

# 4 Reasons To Integrate Accounts Payable Automation With Your ERP

A MineralTree Topic Paper

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## Is your ERP alone really enough?

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Accounting systems (ERPs) are essential to optimize accounting and financial operations. It remains your core system of record and centralized source of information across all functions within the finance organization.

In today's world of ever changing business conditions and market disruptions, companies are recognizing that there are benefits to extending the functionality of their ERP by integrating other solutions that focus on specific areas such as payroll, T&E, tax and accounts payable.

In this paper, we look at 4 key reasons why you should consider integrating an accounts payable automation solution with your ERP. Your company deserves a solution that maximizes the strategic value of accounts payable.

### Identifying the impact

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Using your ERP alone to manage your accounts payable is working for you. You are processing invoices, making payments and compiling reports for your management team and even the auditors. But what are you potentially giving up by not integrating with a solution that is solely focused on automating this entire process? We have identified 4 reasons why you should integrate an AP automation solution with your ERP.

#### 1. It's a paper-centric process

Managing accounts payable with your ERP alone is often a manual process consumed by paper. Invoices are mailed, faxed, emailed, forwarded and handed off to the accounts payable team in any number of ways. There are many reasons why you should rid yourself of the piles of paper on your desk and stuffed in manila folders in the filing cabinets behind you but let's look at a few that are serious concerns.

##### **You are at greater risk of misplacing invoices** – Who left it on your desk?

When did they leave it on your desk?

Where did you file that? Did you enter it into the ERP yet? Where did it go?? Misplaced invoices can put you at risk for late payment penalties and vendor dissatisfaction.

##### **Your audit may not be as smooth as it can be**

– When you are using a paper-based process, it becomes even more difficult to reconcile and trace approval workflows and invoice-to-payment reporting. When the auditors show up, you will be racing to pull files from your cabinet, shift through files on your desk and try to find that one missing invoice.

##### **You are at greater risk of fraud**

– Without a traceable approval process that does not allow the invoice to be processed

for payment without designated authorizers indicating approval, your opening yourself up for fraud to occur.

## 2. There is limited access based on user role

ERPs will typically assign a user role to each user that limits their access to certain operations within the system. When users can see certain pieces of the process and not others, they consume time identifying who has access and how they can accomplish the task at hand.

On top of that, your approvers may not have access at all which brings us back to your ability to accurately capture and track the entire workflow and progression of the invoice and payment.

## 3. Limited visibility into your GL specifically related to payables

When you are making payments in various methods, you introduce the need to go into different accounts or areas of record keeping getting to your true GL balance. You may have to look at credit card statements, bank statements, payment records that have not cleared in these accounts yet and manually reconcile everything in a spreadsheet.

It's not real-time. You can consolidate all your

balances into a spreadsheet but you have not taking into account your credit card payment that hasn't been processed, the check that has not cleared, the ACH scheduled for next week, etc. This makes it very difficult to make decisions and accurately report on cash flow.

## 4. There is no mandate for one consistent workflow

Your invoices are being submitted to you in various, inconsistent manners (fax, email, mailed, hand delivered). Your approval process may or may not happen on any given invoice or payment or you don't know who needs to approve what invoice or even certain amounts. You are limiting your ability to have a smooth audit. And you don't have rules defined by vendor to ensure you are paying them in the method they prefer or have a consolidated view into past invoices and payment history.

You have a vision for a consistent workflow but not the tools in place to ensure it is followed each and every time.

## To achieve accounts payable nirvana, you need more than your ERP

The benefits to adding an accounts payable automation solution to your ERP include,

- Eliminating the payment of duplicate invoices
- Eliminating errors caused by manual data input
- Eliminating suboptimal payment methods
- Capturing the right discounts
- Mitigating fraud risk exposures
- Clear and detailed audit trails that improve internal controls
- Improving supplier relationships
- Transparency and visibility that create a culture of continuous improvement
- Increasing employee focus on value-add activities

The functionality required to realize all these benefits can be found in a robust, automated accounts payable solution. Your ERP alone is not going to provide you with automatic invoice capture, advanced and automated invoice approval routing, mobile device access, consolidation and access to any payment method and management dashboards for real-time GL data.

Accounts payable done right improves productivity across the enterprise, facilitates more valuable supplier relationships, and supports company growth and business agility. An ERP alone is simply not enough for companies to unlock the strategic value of accounts payable. Your company deserves better, a best-in-class accounts payable automation solution that works in tandem with your ERP to optimize the strategic value of the accounts payable function at your company.

For more information on how to unlock the strategic value of accounts payable:

- [Automating Accounts Payable: What CFO's Need To Know](#)
- [Automation: The Key For Purchase Order To Invoice Matching](#)
- [Payment Automation: The Value Of Optimizing Payments](#)

## Take The Next Step

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Learn more about how we integrate with your ERP.

Contact us today to schedule your free demo at 617.299.3399 or email [sales@mineraltree.com](mailto:sales@mineraltree.com).