



# Automate Invoice Processing **End to End**

How intelligent automation is optimizing accounts payable processes for speed, accuracy, and cost.

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# Introduction

Every year, about **550 billion** invoices are generated and exchanged between supplier and buyer organizations. Traditionally, processing these invoices has been a manual, labor-intensive task. But thanks to intelligent automation, that situation is changing.

Organizations can now take processes such as accounts payable (AP) and turn them into efficient business functions by automating them end to end. For example, data from invoices can now be accurately processed automatically, freeing up knowledge workers from manually keying in the data as well as other related routine tasks to focus on higher-value projects.

## Looking at the Benefits of AP Automation

Organizations labeled “best-in-class” by **Ardent Partners** have employed AP automation and are seeing benefits in a variety of areas. They’re streamlining their AP, processing invoices three-times faster with costs that are sixtimes lower compared to organizations using traditional solutions.

This eBook outlines AP challenges, in particular invoice processing, and showcases how intelligent automation in the form of Robotic Process Automation (RPA) with artificial intelligence (AI) can not only fix those pain points but help you reach a best-in-class status.

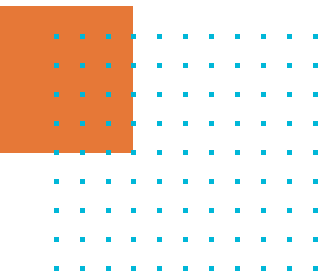
BEST-IN-CLASS	<b>\$2.18</b>	Cost to process a single invoice (all-inclusive)	<b>\$12.6</b>	ALL OTHERS
	<b>2.9 Days</b>	Time to process a single invoice	<b>10.8 Days</b>	
	<b>65.3%</b>	Percentage of invoices processed “straight through”	<b>19.2%</b>	
	<b>49%</b>	Percentage of suppliers that submit invoices electronically	<b>16%</b>	
	<b>10.1%</b>	Invoice exception rate	<b>23.3%</b>	

Source: Ernst & Young.  
[https://assets.ey.com/content/dam/ey-sites/ey-com/en\\_gl/topics/tmt/ey-the-top-10-risks-in-telecommunications-2019.pdf](https://assets.ey.com/content/dam/ey-sites/ey-com/en_gl/topics/tmt/ey-the-top-10-risks-in-telecommunications-2019.pdf)

# AP Stakeholders Pain Points

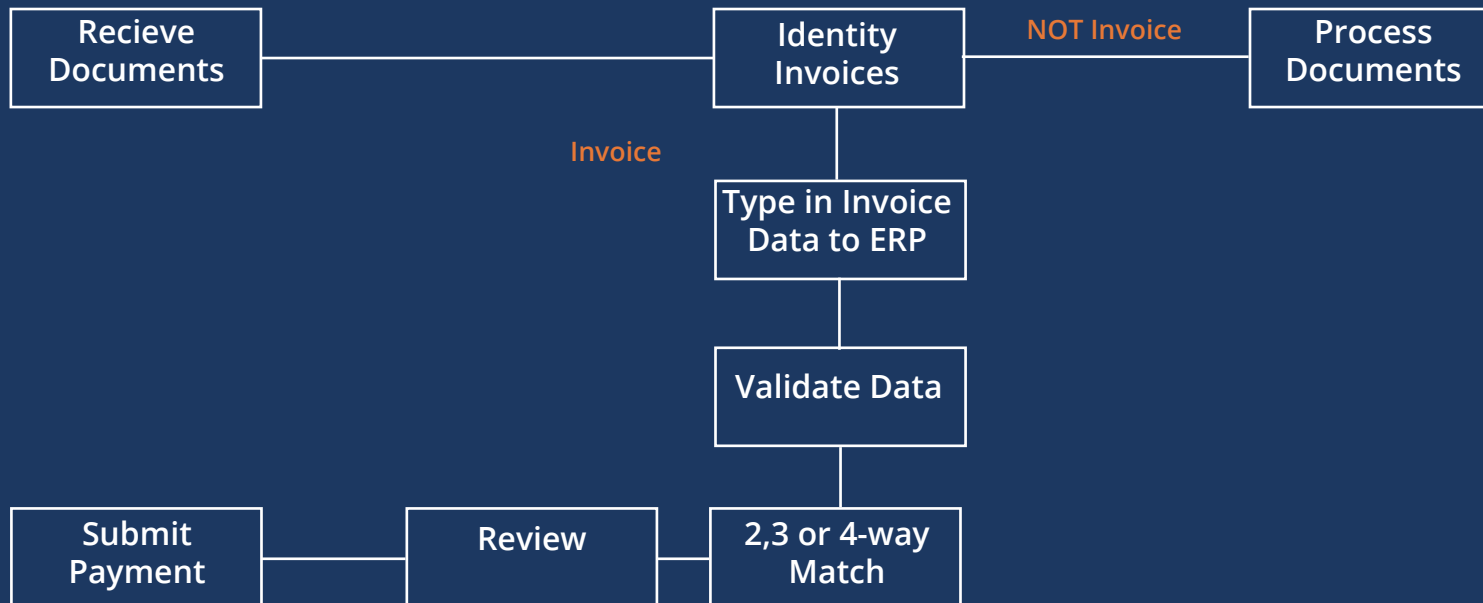
Independent of industry or country, finance professionals tend to have similar challenges. Yet, finance departments in the best-in-class organizations have discovered that utilizing intelligent automation as part of their digital transformation strategy tends to solve many of their problems.

STAKEHOLDER	PAIN POINTS	INTELLIGENT AUTOMATION BENEFITS
CFO, VP of Finance	<ul style="list-style-type: none"><li>• Costly, inefficient, and error-prone manual processes</li><li>• Lack of visibility into processes</li><li>• Lack of accurate analytics/reporting</li></ul>	<ul style="list-style-type: none"><li>• A single solution for the various document-related processes creates operational efficiencies and reduces costs</li><li>• A standardized, transparent workflow supports automatic triggering of approval workflows</li><li>• Timely, high-quality, accurate quarterly/annual reports are generated with built-in analytics tools and dashboards</li></ul>
Head of Accounts Payable, Accounts Payable Director	<ul style="list-style-type: none"><li>• Late payments due to manual processing of invoices</li><li>• Poor supplier engagement as a result of inefficiencies</li></ul>	<ul style="list-style-type: none"><li>• Avoid or delays in payment or overpayment</li><li>• Keep the approval process under control for on-time payments</li><li>• Get full visibility into outstanding payments for forecasting</li></ul>



# A Typical AP Process Flow Today

## MANUAL ACCOUNTS PAYABLE PROCESS



Documents are usually received via email or by mail. When invoices arrive, they're identified and classified based on the different vendor types. Relevant data, including invoice number, supplier information, and amount, is retrieved and entered into a system of record, such as an ERP system. The data is then reconciled with a purchase order and routed for approval if it passes validation.

Most organizations wouldn't consider this process suitable for automation because the invoices are not standardized. The invoices arrive in different formats and require human intervention to locate and extract critical data. And while copying and pasting information doesn't seem like a lot of effort, manually extracting information from hundreds or thousands of invoices is not only inefficient but also opens up the opportunity for costly errors.

How are the leading finance departments solving this challenge? They automate end to end using intelligent automation.



# RPA + AI For the Win

Robotic Process Automation (RPA) has been around for years. Many companies across the globe are utilizing software bots to automate many of their well-established, repetitive business processes. But when RPA is combined with AI, new automation opportunities emerge.

These intelligent bots can work 24/7 and automate the invoice process steps end to end with data extraction, information entry into systems of record, data reconciliation, automated approval routing, and payments.



Raise PR



Scan and archive incoming paper invoices and memos



Bot recognizes the invoice type



Bot performs invoice verification and triggers processing workflows



Bot checks for exception handling and adds comments



Employee approves and posts invoices



Employee sends out payment

Here are some invoice processing tasks primed for automation:

- Vendor set up
- Data extraction from different invoice vendors
- Verification and approval actions, escalations, and monitoring
- Account downloads from ledger to AP system for reconciliations
- Invoice matching and exceptions
- Check preparation, handling activities
- Discrepancy resolution
- Supplier payment

# The Importance of AI

More recently, artificial intelligence (AI) has played a prominent role in automating document-centric business processes. The application of AI technologies such as machine learning, computer vision, deep learning, and others is adding human-like intelligence to the bot-driven automation process.

AI helps read and process a variety of complex documents, including invoices. Native AI models detect objects on the image, including tables, headers, key-value pairs, logos, and stamps, to identify sections of the invoice. Predictive capabilities of object detection and recognition further aid in data extraction, making it accurate and resilient to format changes.

Data is then extracted using an optical character recognition (OCR) technology and sent to a proprietary natural language processing model to recognize relevant information from the text, including the invoice number and payment terms.

The use of AI to extract data from invoices allows greater accuracies, allowing this process to be automated end to end. By making these capabilities “native” to RPA, accounting professionals do not have to be technical experts or data scientists to benefit from the power of AI.

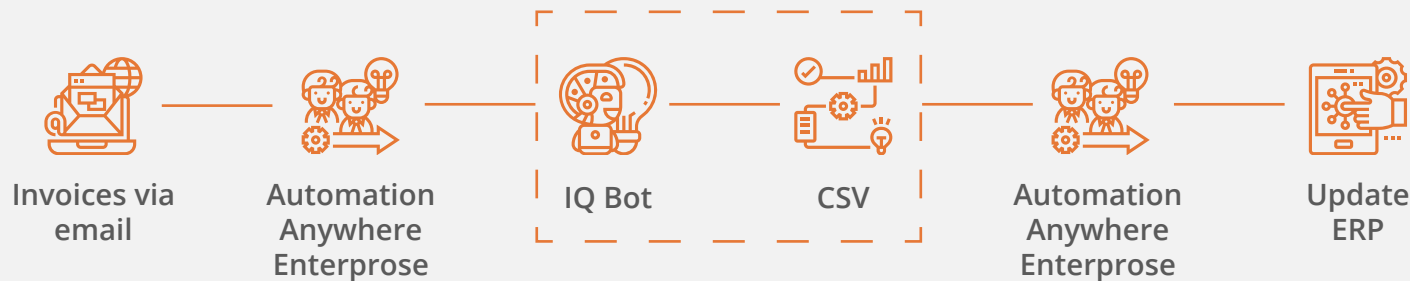


# Invoice Processing in the Cloud

Many organizations have taken business functions, including AP, to the cloud to reap the benefits of lower cost, business agility, and ease of use. While traditional RPA solutions have typically been only available as on-prem or, more recently, as a hybrid, there are some intelligent automation solutions that can work in the cloud.

The Automation Anywhere® **Enterprise A2019**—the only web-based, cloud-native platform—and IQ Bot™ offer a pre-packaged solution that can automatically process invoices end to end. This intelligent automation platform makes it easy for customers to get started while maintaining strong security standards and always protecting the customers' data in the cloud.

## End-to-End Invoice Processing in the Cloud



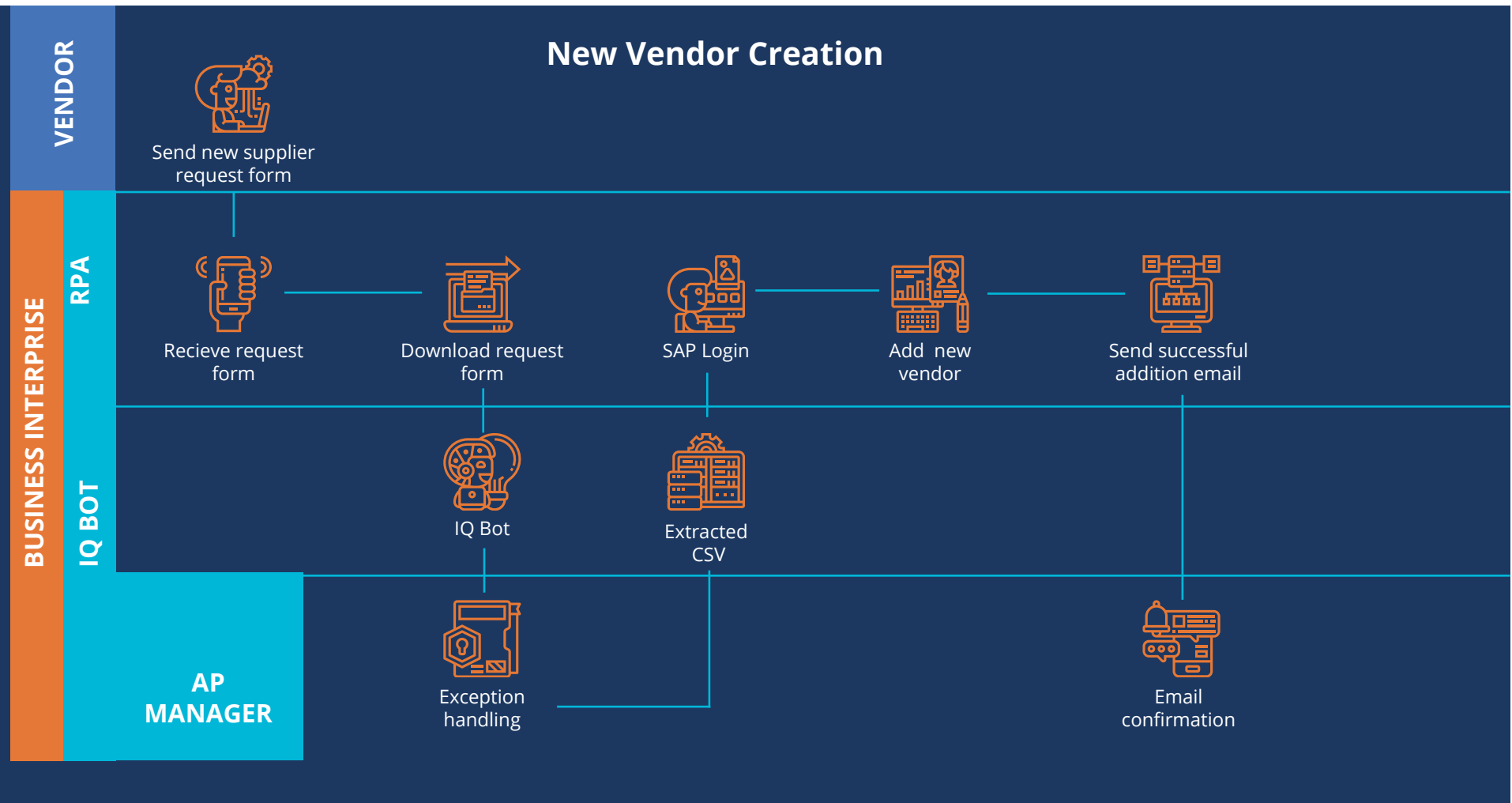
## Automation Benefits

End-to-end invoice processing solution	Reduce manual touchpoints to drive operational excellence and lower labor costs. 70% end-to-end automation within four weeks.
Cost savings with automation	Achieve up to 80% in savings by automating invoices processing
Hosted in the cloud, public or private	Enjoy flexible deployment option
Click and go	Minimize setup times and accelerate time to market with close to zero IT support

# Use Case: Vendor Creation

A new vendor creation process can be significantly accelerated by automating the onboarding process. Once terms with a vendor have been negotiated, a software bot can ensure this data is captured and entered in a system of record accurately without human involvement.

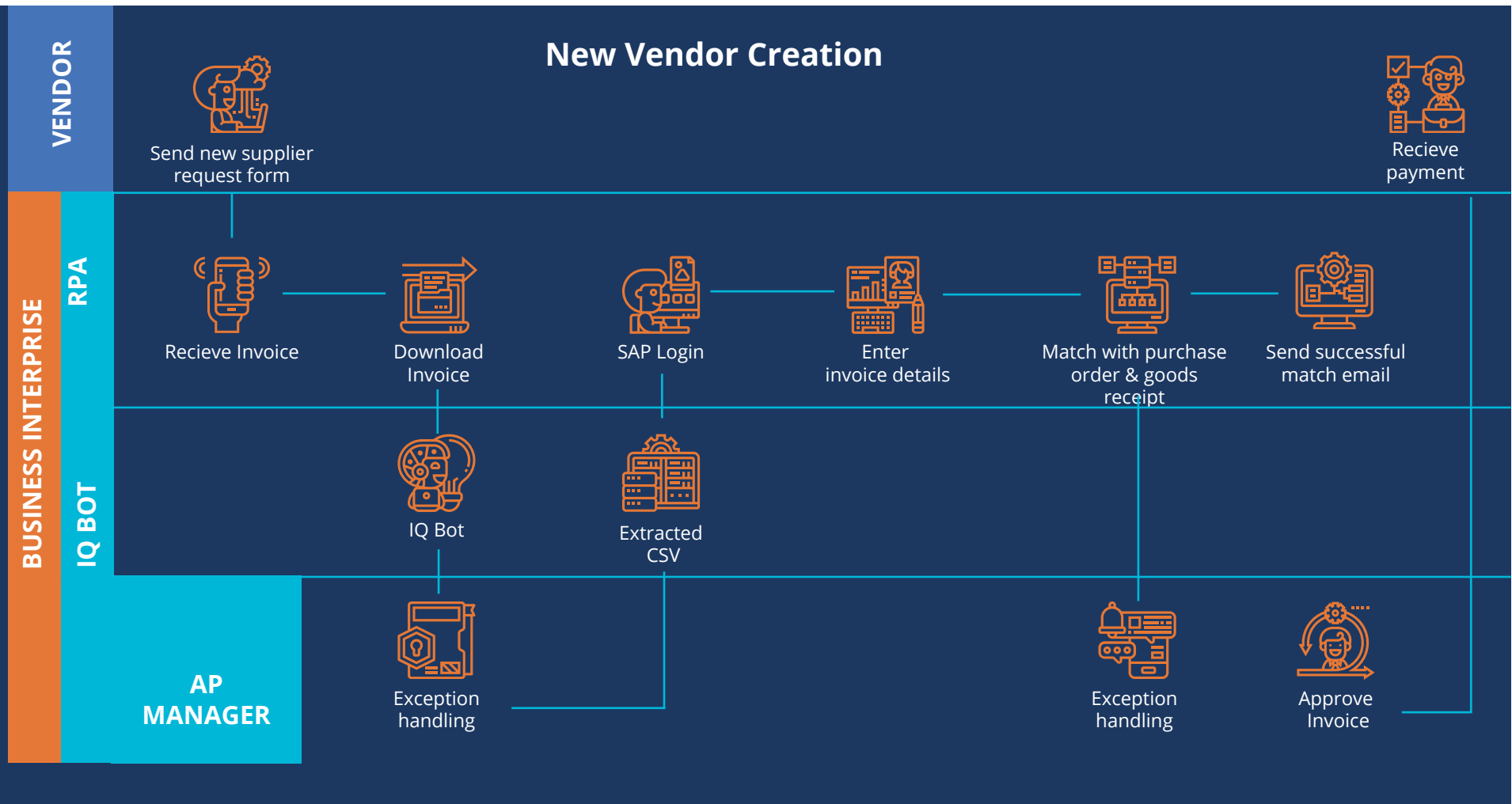
A speedy and accurate supplier onboarding ensures positive vendor relations, secures on-time payments, and reduces costly errors.



# Use Case: Invoice Approval

Timely invoice payments require timely invoice approvals. This highly manual process in the AP cycle is challenging to maintain when the supplier numbers grow. Intelligent automation can automate this process end to end—from invoice receipt to payment execution.

For example, a bot can download the invoice from an AP inbox, use AI to extract the required data, and send it to an AP manager for approval. Once approved, the bot can close the loop by automatically updating information in SAP or other systems to process payments.



# Hitachi Vantara Focuses on the Human Side of Automation

## Profiled Organization

Hitachi Vantara, a subsidiary of Hitachi Ltd., is a market leader in leveraging the power of intelligent automation.

## Challenge

Hitachi Vantara wanted to leverage RPA to not only improve process quality and reliability, but their key objective was to free up team members from routine, lowvalue tasks. This would allow them to focus on more challenging and engaging activities in their daily work—activities that would be of much higher value, as well as interest to the workers. The company expected to gain efficiencies at scale while minimizing employee turnover.

Hitachi Vantara's RPA vision also involved reducing costs, eliminating errors, and speeding up processes. However, these goals were secondary to helping employees reach their full potential through meaningful work.

## Solution

After evaluating leading RPA vendors, Hitachi Vantara chose Automation Anywhere. In addition to its standard RPA solution, Hitachi Vantara chose to use Automation Anywhere's Artificial Intelligence (AI) offering, IQ Bot, which can extract semi-structured data from documents and process it effortlessly. Hitachi Vantara found this especially useful in its procure-to-pay process, where IQ Bot obtained data from non-standard (semi-structured) invoices.

10

Months to  
production

41

Processes  
automated

24/7

Continuous  
work shifts for  
RPA software bots

100%

Reduction  
in errors

# Conclusion

Intelligent document processing enables the end-to-end automation of invoices processing through the combination of RPA and AI. Together, they integrate into existing applications and replicate user actions to transform AP for better, faster processing of invoices.

Intelligent automation helps finance professionals reach their goals.

Reduce costs	Automating invoice processing reduces human touchpoints in the invoice workflow, resulting in reduced cost.
Reduce cycle times	Automation accelerates processing times for on-time payments.
Ensure accuracy	Inaccurate details (such as item counts and prices) are flagged by automation for human intervention.
Reduce Error Rates	Manual entry errors can be eliminated with automation.
Streamline Reconciliation	Invoices are automatically matched with POs, and exceptions are escalated.
Improve Supplier Engagement	Early payment discounts can be made (when applicable) through optimized AP cycle times.

Get started with intelligent automation for your department today. [Request a demo](#) with our RPA experts.



# Ready to kickstart your next RPA project?

## Book your demo today

Book a demo with our team to see how you can use Tangentia and Automation Anywhere to accelerate your transformation.

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