



corcentric™

Six Ways that Accounts Payable Departments Can Drive Business Process Improvement



Payables Automation

Dan Andrew, Senior Vice President with Corcentric

Over 30 years experience in the area where finance and technology merge.

Works with some of the world's biggest companies to configure innovative payables solutions that can deliver ROI in the first year.

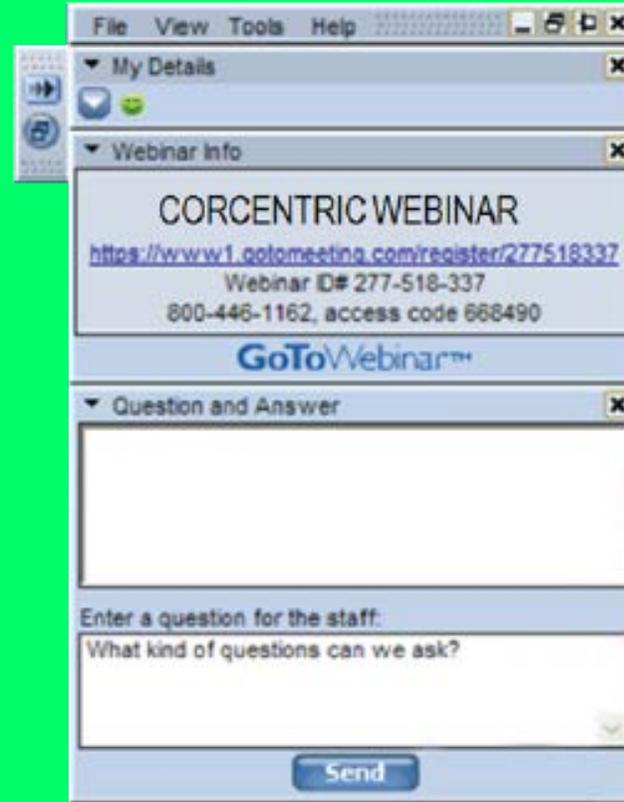


Q&A panel

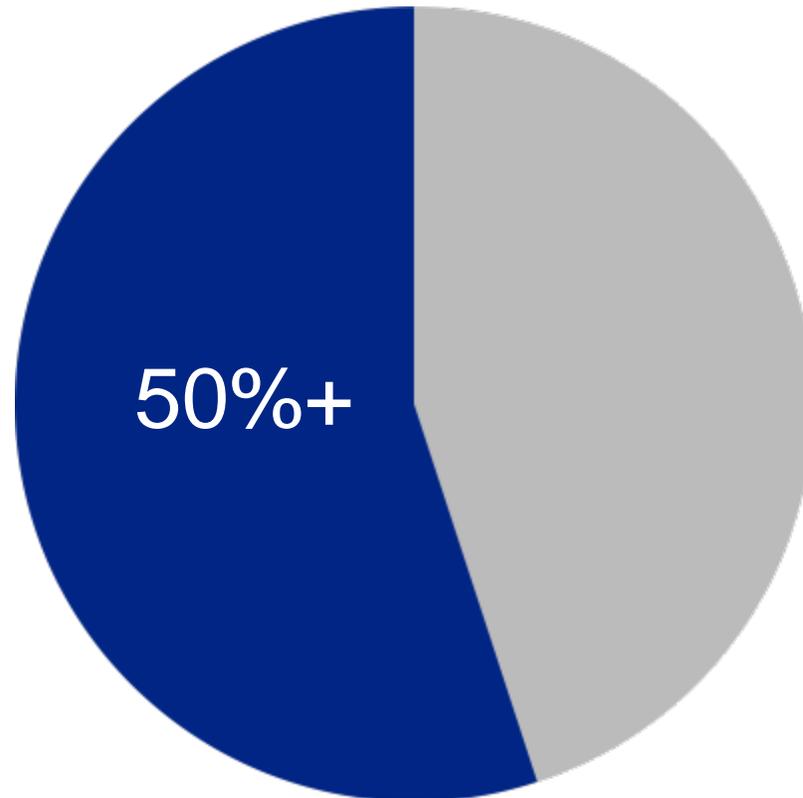
Type question here



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The search for process improvement



More than half of finance executives report being frustrated by spending too much time on non-strategic work.

Better use of finance staff

Supporting closing procedures, preparing financial statements, and more.

Provide input on financial reporting.

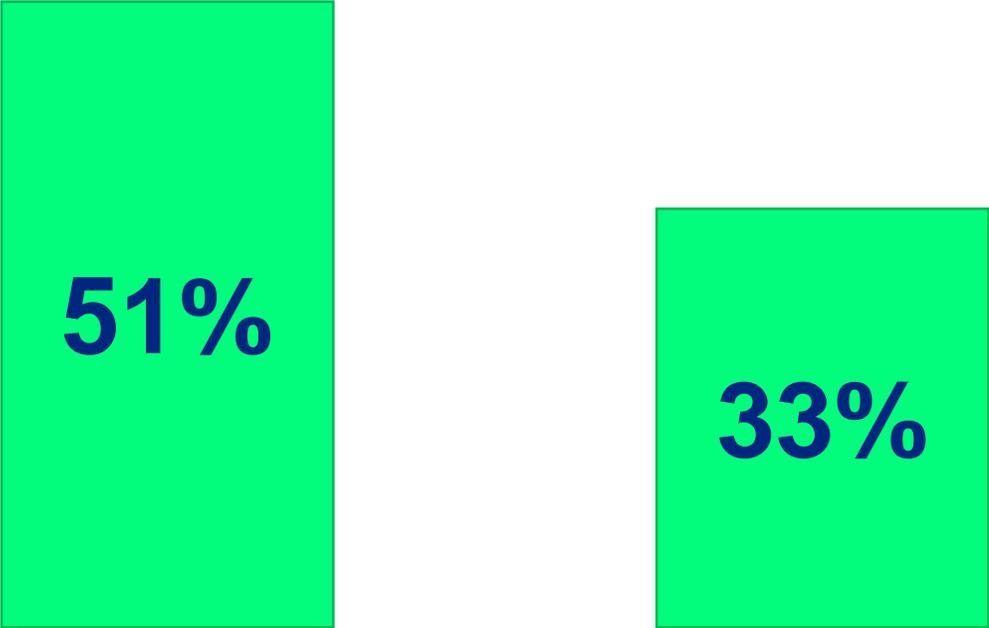
Supporting the business in the decision-making process

Taking proactive steps to help ensure regulatory compliance.

The root of inefficiencies in AP

Less than 25% of departments operate in a highly automated environment with electronic touchless processing.

The future is clear



AP expects to eliminate most of the paper invoices received

AP expects to eliminate 25 - 50% of the paper invoices received

The opportunity for process improvement

What are the six processes?

Process #1: Reduced costs

Average cost per invoice

\$1.77

Fully automated processes

\$8.78

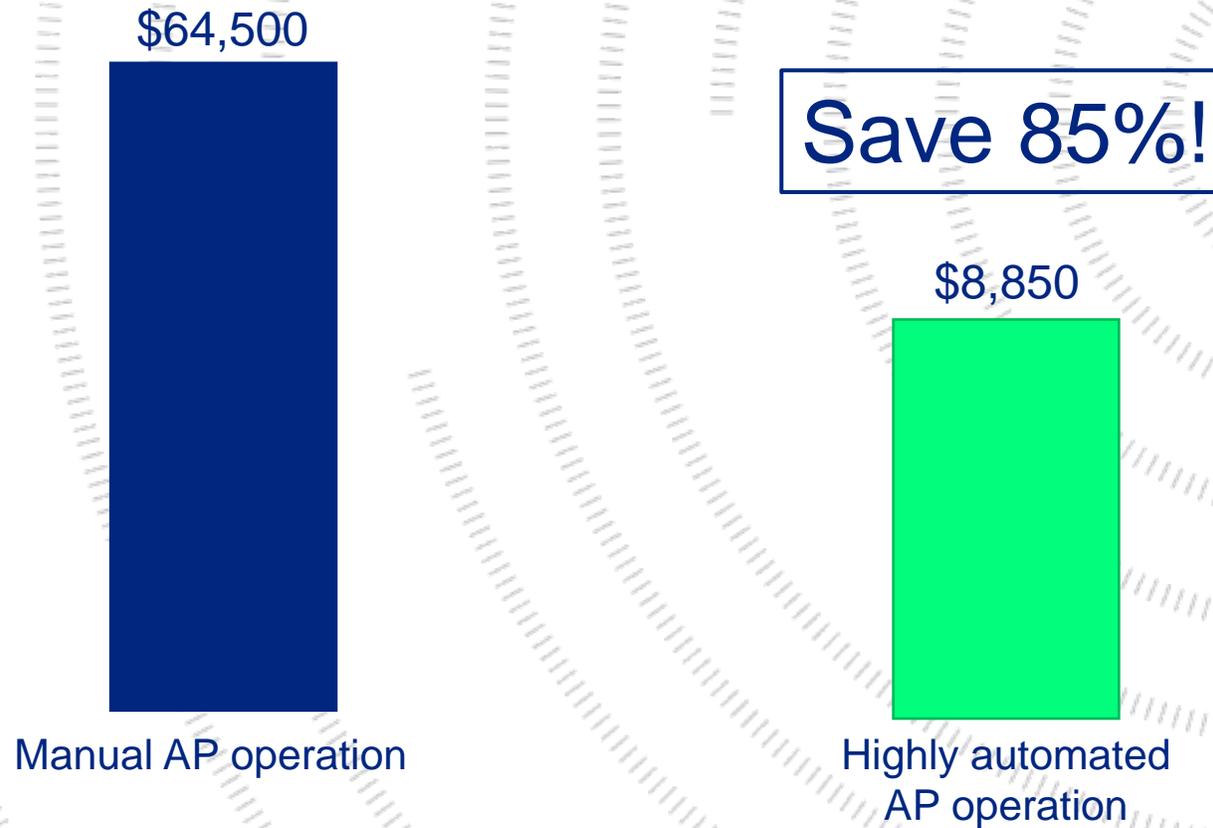
Manual-based processes

AP professionals spend 84% of their time bogged down by a seemingly endless list of manual transaction processes:

- Keying invoice information
- Matching invoices with POs and proof-of-delivery documents
- Tracking down purchasers
- Physically routing invoices for approval
- Back-and-forth phone calls to resolve exceptions
- Searching for lost or misplaced invoices
- Filing and retrieving invoices
- Setting up payments
- Reconciling payments
- Resolving payment issues
- Preparing reports
- Gathering information for auditors

The savings

Average monthly cost to process 5,000 invoices



Process #2: Higher staff productivity

Annual invoices processed per FTE

2K

Invoices per AP employee manually



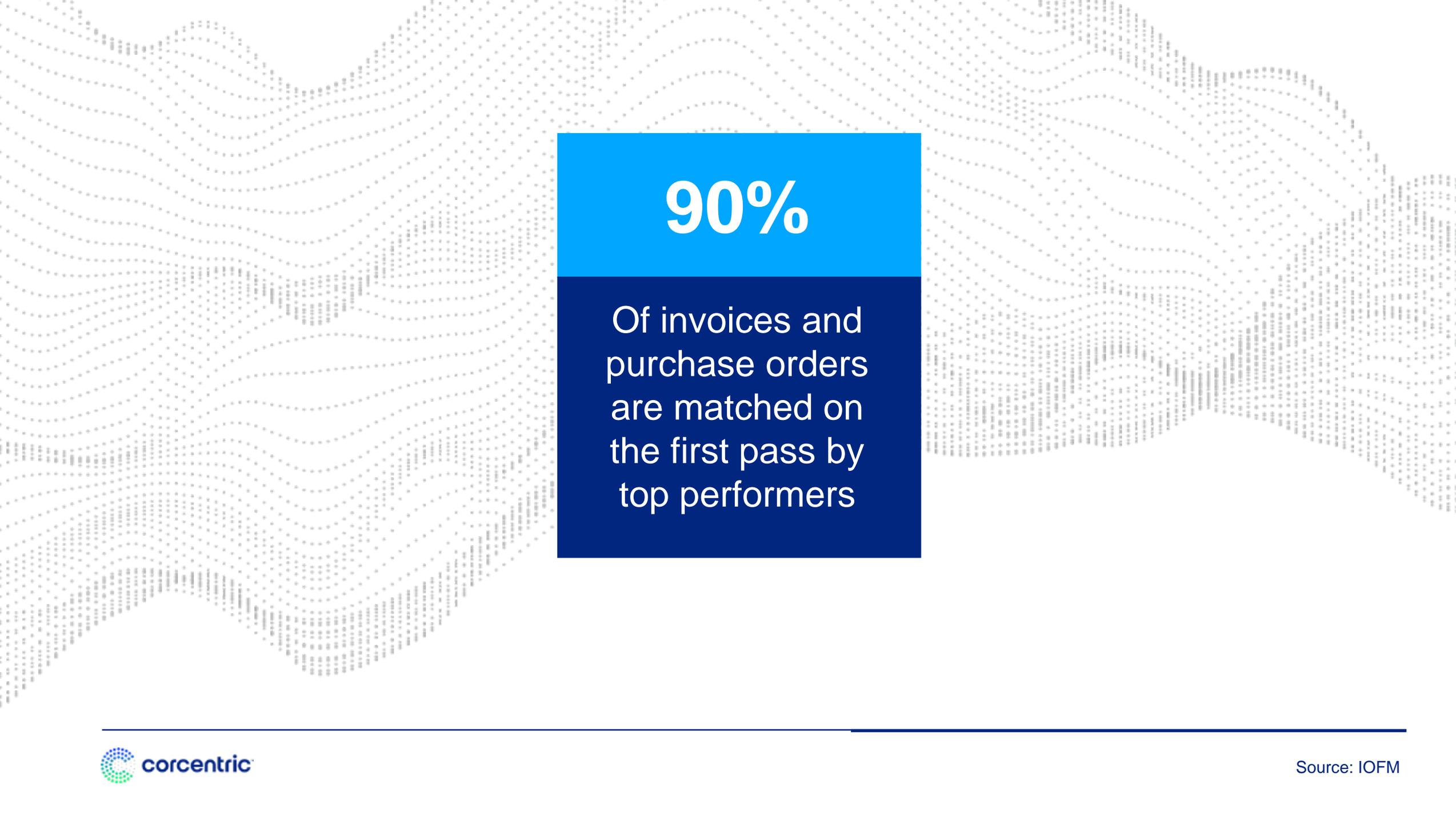
23K

Invoices per AP employee with automation



Process #3: Less paper handling

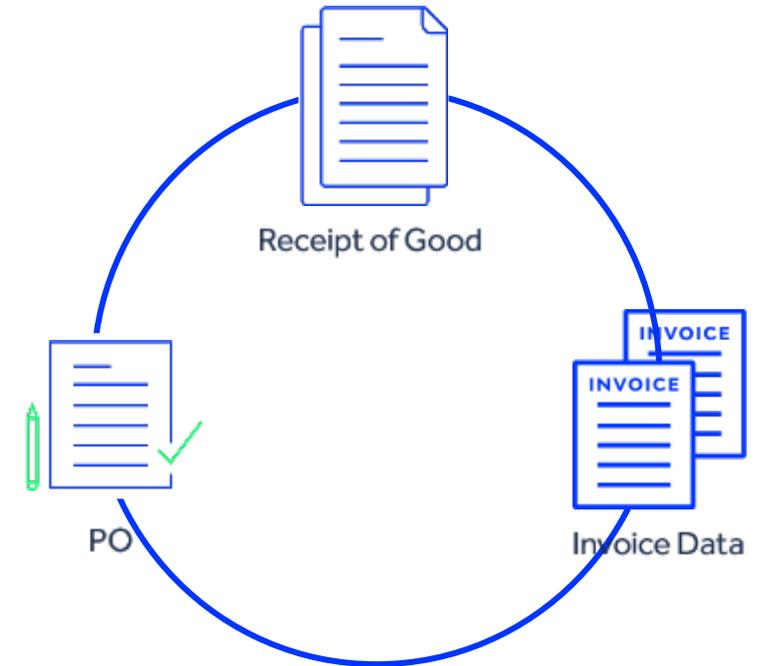




90%

Of invoices and purchase orders are matched on the first pass by top performers

Higher first-pass match rates enable you to process invoices faster and with less labor and fewer opportunities for errors.



Process #4: Faster cycle times



Accelerating invoice approval cycle times enables businesses to

1. Eliminate late payment penalties
2. Reduce supplier inquiries for invoice status
3. Strengthen supplier relationships
4. Gain leverage at the negotiating table
5. Capture more early-payment discounts

Top performers process invoices faster

29%

Faster processing
of purchase
order-based
invoices than their
peers.

33%

Faster processing
of non-purchase,
order-based
invoices than their
peers.

Process #5: Fewer errors



Duplicate or incorrect payments to suppliers result in...

Strained supplier relationships	Late payment penalties	Missed early-payment discounts
Poor cash forecasting	Lower profit margins	Potentially higher bank fees

Automation reduces errors by...



Validating invoice data early in the process against data in downstream systems.



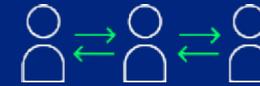
Eliminating the manual processes and paper handoffs that often result in errors.



Providing fast online access to supporting data.



Flagging duplicate invoices.



Facilitating collaboration between suppliers and internal stakeholders.



Using analytics to flag problem suppliers.

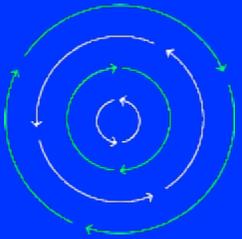
Process #6: More discounts captured

Early payment discounts captured

PEER GROUP	% OF EARLY PAYMENT DISCOUNTS CAPTURED
Manual processes	12%
Some automated processes	21%
Fully automated processes	97%

Making process improvement a reality

When evaluating solutions to improve payables processes, look for a technology platform that...



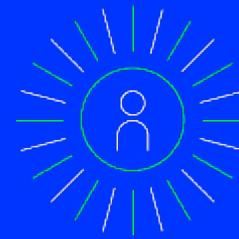
Incorporates the features and functionality most important to your department.



Simplifies and automates the financial flow.



Layers services on top of technology.



Eases supplier adoption and employee training.



Is backed by an established, reputable partner.

Conclusion

Accounts payable departments must

1. Eliminate wasted time and effort.
2. Support the strategic objectives of the business.
3. Make the shift from a transactional cost center to a highly efficient and effective partner.

Thank you

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Let us analyze your spend
and show you the potential returns.
Call us and talk with an expert

