

# Why do-it-yourself doesn't always work for AR automation



Automating Accounts Receivable (AR) processes is invaluable for any business looking to improve its financial operations and cash flow. The benefits of AR automation include:

CUSTOMER EXPERIENCE

customer experience

SALES OUTSTANDING (DSO)

AND CONTROL OF WORKING CAPITAL

TASKS

REDUCED MANUAL

AND REPETITIVE

FREE STAFF TO

**FOCUS ON** 

STRATEGIC ACTIVITIES

businesses try to take the do-it-yourself (DIY) approach. Here's why businesses should avoid DIY-ing their way through automation:

The business case for AR automation is compelling, but problems surface when

- The dizzying array of software can overwhelm the most tech-savvy finance leaders

Not all systems can support the mix of payments AR departments receive

Most businesses don't have sufficient budget, IT resources, or department workforce

Integrating a new AR system into an existing ERP or legacy system can be tricky

- A poorly integrated system can disrupt processes, trap working capital, and impact
- There are no guarantees that the automation will work as advertised and may leave the department in a worse place than where it started
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## to AR automation?

The answer is a resounding yes. Automation is necessary but not enough to overcome

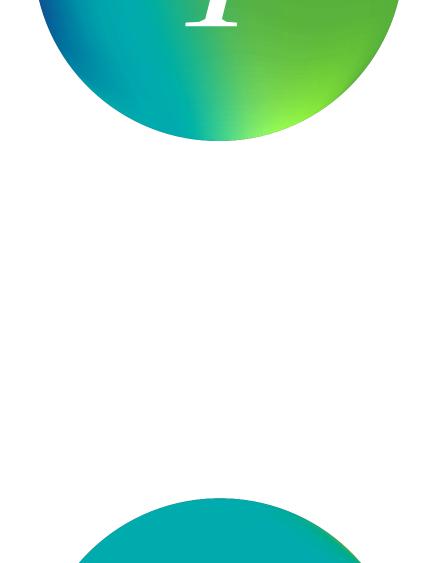
today's AR challenges. And this is where managed services providers come in. Beyond

Is there a better approach

automation, AR managed services providers assume the responsibility and risk of executing a biller's accounts receivables, including extending credit and collecting customer payments — with guaranteed AR outcomes.

## of Managed AR Reduced DSO

6 strategic benefits



## 45-day DSO, for example, can choose to be paid by the provider at 15 days. The provider will offer supplier funding

to cover the gap between the date the biller is paid and when the invoice payment is collected from the customer.

Remove the risk of bad debt

A non-recourse guarantee removes the supplier's risk of

bad debt. This means the provider will absorb the expense

Managed services providers ensure all invoices are paid

within a specified number of days. Businesses with a



COOL

of any unpaid receivables.

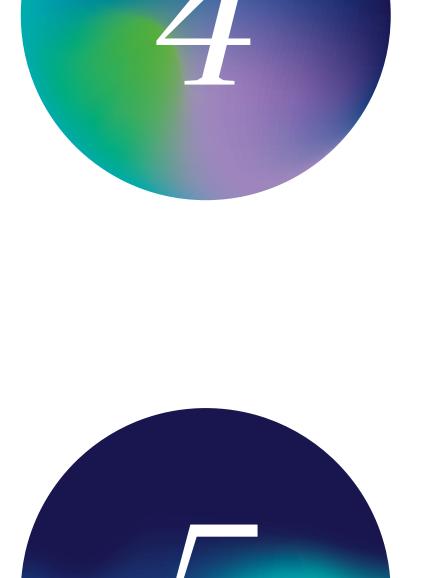
Faster cash flow

A shorter DSO liberates cash that can be put to work in a more profitable way rather than being stuck with

Managed services provide customers with a single online

customers who desire longer payment terms.

More payment options for customers



### platform that supports multiple payment methods. Ease of payment increases the likelihood of customers paying

on time.

Improved visibility

Managed services providers offer automation tools like a graphical dashboard that provides real-time visibility of payments and KPIs, ad-hoc reporting capabilities, builtin cash forecasting and scenario planning, and more, that

businesses can leverage to take complete control of cash

flow and make better working capital decisions.



### Insights at customers' fingertips

Real-time visibility into invoices, in-progress and completed payments, and outstanding credits improves communication and reduces the time taken to ask and answer questions. This enhances collaboration and customers' overall experience.

DIY automation is risky, expensive, time-consuming, and burdens the team. Only when a business combines automation and managed services can it confidently achieve optimal operational performance and working capital management.

Read the Beyond Automation: The Complete Case for Accounts

Receivable Managed Services whitepaper to learn why DIY doesn't

**DOWNLOAD NOW** 

always work for AR automation and how managed services can help.



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delivers proven results. To learn more, please visit www.corcentric.com.