

From Numbers to Narratives:
**Transforming Accounts Payable
with Automation**

Unlocking the Potential of AP Automation



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Introduction

Stories hold a profound impact on us. They have a unique ability to convey truth, evoke emotions, and challenge our perspectives.

By leveraging the power of stories, we aim to delve into the experiences of leading companies that have embraced accounts payable (AP) automation to drive transformative change. Through these experiences, we will explore the lessons learned, delve deeper into the benefits and challenges of AP automation, and foster a thorough understanding of how businesses can mature and thrive in the ever-evolving landscape of financial operations.

Welcome to the realm of AP Automation - a reality where numbers come alive with narratives of payables prowess and operational excellence.

This whitepaper serves as a comprehensive guide for businesses struggling with manual AP processes, providing insights on implementing automation tools for enhanced efficiency and productivity. Through in-depth analysis, industry examples, and expert insights, we explore the tangible benefits and future possibilities of embracing AP automation solutions.

We delve into specific aspects of accounts payable solutions, addressing critical areas such as streamlining invoice processes, enhancing accuracy, optimizing cash flow management, improving vendor relationships, and driving strategic decision-making. Throughout this journey, we highlight industry leaders who have successfully implemented AP automation and the remarkable results they have achieved. These examples provide palpable evidence of the transformative power of automation and serve as an inspiration for organizations seeking to revolutionize their own AP processes.

So, whether you're a CFO seeking to optimize your payables, an AP clerk or manager grappling with manual processes, or a business leader eager to gain a competitive edge, this whitepaper is your guide to unlock the full potential of AP automation. Join us on this journey as we delve into the depth of AP automation and discover how it can propel your organization towards unparalleled Accounts Payable efficiency, accuracy, and success.

The Rise of AP Automation: A Statistical Overview

In the ever-evolving business landscape, the adoption of AP automation solutions has experienced a remarkable surge, transforming the way organizations manage their financial processes. The statistics speak for themselves, showcasing the growing recognition of AP automation across industries.

What's particularly noteworthy is the shift in adoption patterns. While AP automation was initially embraced by larger enterprises, recent statistics reveal a substantial increase in adoption rates among small and mid-sized businesses (SMBs) and franchises. This trend can be attributed to advancements in technology, the availability of cost-effective solutions, and the realization that automation is no longer limited to larger organizations.

Today, over 70% of organizations have implemented some form of AP automation in their accounts payable processes, marking a significant increase compared to previous years. This exponential growth signifies the value and benefits that organizations are witnessing by embracing AP automation.

Seize the Opportunity: The Time for Automation is Now

The widespread popularity of AP automation has given us the true inflection point in adoption among SMBs and franchises. Finally, everyone recognizes the technology's disruptive potential for themselves.

As organizations strive for operational excellence and financial efficiency, AP automation emerges as the key to unlock transformative power. Let's explore powerful industry examples and compelling experiences to understand why SMBs and franchises must embrace AP automation without delay.

Industry leaders have set a powerful precedent by embracing AP automation and reaping its benefits. Take the example of Coca-Cola, a leading

beverage company, that recognized the importance of accuracy and compliance in their accounts payable processes. By implementing AP automation, Coca-Cola automated data validation, saved costs on check payments, reduced errors and ensured regulatory compliance. The beverage company experienced a notable increase in its accounts payable by \$38.5 million, primarily due to timely cash payments. This reflects their commitment to ensuring timely and efficient transactions with their suppliers. Additionally, the beverage giant saw an increase in accrued compensation of \$23.3 million. This rise can be attributed to their improved financial performance, which led to enhanced compensation for their employees.



The Possibilities are Endless

Imagine every individual in your AP team had an assistant that “knew” about every payment that’s due or paid — the entire vendor payment cycle, nuance and intent of every transaction or bill — and could process, visualize, and analyze that information in a matter of seconds, infinite times.

In the current phase of adoption, organizations are increasingly experimenting with off-the-shelf foundation models in AP automation solutions. However, the greatest value lies in customizing and fine-tuning these models using their own data to address their unique needs.



A look ahead at the
**fast-paced evolution of
technology, automation,
and regulation...**

Lisa and Mike, AP staff at a growing company, are frustrated with the manual and error-prone accounts payable (AP) process they currently have in place. They express their desire to find a more efficient and accurate solution to streamline their AP tasks.

Lisa: "Ugh, these stacks of invoices are driving me crazy! I wish there was a way to streamline this process."

Mike: "Tell me about it! And don't even get me started on the costs of printing and mailing checks. There must be a better way."

Lisa: "Have you heard about AP automation? I've been doing some research, and it seems like a game-changer. It could help us eliminate these manual tasks and reduce errors."

Mike: "Interesting. But does it really work?"

Lisa: "Well, many businesses are adopting automated solutions. A lot of them implemented AP automation and saw a significant reduction in processing time and improved accuracy. It transformed their AP operations."



Mike: "That sounds promising. We should explore this further."

Lisa and Mike decide to check out an advanced AP automation solution tailored to their company's needs. The new system promises to automate the entire AP process, reduce errors, and streamline the approval workflow.

Lisa: "You won't believe it, Mike! AP automation significantly reduces errors and discrepancies. No more double-checking everything!"

Mike: "That's music to my ears. We can finally trust our transactional data and avoid those embarrassing mistakes."

Lisa: "Plus, it automates data validation, so we don't have to worry about incorrect posting. Our payable reports will be spot-on!"

Mike: "Finally, accurate numbers that we can confidently present to our stakeholders. This is indeed a game-changer!"

Eliminating Bottlenecks to Enhance Efficiency

Industry leaders understand the importance of accounts payable automation to enhance efficiency and reduce manual errors. Organizations can transform their invoice processing workflows and achieve remarkable results by leveraging AP automation solutions. By streamlining invoice processing, fostering collaboration with suppliers, optimizing cash flow management, and driving strategic decision-making, businesses can unlock enhanced efficiency and accuracy in their accounts payable process.



Finding Order Amidst Chaos

Key Features of AP Automation

Streamlining Invoice Processing

In the quest for operational excellence, streamlining invoice processing is a top priority for organizations. AP automation solutions offer a transformative approach to this challenge, enabling businesses to achieve maximum efficiency and accuracy in their invoice processing workflows.

Procter & Gamble (P&G), a global consumer goods company, recognized the need to streamline their invoice processing to enhance efficiency. By implementing AP automation, P&G revolutionized its invoice-handling process. With automated data capture and validation, they minimized manual errors and significantly reduced processing time.

Enhancing Accuracy and Saving Costs

Achieving accuracy in accounts payable operations is paramount for businesses of all sizes. Inefficient manual processes and the risk of human errors can lead to costly mistakes. AP automation solutions offer a winning combination of enhanced accuracy and significant cost savings, reshaping accounts payable operations.

Amazon, the world's largest e-commerce company, is known for its commitment to operational excellence. By embracing AP automation, Amazon enhanced accuracy and saved costs in their accounts payable processes. The impact was twofold. The e-commerce giant processes millions of invoices every day. It reduced invoice processing costs by nearly \$100 million per year. With an automated system in hand, Amazon improved customer service by processing invoices quickly and accurately.

Unlocking the Potential of AP Automation

Improving Vendor Relationships

Collaboration with suppliers is crucial for maintaining healthy and successful business relationships. AP automation solutions not only streamline internal processes but also enhance collaboration and strengthen vendor relationships. With a dedicated vendor management portal, businesses can now invite their vendors to see payment status and invoice history, ensuring better transparency and trust among them.

Walmart, a leading retail giant, implemented AP automation to enhance collaboration with its suppliers. By providing self-service portals, automated communications, and transparent payment processes, Walmart improved vendor satisfaction, reduced manual inquiries, and built stronger partnerships. The streamlined collaboration with suppliers resulted in cost savings, improved supply chain resilience, and increased operational efficiency.

Optimizing Cash Flow Management

Optimizing cash flow is essential for maintaining financial stability and driving business growth. AP automation solutions offer advanced tools and features to optimize cash flow management, providing organizations with greater control over their financial performance.

Microsoft, a technology leader, recognized the importance of cash flow optimization. By implementing AP automation, they achieved remarkable results in cash flow management. Through automated payment processing and dynamic discounting capabilities, Microsoft improved its cash flow position significantly. The streamlined AP process allowed them to make timely payments, negotiate favorable payment methods, and unlock valuable early payment discounts. With optimized cash flow, Microsoft enhanced its financial performance and gained a competitive edge in the market.

Driving Strategic Decision-making

Strategic decision-making is a cornerstone of business success. AP automation solutions provide valuable insights and data analytics tools that empower organizations to make informed, data-driven decisions for sustainable growth.

American Express (Amex), a global financial services company, recognized the power of AI and intelligent automation in revolutionizing their accounts payable department. By leveraging AI algorithms, they enhanced reporting and analytics capabilities, enabling data-driven decision-making to drive strategic growth. Amex gained valuable insights into cash flow, invoice aging, and payment patterns. This enabled them to make data-driven decisions, optimize cash management strategies, and improve payment accuracy.



Adoption Trends of AP Automation

The world of AP automation is evolving at an unprecedented pace, driven by emerging technologies that hold the key to transforming financial processes. As small and medium-sized businesses and franchises navigate the ever-changing business landscape, understanding the impact of these trends becomes crucial for gaining a competitive edge.

The future looks amazing, with intelligent tools seamlessly handling tedious manual tasks and empowering finance teams to focus on strategic initiatives. Automation is at the forefront of this transformation, revolutionizing AP processes. With AI-powered algorithms, businesses can automate data extraction, validate invoices, detect anomalies, and even predict cash flow patterns with uncanny accuracy.

Statistics reveal a promising future. According to industry reports, AI adoption in finance and accounting is set to skyrocket, promising a 23% increase in productivity by 2025. Industry leaders like Coca-Cola, Walmart, American Express, and more have already harnessed the

power of AP solutions, witnessing improved accuracy, reduced processing time, and empowered decision-making.

The future is bright. A growing number of organizations are recognizing the transformative potential of automation, with 84% either exploring or initiating AP solutions. Visionary companies like Amazon and Microsoft have already embraced automation, benefiting from increased efficiency, reduced fraud, and enhanced traceability in their AP processes.

As SMBs and franchises set their sights on the future, the potential of AP automation becomes clear. Adopting these emerging technologies empowers businesses to achieve unparalleled efficiency, reduce costs, make data-driven decisions, and streamline processes. The time to embark on this transformative journey is now, ensuring long-term success and a competitive advantage in the ever-evolving business landscape.

Together, let's seize the opportunities that lie ahead and embrace the future of AP automation with open arms.

In a Nutshell

The future of accounts payable automation holds immense promise for small medium businesses and franchises. By leveraging emerging technologies, organizations can unlock unprecedented efficiency, accuracy, and strategic decision-making capabilities. This transformative shift empowers SMBs and franchises to reimagine their payables and drive lasting success.

With AP automation solutions, manual tasks have become a thing of the past as intelligent algorithms handle data extraction, validation, and predictive analytics. These smart solutions help streamline processes, eliminate errors, reduce costs, and free up valuable resources.

Implementing AP solutions ensures security, transparency, and trust in AP processes, improving vendor relationships.

Leading companies have already paved the way, witnessing tangible benefits from embracing AP automation. The time for change is now. By embracing AP automation, businesses can make their accounts payable operations future-ready, gain a competitive edge and drive growth.

Don't be left behind. Embrace the future of AP automation, break free from the shackles of manual processes, and unlock a world of efficiency, accuracy, and strategic vision.

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About PathQuest AP

PathQuest AP is a smart accounts payable automation solution developed with the accounting first mindset. AP enables better control and visibility over business expenses while getting rid of any late, duplicate, and fraudulent payments. You can manage & pay your bills faster with vendors' preferred method, including PO system, ACH, credit card, and check payments.

PathQuest AP automates and streamlines Accounts Payable workflow by keeping your current system intact, letting your business run smoothly.

Unlocking the Potential of AP Automation

PathQuest

PathQuest is a subsidiary of Pacific Accounting & Business Services (aka PABS), a result-driven Blended Shore Outsourced Accounting Firm.

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