How SAP Ariba/Business Network Users Can Solve the 'Last Mile' of AP Automation

The benefits of the SAP Ariba/Business Network are tantalizing:

- Invoice data is matched, verified, and matched against PO data in the ERP.
- Matched invoices are automatically posted to the ERP, touch-free.
- Unmatched invoices are returned to the supplier or digitally routed for approval.

Processing invoices electronically eliminates manual, repetitive tasks such as keying invoice data, shuffling paper, chasing down information, fixing errors and mistakes, and responding to phone calls and e-mails from suppliers about the status of invoices and payments. As a result, accounts payable (AP) departments can reduce costs, eliminate errors, speed cycle times and enhance visibility.

But achieving these benefits requires AP departments to migrate its suppliers to the digital network. Suppliers must be educated on the benefits of the network. They must be onboarded and registered. In some cases, suppliers must adapt the format of their invoices to the specifications of the network.

And that all takes time.

Some suppliers are also not going to adopt electronic invoicing.

As a result, buyers are left with a potentially sizeable percentage of invoices that still arrive via snail mail, e-mail, or other means, leaving them short of the electronic touch-free invoice processing environment that they were aiming for.
Few senior managers have the patience to wait years

to achieve the full benefits of AP automation. And most AP departments don't have the manpower to continue manually processing invoices.

SaaS-based invoice processing solutions complete the last mile of AP automation in three ways:

1. **Digital mailroom.** While migrating suppliers to SAP Ariba/Business Network, AP departments will continue to receive invoices via snail mail and e-mail. Trying to manage these delivery channels separately drives up costs and inefficiency. A digital mailroom digitizes invoices that arrive via the mail and combines them with e-mailed invoices onto a single platform.

2. **Intelligent data capture.** Eliminating the need to manually key invoice data and fix inevitable errors and mistakes is a big selling point of SAP Ariba/Business Network. But SAP Ariba/Business Network can only accomplish that for invoices that are digitally submitted through the network. Intelligent data capture fills the gap by automatically extracting and validating the header and line-item data on invoices sent via snail mail and e-mail with a guaranteed level of accuracy. Leading intelligent capture solutions support dozens of languages, including double byte characters.

3. **Seamless integration.** Things are coming at finance teams faster these days. Accelerate the downstream delivery of information on invoices that are submitted via snail mail and e-mail with a SaaS-based AP automation solution that is certified for SAP Ariba/Business Network. Invoice images

and data can be seamlessly uploaded to SAP Ariba/ Business Network without the need for human operator intervention, consolidating all paper and electronic invoices in a single place.

Like SAP Ariba/Business Network, a SaaS-based AP automation solution delivers tremendous benefits:

- **Lower costs.** Compared to their peers with little or no automation, highly automated AP departments spend less than one-fourth as much to process a single invoice.
- **Better productivity.** Compared to their peers with little or no automation, highly automated AP departments process more than eight times as many invoices per full-time employee.
- **Faster cycle times.** Compared to their peers with little or no automation, highly automated AP departments take less than one-quarter the time to approve a single invoice.
- **Fewer errors.** Compared to their peers with little or no automation, highly automated AP departments experience less than one-third as many erroneous or duplicate payments

These benchmarking statistics from the *Institute of Finance and Management (IOFM)* show the power of a SaaS-based automation solution to greatly improve AP efficiency and effectiveness.

When combined with SAP Ariba/Business Network, a SaaS-based automation solution helps AP departments achieve touch-free processing, without having to wait for suppliers to adopt to electronic invoicing.

If you are an SAP Ariba/ Business Network user looking to accelerate your migration to electronic invoice processing, we want to speak with you!

Contact us to learn more about our AP automation solution.

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