20 Shocking Accounts Payable Stats

Knowing them will change the way you do A/P forever
Manual invoicing often requires at least 15 steps before the final posting is done.

Source: Aberdeen Group
80% of invoices still arrive on paper.

Source: The Accounts Payable Network
The average cost of processing invoices with low automation can be as much as 20 times greater than with high automation.

Source: Institute of Finance & Management
AP automation can save as much as $16 per invoice or more, depending on the size of your company.

Source: Aberdeen Group
The industries with the highest costs for processing invoices are non-profit/education ($16.78) and government ($15.86).

Source: Institute of Finance & Management
The Institute of Financial Operations found that over 42% of respondents captured less than 10% of early payment discounts.

Source: APP2P Network
Only 14% of paper invoices are input into the AP system on the same day as their arrival.

Source: The Accounts Payable Network
In a low automation environment, it can take more than five days from the date of receipt for the invoice to reach AP.
Inefficient paper-based processes plague AP operations, making it one of the scariest processes in the office. POs and invoices go in, sometimes never to be seen again.

Source: Vanguard Systems
Invoice and AP automation pays for itself within 6-18 months on average.

Source: APP2P Network
Organizations using AP automation can process over 4 times as many invoices as those without automation.
Automation can reduce invoice processing time from 20 days down to 3.

Source: Aberdeen Group
Paper-based processes allow for “misplaced” invoices. This problem vanishes with AP automation.

Source: Beanworks
Organizations that use AP Automation have a 63% greater chance to have invoices exhibit straight through processing.

Source: Aberdeen Group
Vendor invoice error rate decreased from 4.0% to 3.1% while vendor checks reissued decreased from 1.9% to 1.8% as the level of automation increased.

Source: Aberdeen Group
Organizations using AP automation save 19% on invoice processing. Source: Aberdeen Group
Most corporate fraud can be found in accounts payable. A 2013 survey found that 61% of organizations suffered attempted or actual payment fraud.

Source: APP2P Network
Organizations lose an estimated 5% of annual revenues to fraud alone.

Source: Association of Certified Fraud Examiners
An Automated System CAN ALERT YOU TO SUSPICIOUS ACTIVITY, REDUCING THE RISK OF FRAUD AND OTHER LOSSES.
Over Half of AP departments say their Top Priority is Moving away from Paper-Based Processes.

Source: Ardent Partners
The “V” is for Vigilance

Overview

Evidence suggests that the core solution to the Finance challenge lies in optimizing workflow processes to improve operational efficiencies. This white paper is designed to help finance organizations that figure all this out get to turn their attention to the more strategic challenges facing the corporation. So let’s count down the top ten reasons to automate AP processes and explore the solutions that can be leveraged to reduce costs, strengthen controls, improve service levels and increase visibility.

Accounts Payables organizations are charged with reducing costs, improving performance, achieving regulatory compliance, increasing visibility and enabling the corporation’s strategic initiatives—all at the same time. The fundamental issue is not whether a company should strive for these goals but how well they can be accomplished. A strategically engineered transformation of processes that achieves these goals — cutting operational costs and minimizing financial risks — obviously requires serious consideration. This white paper examines in detail the relevant issues and benefits of Accounts Payable automation and best practice workflows expertly applied to a set of processes. Automation effectively meets the AP challenges of cash management, lack of transparency, process inefficiencies, delayed closing times, poor productivity and threats to compliance posed by fraud and errors.

Finance organizations that figure all this out get to turn their attention to the more strategic challenges facing the corporation. So let’s count down the top ten reasons to automate AP processes and explore the solutions that can be leveraged to reduce costs, strengthen controls, improve service levels and increase visibility.

Free your organization from outdated, costly, and time-intensive AP processes. Vigilance is a complete Accounts Payable solution that automates the entire process from capture to payment.

Vigilance

Drastically reduce the amount of labor required to process Accounts Payable invoices. By streamlining the process, you can drastically reduce the number of AP Clerks required to maintain the same level of service. Vigilance’s intelligent OCR data extraction and processing technology transforms static data into usable information.

Streamline AP Approvals

Streamline AP approval workflows, strictly following your business rules. KPI data is available for collection and analysis. Applications are prioritized based on your business rules. Your invoices are now ready for GL coding and approvals. Vanguard’s powerful workflow engine is designed to protect your organization from errors caused by manual data entry. The process is complete!

Captive Early Pay Discounts

The 获取 early-pay discounts is a real benefit of AP Automation. When vouchers are ready, they can be sent immediately to your lockbox. This eliminates the need to wait for a window of opportunity to capture discounts.

In-House Scanning

Outsourced Scanning

Data and invoices are sent via FTP nightly back to your servers. Best of all, no capital expenditure is required.

Redirected Focus to Core Initiatives

Can you quantify how much time your AP Clerks spend manually organizing incoming invoices, re-entering data and routing invoices to collect approvals? Vanguard’s AP Automation solutions can be leveraged to reduce costs, strengthen controls, improve service levels and increase visibility.

Automation benefits of AP Automation. These steps remove the vouchering process, removing paper from the vouchering process, or affording resource reallocation. Additionally, knowledge worker can be reallocated to focus on core initiatives, redirected focus to accelerate payments, faster approval cycles, enhanced process visibility, eliminating process bottlenecks, and reduction of late payment penalties.

Streamline AP processes.

The optimal solution is the implementation of a complete Accounts Payable automation solution. Eliminate paper, streamline process, reduce costs and integrate efficiencies is the streamlining AP approval workflow, strictly following your business rules. KPI data can be collected and analyzed. Applications are prioritized based on your business rules. Your invoices are now ready for GL coding and approvals. Vanguard’s powerful workflow engine is designed to protect your organization from errors caused by manual data entry. The process is complete!

Certify or Approve Vouchers

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Oberver, Approver, Capture, Extract, Validate, Approve

Vanguard’s AP automation platform utilizes powerful software technology to transform ordinary invoices into useful information. This software technology is simply called Intelligent Optical Character Recognition (OCR). The process is simple — invoices are received, data is extracted and invoices are approved. The process is complete!

Faster Process Turnaround

In-House Scanning

Outsourced Scanning

The process is complete!

Remote Access via Internal System

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