



Work Like Tomorrow.[™]

The Essential Guide to Accelerating Invoice Processing

Boost accuracy, improve cycle times and reduce costs with SaaS-based APIA

KOFAX



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APIs Pressured to Perform Using Outdated Processes

Accounts payable (AP) teams are feeling the squeeze, caught between two opposing forces. On one side, the push to maximize performance and reduce operational expense. On the other side, legacy systems and processes that stifle efficiency and add cost.

Even when you're ready to update AP to overcome these challenges, it can be hard to know where to start. This eBook is written to describe the benefits of AP invoice automation (APIA), the benefits of Software-as-a-Service (SaaS) and what to look for when comparing solutions.



**"More than 90% of all invoices worldwide
are still processed manually."**

— Bruno Koch, Billentis 2017 E-Invoicing/E-Billing Report

¹ https://www.billentis.com/einvoicing_ebilling_market_report_2017.pdf



Aging AP Processes Are Increasingly Costly

If yours is like many AP departments, you're challenged to reduce overhead, increase visibility into liabilities and adapt to new technology quickly.

Unfortunately, your processes aren't as fast as they could be because they're not fully automated. Even if your organization has implemented standalone products, they're often limited in their ability to connect and communicate with each other or with your ERP.

C Enterprises list “manual data entry and inefficient processes” as their top invoice management pain point (63%) in a survey by PayStream Advisors.²

Manual processes and disconnected solutions in your AP invoice processing workflow are roadblocks to efficiency. When we take a closer look at the drawbacks caused by these aging processes, it becomes clear that the cost of keeping the status quo is high.

² 2017 Invoice Workflow Automation Report,
https://www.paystreamadvisors.com/wp-content/uploads/2017/11/2017_IWA_11.22.pdf





Got Paper? Five Drawbacks of Traditional AP Invoice Processing

If your organization hasn't automated invoice processing, you know the pain of grappling with legacy systems while trying to meet ever-shifting expectations. Traditional AP tasks and processes suffer from the many downsides of overly manual, which can be summed up in the following five areas:

1. Inferior Data Integrity
2. Increased Cost
3. Reduced Agility
4. Lengthened Invoice Processing Cycles
5. Dependence on IT Specialists

Manual processes and disconnected solutions in your AP invoice processing workflow are roadblocks to efficiency. When we take a closer look at the drawbacks caused by these aging processes, it becomes clear that the cost of keeping the status quo is high.

1. Inferior Data Integrity

Manual processes result in high error rates over time, as we humans aren't especially accurate when performing repetitive tasks. Inefficient systems result in more lost invoices, more discrepancies and more exceptions.

2. Increased Cost

Processing invoices without automation is expensive, both in terms of labor and hardware. The longer an invoice takes to make it through your manual process, the more it costs. If your organization has multiple sites, your cost to process invoices will be higher.

3. Reduced Agility

When AP invoicing isn't automated, you have to work harder to keep up with new formats and standards. Single-point solutions don't always connect to, or work well with, ERPs.

Top Challenges in the AP Process⁴

25%

Manual routing of
invoices for approval

23%

Manual data entry and
inefficient processes





4. Lengthened Invoice Processing Cycles

With traditional, manual AP invoicing, multiple employees have to review and/or approve invoices. Whether electronic or paper, invoices get overlooked. Exceptions further slow your processes. These long processing cycles make it harder to capture supplier discounts.

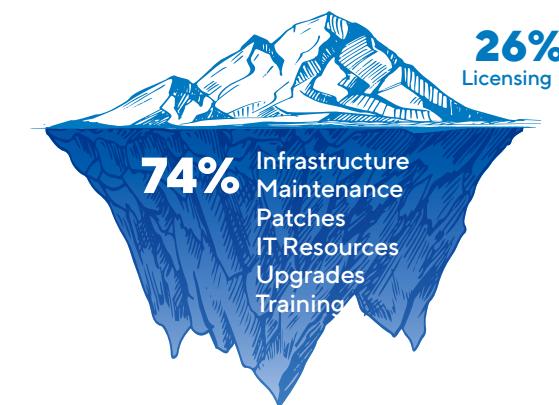
5. Supporting an In-house AP Solution

Can require skilled operators, often within IT—and IT has many competing priorities. This can bottleneck reporting and analytics efforts and add strain to IT.

Looking Beneath the Surface

Industry research shows that the total cost of ownership (TCO) for an on-premises system will be more than double that of a SaaS-based cloud solution.*

On-Premises



Cloud



Reference: The SaaS Report

* Cost compared over four years for 100 users. Average on-premises TCO of \$1,400,570 as compared to \$697,656 for a cloud-based solution.



Replacing the Old Ways: Accounts Payable Invoice Automation (APIA)

Across industries, the benefits of automating business processes are well-known. **Automation:**

- Replaces inconsistent manual work with software that performs consistently, 24 hours a day
- Completes tasks in a fraction of the time required by manual processes
- Vastly improves accuracy
- Provides audit trails that add transparency and maximize audit-readiness

Although many companies have already implemented process automation in some areas—and are seeing good results—many haven't yet applied AP invoice automation.

"To streamline AP workflows and the procure-to-pay supply chain, to achieve better, faster outcomes, and to empower both payers and suppliers, AP needs next-generation invoice automation."

— Aberdeen Group⁵

It's a fact that when it comes to AP invoicing, more automation is better. The more your process is automated, the more you'll enjoy benefits like lower cost-per-invoice, reduced cycle times and early-payer discounts.



⁵ "Mission Possible: Reinventing Invoice Automation" -Aberdeen Group

When It Comes to APIA, SaaS is in Session

To minimize costs and maximize efficiency, AP needs to adopt appropriate technology to stay current and competitive.

Now that the public cloud has reached maturity in security, scalability and reliability, Software-as-a-Service (SaaS) is the ideal choice for AP invoicing automation.

Software-as-a-Service has a unique set of benefits that puts it ahead of other approaches for invoicing automation. SaaS directly addresses five specific challenges for AP and finance teams:

1. Superior Data Integrity

With SaaS, all users access the same version of the truth, even across multiple regions and sites. Discrepancies are reduced, and invoices are much less likely to get lost or mishandled.

2. Reduced Cost

Automating AP invoicing reduces your cost-per-invoice, and when implementing a SaaS-based solution, you don't need to invest in hardware or software. Physical storage costs are reduced, because invoices are handled electronically instead of manually. SaaS solutions that implement multi-tenant technology pass on the savings of their secure resource, efficient architecture to customers.

3. Increased Agility

SaaS is quick to deploy and effortless to update. You can deploy AP invoice automation in as little as a few hours. Software stays up-to-date with the latest security and functionality enhancements. Upgrades and enhancements are provided in near real-time, assuring currency and security.



SaaS is the clear trend, with budgets for SaaS increasing over IaaS and PaaS (48% compared to 30% and 21%, respectively).⁶

4. Shortened Cycle Times

With much of the traditional workflow now automated and deployed via SaaS, processes are tightened, and visibility and accountability are increased. Invoice cycle times are significantly reduced, avoiding penalties and maximizing the opportunity to capture vendor discounts.

5. IT Specialist-Independent

Your reliance on IT will be minimal because SaaS offers a self-service interface that doesn't require IT specialists to implement and maintain. You'll always have access to the latest build of the software, from any internet-connected device.

⁶ "Cloud Computing Has Come of Age," IDG

<https://www.idg.com/tools-for-marketers/cloud-computing-has-come-of-age/>



Streamline AP Accountability for Organizations of Any Size

One of the many reasons Software-as-a-Service has gained in popularity is that it's easily scalable; organizations of any size can leverage SaaS.

Whether your AP team works for a small, midsize or enterprise-level business, AP invoice automation will instantly add digital accountability to invoicing processes. Use workflows and approvals to ensure the same person doesn't approve both a PO and the corresponding invoice. Gain accurate insight into what happened when, with every element of every invoice, at any point within the procure-to-pay (P2P) cycle. Increase audit-readiness with a digital history of every interaction with every invoice.



Cloud will become the dominant deployment model across all areas of financial management applications by 2025.⁷

⁷ Gartner, August 2016



Distributed Organizations

If your organization includes multiple sites that process invoices and you're not applying automation, you're likely missing out on benefits that AP invoice automation can quickly yield. For starters, when multiple sites are operating from the same SaaS-based solution, you can realize impressive savings and increase efficiency company-wide, just from consolidating into a set of consistent, streamlined processes. Other benefits can include connecting to various ERPs across a distributed business while providing a unified invoicing experience for all users. And of course, with SaaS, there's no hardware cost—a prime consideration for businesses with multiple sites.

Distributed organizations are ideal for SaaS-based automation, where processing times and redundancies can be significantly reduced across locations and business units. Investment is comparatively low, and it's simple to scale up or down.



Demand for SaaS-based AP Automation is Steadily Increasing

40%

of new ERP deployments
for large businesses will
be Cloud SaaS by 2021

50%

of large businesses will
implement an "all in"
Cloud SaaS strategy by 2025⁸





7 Questions to Help Compare SaaS-Based APIA

When comparing solutions, it's important to choose wisely so you maximize the benefits of SaaS. You'll also want to ensure that the AP invoice automation solution you're considering can readily scale to meet future needs.

Does the APIA SaaS solution I'm considering...

- 1. Improve processing times with GL coding and two-and three-way invoice matching?**
- 2. Include built-in OCR technology and online learning to capture, extract and transform data?**
- 3. Have the capability to scale, including multi-site, distributed organizations?**
- 4. Provide localization capabilities, supporting multiple languages?**
- 5. Support customers with a dedicated team, 24/7?**
- 6. Deliver updates and innovations quickly and automatically?**
- 7. Support any ERP, with certifications for Microsoft Dynamics 365 Business Central and Oracle NetSuite?**



Taking the Pressure Off Accounting and Finance Teams

Kofax ReadSoft Online helps you overcome the challenges facing AP. ReadSoft Online is a SaaS-based, comprehensive APIA solution that dramatically improves cycle times—helping you attain unparalleled efficiencies and cost savings. Leveraging this solution helps quickly move invoices through the procure-to-pay cycle, helping you capture more discounts while making payment commitments.

As a SaaS-based solution, ReadSoft Online is available to you anywhere and anytime, you have an internet connection. Any time of day, access invoice data to track performance metrics, and view compliance and audit reporting. Our multitenant Software-as-a-Service is monitored around the clock by a dedicated team, and doesn't depreciate over time like hardware-based solutions.



How it Works

- Send or upload your invoices to the cloud
- Invoice data is automatically extracted and the invoice is registered
- Code and approve invoice in your web browser
- Post invoice data into your financial system
- Access performance-based reporting and usage data
- Automatically archive invoice image and data





Kofax ReadSoft Online checks all the boxes for AP Invoice Automation:

- ✓ Improves processing times with two-way and three-way matching, as well as GL coding
- ✓ Has certified ERP partners in Microsoft and Oracle and can integrate with any ERP and multiple ERPs
- ✓ Uses built-in OCR and machine learning to capture, extract and transform data, including header and complex line items
- ✓ Scales to address changing business requirements; ideal for any organization, including shared service centers and multi-site, distributed organizations
- ✓ Can be localized by country and language
- ✓ Delivers the latest software updates and innovations automatically and quickly
- ✓ Includes 24/7 support from a dedicated team

AP Feels the Pressure Squeeze	ReadSoft Online Delivers AP Relief
Pressure from management to reduce overhead and costs	Reduces overhead and costs by replacing manual tasks with faster, more accurate, automated ones
Pressure to show greater visibility into the accounting process	Provides audit trails from procure-to-pay and instant visibility into key metrics, even across distributed organizations
Pressure to show a fast ROI, regardless of solution	Requires no investment in hardware or software and minimizes total cost of ownership
Pressure for fast adoption of technology, regardless of user	Gives users the latest version of software available, including fixes and new features, quickly
Pressure for easy vendor interaction and invoice submission	Includes options for uploading invoices via the web or ReadSoft Online Connect





Automate Now for Invoicing Relief

If you're feeling the pressure to improve AP invoice processing and are saddled with rigid legacy processes, it's time to consider a lasting, SaaS-based APIA solution that can easily scale.

Kofax ReadSoft Online has the flexibility to meet your needs, offering simple implementation, comprehensive cloud-based support, no upgrade fees and no system admin. Now's the time to apply AP invoice automation for:

- Faster cycle times
- More discounts captured
- Improved accuracy
- Reduced audit risk

Relieve the pressure

Learn more about how ReadSoft Online improves AP invoicing.

If you're a small business, start your subscription or download a free trial.

If you're a large or enterprise business, [contact Kofax](#).

Or give us a call at [+1 949.783.1333](#) or visit [Kofax.com](#).

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