

How to Instantly Boost

# Profitability with Invoice Automation



**The Top 5 Reasons Your Bottom Line  
Needs AP Invoice Automation**

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# The Changing Role of AP



The finance department plays a critical, yet understated role in an organization's success. Having moved far beyond simply pushing paper, the Accounts Payable (AP) function has become more strategic contributing to a company's long term success.

AP has moved away from exclusively processing transactions to managing vendor relations, spend optimization, and identifying cost reductions. Ultimately they're also responsible for maintaining good cash flow. And as we all know, cash is king. Without it, growth can be derailed or worse, businesses can fail.

As priorities shift towards business-critical matters, AP departments are looking for solutions to simplify and streamline key financial processes, like invoice automation. And with good reason.

**Switching to AP invoice automation can reduce transactional costs by up to 80% while effectively optimizing efficiency, taming costs, and maximizing profits.**



# The Business Case for Change



Out of the 500 billion invoices issued globally in 2015, only 42 billion will be paperless. Despite modern technology advances, nearly 80% of supplier invoice activity is still paper-based. But manual paper-based processing adds unwanted costs, staggering inefficiencies, and seriously erodes profit margins.

Manually processing high volumes of invoices is slow and tedious. Physically opening a stack of mail, organizing and sorting invoices, re-keying information, reviewing, manually coding, and verifying against purchase orders before seeking approvals is incredibly time consuming, exhausting, expensive, and prone to errors.

AP teams share a common goal of getting invoices in and out faster, which is better for everyone and strengthens supplier relationships. As well, it can help you maximize dynamic discounting and avoid late penalties. So why are so many companies still relying on traditional Invoice processing that's detrimental to company profitability?

**Moving away from pushing paper invoices towards a centralized process with invoice automation is the key to unlocking the hidden potential within AP.**



# An Easy-to-Implement Advantage



Businesses today are facing the same challenges: rising competitive pressures, shrinking budgets and higher customer expectations. Declining margins compel distributors and manufacturers alike to self-scrutinize, looking for new ways to innovate, cut costs and become more efficient.

One area often overlooked for innovation is the AP department, yet processing paper is one of the biggest organizational challenges. Drowning in a sea of paperwork is a futile proposition. Not to mention that relying on human intervention costs the company a lot more than most people think.

On average it costs around \$15 to process an invoice. When you consider the thousands of invoices you're processing on an annual basis, it's easy to understand how this figure eats away at company profits at an alarming rate.

**Let's explore the top 5 ways invoice automation will instantly boost your profits and create a healthier bottom line.**



# 1. Stop Paying Too Much



When you walk into a shop and see your soon-to-be purchase on sale for \$100, do you offer \$150? No, that sounds absurd! And it would be. But so is incurring late payment penalties without good reason. Unless there are cash flow issues, why delay the inevitable and pay an unnecessary late fee?

And what about missing out on early payment incentives? After all, it's free money. So why leave it on the table? When organizations are scrambling for every hard earned dollar, it doesn't make sense to pay any more than absolutely necessary.

Instead, take advantage of every single discount offered. Pay on time and pay early. It's the smart thing to do. Plus putting more money back in your company's pocket actually improves supplier relations, which is a win-win. Invoice automation eliminates process bottlenecks so you can avoid late fees and never miss another discount again.

**Up to 60% of early payment discounts are missed and 12% of payments are late due to inefficient manual payment practices.**



## 2. Plug the Holes



Duplicate invoice payments are a bigger problem than you might realize. At an average rate of 0.1%, for an organization with costs exceeding \$10,000,000 annually, this represents \$500,000 over 5 years! While many duplicate payments are detected and resolved by trustworthy suppliers, others can require expensive recovery audits.

Surprisingly, 64% of organizations are still relying on a combination of ERP warnings and manual controls to catch violations, which leaves far too many duplicate payments unnoticed. From clerical errors to duplicate invoices, there's no denying that innocent mistakes happen.

While it's unlikely to avoid all duplicate payments, taking steps to prevent errors and fraud will go a long way to keeping company dollars where they belong. Continuous monitoring, manual cross-checks, and invoice automation can work well together to protect profits.

**Duplicate invoices come with a little-known hefty price tag costing organizations \$100,000 for every \$10M spend.**



## 3. Turbo Charge Your Performance



The goal of every AP department is to get invoices in and out quickly. Yet burdening staff with a mountain of paper invoices every day waiting for physical processing is a productivity killer and it brings payment cycles to a grinding halt.

When cycles are slow, it causes unnecessary problems such as finding time to field vendor inquiries and trying to retrieve status updates quickly. They can also become more costly with missed discounts, late fees, and even risk your company's credit reputation and damage supplier relations.

Did you know that it takes an average of 27 days to approve a non-automated invoice for payment? Considering standard payment terms are 30 days, it's hard to avoid being late despite the best of intentions. Automating invoices allows processing in seconds rather than months and is the key to accelerating purchase-to-payment times.

**Automating AP invoices means receiving and entering supplier invoices 75% faster than traditional paper-based methods.**



## 4. Get Closer to Perfection



Although AP departments are focused on speed, they're also focused on accuracy. Yet any form of manual entry introduces the opportunity for natural human errors. Whether it's zeros that are missed, numbers transposed or punctuation forgotten, unintentional keying errors are hard to avoid.

Manual data entry offers an unacceptable 70% accuracy rate. This means finding time to resolve issues from delayed and missed payments, to paying incorrect amounts. It also means finding time to handle supplier inquiries.

Invoice automation is the key to creating better results with total precision. Beyond freedom from tedious, repetitive tasks, it also allows staff to spend 30% less time handling supplier inquiries. Increasing the number of touchless transactions allows the AP team to focus on discrepancies, exceptions, and other strategic priorities.

**Improve the quality of your data and efficiency of processing with invoice automation that offers 100% accurate data capture regardless of invoice format.**





## 5. Cut Transactional Costs



At an average cost of \$15 to process a single invoice, transactional costs are simply too high. When you consider the costs of paper handling, printing, sorting, computing, staff, and archiving, it makes sense. But when you multiply that figure by the thousands of invoices you receive monthly, it's a really expensive proposition.

A proven way to instantly lower administrative costs is to simplify the process. By reducing the number of steps involved and the number of human touches each invoice requires, it immediately impacts the bottom line and puts money back in your pocket.

Invoice automation is an incredibly cost-effective solution that can reduce the cost per transaction to an average of \$3 per invoice. That's a savings of 80%! It's an instant boost to profitability, while aligning technology, business and compliance goals.

**Streamlining AP processes reduces administration and transactional costs by up to 80%, sending profitability soaring.**



# Cultivating Better AP Practices



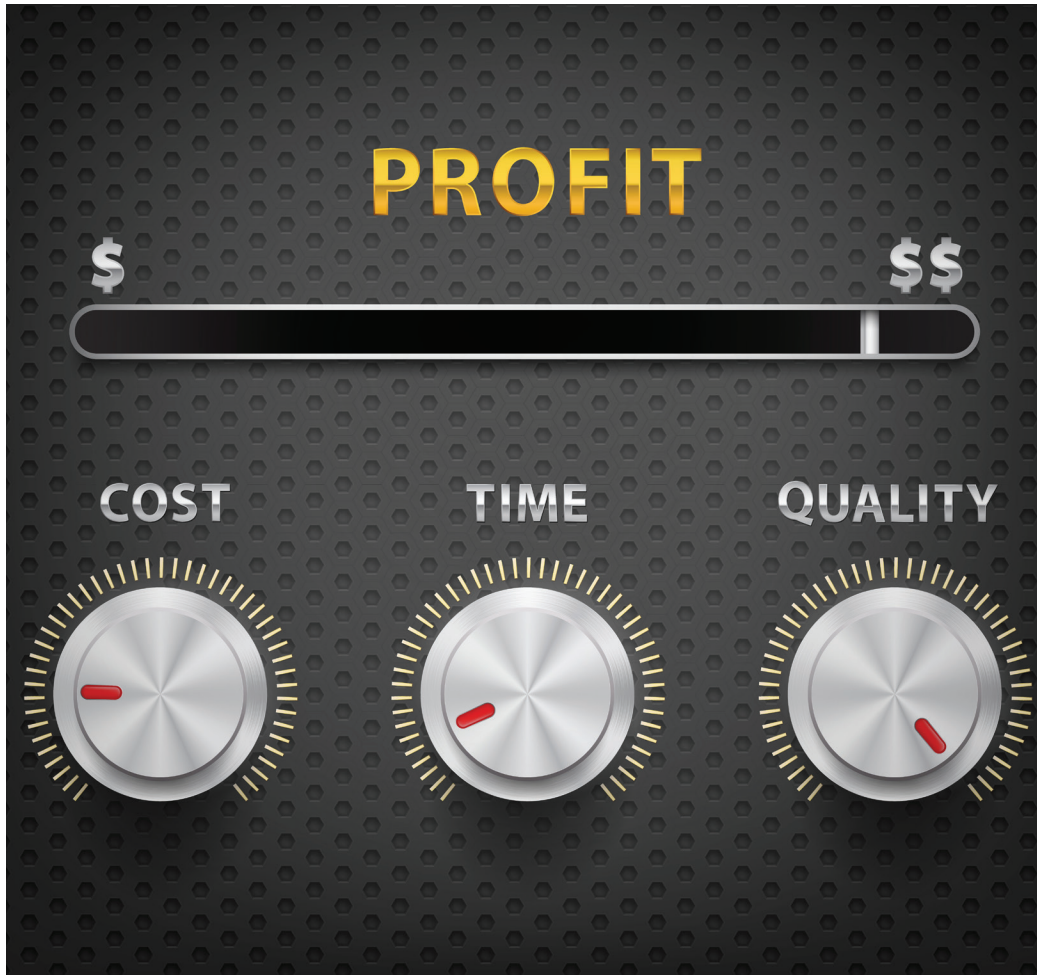
Unlocking the potential within AP can create a whole host of benefits that improve the bottom line. We've explored the top 5 reasons your bottom line needs invoice automation today. It's an easy-to-implement solution with immediate ROI.

By eliminating manual, low value transactional activities, companies can enjoy a 90% reduction in paperwork and the freedom to focus on strategic initiatives like sourcing, spend analysis, and vendor relations.

**If you're eager to embrace a solution that will deliver outstanding efficiency, savings and accuracy, consider Conexiom® Invoice Automation.** It revolutionizes the flow of information by optimizing the capture and transfer of critical invoice data. Here's how it works.



# Conexiom Simplifies Invoice Processing



Conexiom Invoice Automation takes the hassle out of AP operations. It works by effectively capturing and transforming critical invoice data into your ERP system automatically. Since it doesn't rely on Optical Character Recognition (OCR), Conexiom eliminates costly errors, reduces exceptions, and creates seamless, straight-through transactions with 100% accuracy.

Automating manual processes revolutionizes the flow of information with total precision, while turbo-charging productivity. Thanks to Conexiom, invoices are processed in seconds, reconciliations happen in an instant, and purchase-to-payment cycles shrink.

Conexiom offers flexibility and scalability to grow with you as your business expands, relieving hiring pressures and reducing operating expenses. If you're ready to embrace a solution that will dramatically improve your bottom line, try Conexiom today!



# Are You Ready to Revolutionize AP?



Are you ready to eliminate the hassles of manual invoice processing? Would you like to shorten purchase-to-payment cycles by up to 80%? Reduce the cost of processing invoices by 80% or more? Excited to get invoices in and out quickly and with total accuracy? Are you ready to redefine accounts payable?

If you're ready to experience the many benefits of invoice automation, give us a call at 1.866.860.3388 to learn how you can get started today.

## About Conexiom

Conexiom® allows manufacturers and distributors to focus on serving customers and managing supplier relationships instead of entering data. The patent-pending Conexiom solution was created by ecmart, a cloud solutions developer. Conexiom revolutionizes critical sales and accounting business practices by automating manual entry with 100% accuracy. Conexiom effortlessly converts emailed and printed customer purchase orders and supplier invoices into automated sales orders and invoices, enabling companies to focus on driving growth. Conexiom helps organizations across the globe maintain a competitive edge.

**For more information visit [www.conexiom.com](http://www.conexiom.com)**