, the invoice needs to get approval before it is logged in the system of record. AP Teams often request invoice approval via paper-based processes or via email or online chat messaging tools. This approval process is ad hoc, inconsistent and unreliable.

With AP automation, once the system has automatically captured the invoice, your workflow sends an approval request with the invoice attached as a reference. Approvers are predefined based on vendor or invoice amount and your system knows who to send it to. Approvers can access via mobile phone, tablet or their computer.

STEP 4: THE PAYMENT IS ROUTED FOR APPROVAL

Once the invoice is approved, you now need to gain approval to make the payment. This includes the date you will submit the payment, the payment method and amount. Delays frequently happen during this step if your approver is out of the office or is in meetings all day.

With AP automation, with automation workflows, your payment approver will receive notification that there is a payment pending approval and that is a review, approve or reject the payment from any device, at any time.



STEP 5: THE PAYMENT IS SCHEDULED AND EXECUTED



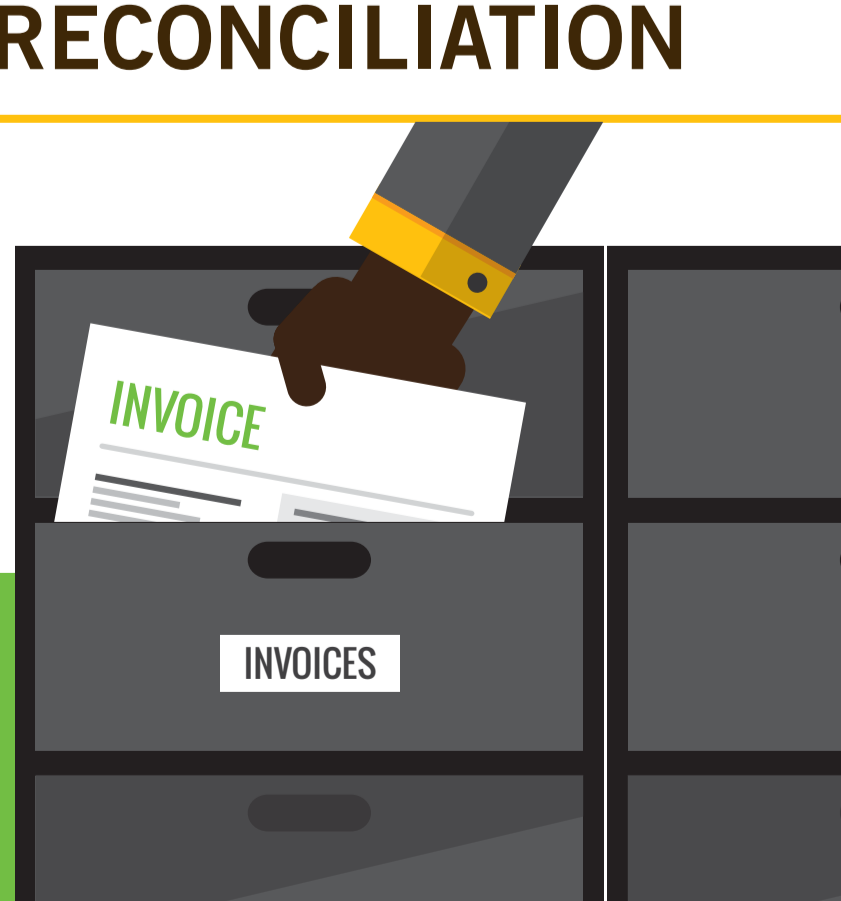
After payment approval (if it occurs), the invoice is paid and remittance details are sent to the vendor. Printing and mailing checks, initiating ACH with the bank or completing credit card payments is time consuming and difficult to reconcile afterwards.

With AP automation, upon approval, the payment will go out immediately on a scheduled date. No further action is required. Two-way sync closes your invoice in your ERP completing the process.

STEP 6: INVOICE PAID AND ARCHIVED FOR FUTURE RECONCILIATION

The invoice is paid and ready to be closed out in the system. This requires a mix of filling data in both physical and electronic repositories, making copies, managing storage etc.

With AP automation, physical invoices are captured and stored digitally. Approval records, invoice copies, receipts and payment records are all attached to the original invoice record.



When looking for a way to streamline AP processes, automation can help limit errors, reduce required man hours and lead to faster payments. Companies in search of an industry leading AP automation solution need to look no further:

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