



Your Ultimate Guide to Accounts Payable Automation

With Global Automation for Dynamics 365 Business Central



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Introduction

The world of Accounts Payable Automation for Dynamics 365 Business Central users has recently taken a sharp turn for the better. Even for organizations who have incorporated automation into their Accounts Payable processes, the introduction of AI-driven invoice data extraction has completely changed the game for many who previously relied on templates to extract information. In addition, new low or no-code platforms for data sharing have made rules-driven business process automation and the exchange of information simpler than ever without the need for third-party iPaaS solutions.

With this rapidly changing Accounts Payable Automation landscape, many organizations see an opportunity for increased efficiency and reduced costs in a highly transactional process. At the same time, they also see a variety of options with vastly different price points and a wide range of promises for return on investment. There is certainly no shortage of solutions for Dynamics 365 Business Central users to choose from, making it absolutely critical to understand what your objectives are and where you can find the best value for achieving them.



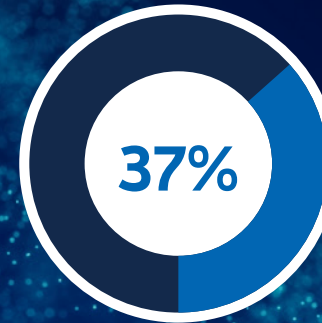
The Current State of Accounts Payable Automation

Many organizations required to operate remotely during the COVID-19 pandemic adopted digital transformation solutions to ease the transition to a hybrid workforce. These businesses quickly began seeing additional benefits, including quicker turnaround times on tasks, fiscal savings, improved customer relationships, and more convenient access to information.

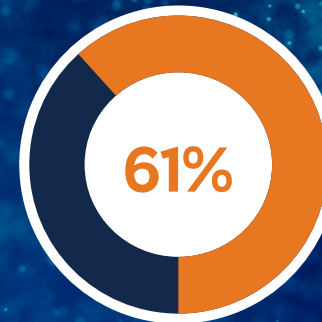
With the record-breaking resignation rates that followed this pandemic and talk of economic recession on the horizon, companies doubled down on their digital transformation investments. To this day, many companies have not returned to a full in-office work week, and the rate of solution adoption remains escalated.

According to the Association for Intelligent Information Management (AIIM), the current state of the Accounts Payable automation market shows:

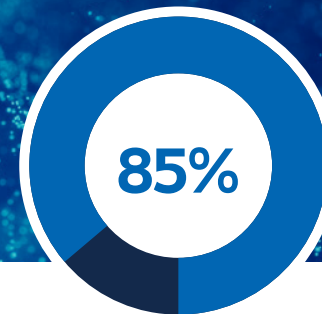
These statistics clearly show that organizations across industries are all transforming their processes with new technologies to meet a new standard for efficiency.



of organizations are working on an AP automation project or other related financial digital transformation effort



of organizations have undertaken at least 1 financial digital transformation project



of organizations have completed their first project

Measuring the Transactional Costs of Manual Invoice Processing vs. Process Automation

While the advantages of automation are apparent on their own, several statistics from The American Productivity and Quality Center fully illustrate the difference AP automation makes. These stats highlight some key metrics from the top and bottom performers in the accounts payable industry.



The Cost of an Invoice

△ **\$.71**

▽ **\$11.50**



Days to Resolve an Invoice Error

△ **3 Days**

▽ **8 Days**



Receipts Received Electronically or Automatically

△ **93%**

▽ **46.2%**



Invoiced Line Items Paid in Full the First Time

△ **94.4%**

▽ **80.37%**



Number of Invoices Processes per FTE

△ **84,231**

▽ **6,449**



Average Number of Days to Generate Complete and Correct Billing Data

△ **1 Day**

▽ **5 Days**

*Source: The American Productivity and Quality Center

Common Accounts Payable Challenges

Accounts payables departments frequently face bottlenecks, data entry errors, and backlogs in an incredibly high volume of work. These common challenges are one of the main reasons why so many organizations choose accounts payable automation as one of their initial solution investments.



A Disorganized Flow of Information

Invoices, purchase orders, receipts, and other financial documents are frequently referenced throughout the payable process, but archaic filing systems such as paper or shared drives make it difficult to find these documents when needed.



Time-Consuming Processes

Invoice Matching - The tedious process of matching invoices with purchase orders and packing slips can be time-consuming and monotonous, leading to added and completely avoidable expenses.

Invoice Routing - How do you currently route invoices? Is it a handoff in the office or an exchange of emails? Either way is prone to errors and delays, as invoices sit idle or get lost in the process.

Manual Data Entry - Simply put, invoice entry is a time-consuming, expensive, and error-prone task, making it a perfect place to begin automation efforts.



Late and Missed Payments

With so much time spent on accounts payable-related processes and so much difficulty keeping track of the documents needed to complete them, payments to suppliers may be missed in the process. Missing payments frequently results in additional fees and weakens your business relationships with vendors, potentially causing you to miss out on deals and opportunities in the future.

The Advantages of Process Automation



At the end of the day, any investment in Accounts Payable Automation comes down to a reduction in cost. Improving the quality of the workplace is also important, as your employees are your most valuable asset, but making your team more productive while making their jobs better lays the groundwork for any successful adoption of an Accounts Payable Automation project.

Opportunities to Eliminate Repetitive Tasks

Invoice Submission: Capture invoices through monitored email inboxes or as they're scanned from your multifunctional printers. Invoices are automatically routed and processed as they arrive.

General Ledger Coding: Add General Ledger or Dimensional coding into your workflow to ensure accurate assignment of costs to your accounts.

Invoice Payables Creation: Designed for Dynamics 365 Business Central, information flows seamlessly for the automated creation of invoice payables without a single keystroke.

And more:

Convenient Information Access

With searchable, indexed documents residing in an Enterprise Content Management system, organizations can access records quickly and easily from anywhere. This means your Accounts Payable staff can quickly investigate vendor questions while providing backup that can only be found in the source document.



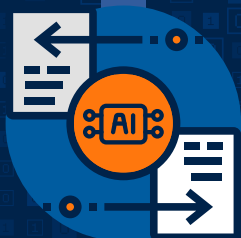
Reduced Process Completion Times

With less time spent referencing files and completing tasks such as invoice approvals and data entry, organizations can drastically shorten the paid hours it takes to complete accounts payable processes and use those hours on opportunities that will better aid your business.



Early Payment Discounts

With the time saved on invoice processing, routing, and data entry, organizations can reduce costs by taking advantage of early payment discounts.



Eliminated Errors

With index data now automatically captured and financial data now shared with applications like Dynamics 365 Business Central, employees can focus their efforts on data validation rather than spending time keying it in by hand.



Enhanced Inventory Management

With line item data capture, organizations with inventory can keep track of what's in stock and manage costs for an entirely data-driven inventory management strategy.

Five Steps for Accounts Payable Efficiency with Business Central

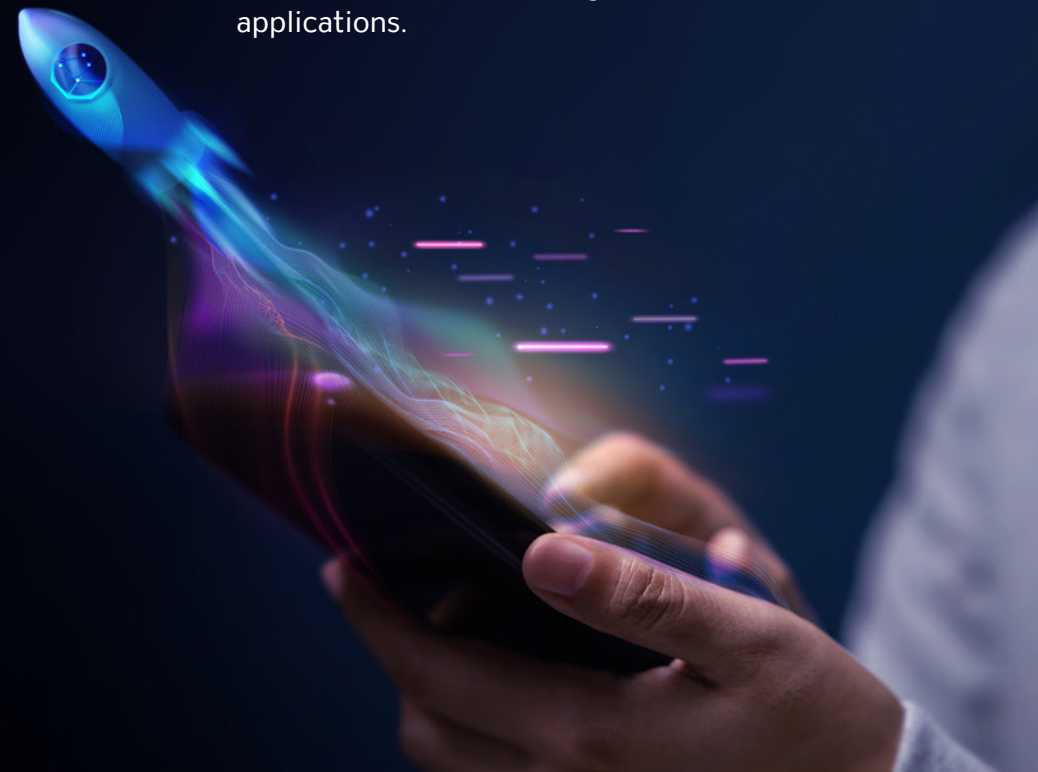
The accounts payable process is multifaceted and often requires the efforts and input of multiple individuals and departments. As such, automating this process from end to end accounts for many factors and may even require communication between multiple digital solutions. By implementing these five steps into your accounts payable automation process, you can ensure efficiency throughout all accounts payable facets and fuel business central with valuable data without any manual entry.

1

Image Transformation: Any successful Accounts Payable process starts with the transformation of invoices into usable information. Whether it is a paper document, a scanned image, or a PDF email attachment, your system should support a dynamic process for accurate data extraction. Most recently, this has been achieved through AI-driven data extraction, which eliminates the need for rules or proximity-based extraction models.

2

Data Validation: Pushing raw data into your financial system is never a good idea, so it's important to have a process in place for quality assurance. Some organizations will insist on 100% visual validation of the information before releasing it to Business Central, while others will sample the data based on confidence level reporting, which sets a threshold for accuracy. This is a critical step in the success of your project, so make sure you are comfortable with the information being shared between applications.



Five Steps for Accounts Payable Efficiency with Business Central

3

Approval Routing: Upon assignment of approval, the manager must review the invoice, ensure that the goods or services were received, and let the Accounts Payable department know to release payment. While email notification is certainly a viable option for this process, there should also be safeguards in place to ensure that the transaction is not misplaced. Make sure your business process has reminder notifications or an escalation path enabled if there is no response. Another option is to have a work queue or web portal that allows managers to see their pending tasks.

4

Payable Creation in Business Central: Once the data has been validated and the transaction approved for payment, the Accounts Payable team simply approves the release of the data to Business Central. Depending on your process, this may also require General Ledger coding to ensure the transaction is applied correctly. Upon release, the flow of information into Business Central creates the payable invoice without any need for manual data entry.

5

Archiving the Image: Maintaining the vendor invoice source document is not only a good business practice, it's also mandated by the IRS. You should always have the source document as a point of reference should a question arise, but where you maintain it is up to you. You can archive the image in an IIM platform like Square 9's GlobalSearch or as an attachment in Business Central. Additional options also include Google Drive, Citrix Sharefile, or even an SFTP release to a file folder.

Critical Questions to Examine within your Organization

While considering the process of Account Payable Automation, there are key questions to ask yourself. Not every organization uses Business Central the same way, and understanding your specific needs will determine the correct approach to building your solution.

✓ **Checking Your Organization's Flow of Information**

The days of passing an invoice from one desk to another for review and approval have gone in most organizations since hybrid workforces were introduced. Understanding your organizational flow, including responsibilities and contingencies for escalation, is essential before you begin to automate a process. Whether your organization requires single or multiple approvers and whether there are dollar thresholds to consider are all important factors to understand.

✓ **Your Vendor Volume and Vendor Onboarding Frequency?**

Most organizations begin their analysis of a return on investment calculation with invoice volume. Typically, if you have a low volume of vendors or if 80% of your invoices come from a select subset of vendors, your process for automation becomes less complicated because you have far fewer invoice formats to contend with. The larger your vendor volumes, the more invoice formats you need to manage, and this increases the need for tools like AI-driven data extraction that require little to no setup.



✓ **How Will You Ensure the Integrity of Your Data?**

Before you release extracted data to Business Central, you need to have a plan for how to ensure its accuracy. Many organizations will insist on 100% visual validation before a data release. Some products offer confidence-based reporting, allowing you only to route low-confidence transactions for review. Finally, some organizations will set thresholds on only releasing payable data for under a predetermined dollar amount. Understanding your needs and defining your strategy is a critical step before you get started.

✓ **What Are Your Invoice Types: Inventory vs. Non-Inventory?**

The type of invoices you manage is equally as important as the volume. Inventory invoices are typically entered using line item data, which increases the effort involved in coding them. Automating this process results in a far greater return on investment, but it also has a different set of requirements for extracting that information accurately. It's critical to ensure the solution you select supports this functionality and that it requires minimal to no setup to achieve.

✓ **Who Owns The Responsibilities for General Ledger Coding?**

An often overlooked aspect of your process is the responsibility for applying General Ledger Codes or departmental dimensions to an invoice. Is this the responsibility of the approving manager, or should it remain within the purview of your Accounts Payable team? Regardless of the answer, it's important to understand where this step falls within your process design.



Summary

With technological advances like AI-driven data extraction, the benefits of Accounts Payable automation are greater than ever. While a full process redesign that automates the flow of information provides the most benefits through greatly reduced labor costs, there are other ways to approach AP Automation. Whether you decide to start the process by automating specific tasks or elect to jump in with both feet, there is evidence to suggest that you can attain a solid return on investment with either approach.

At Square 9, we invite you to fully explore the myriad of opportunities before you before making any decisions. Educating yourself on the available technology while examining your own internal processes is the best way to properly assess your needs.

What is GlobalAutomation for Dynamics 365 Business Central?

GlobalAutomation combines AI-driven data extraction and Accounts Payable Automation to intelligently create Vendor Invoices in Dynamics 365 Business Central without the need for manual data entry.

- ✓ Dynamics 365 GlobalAutomation for Business Central delivers highly accurate AI-driven data extraction that eliminates the need for template building. Not only does GlobalAutomation extract receipt and invoice data with greater than 99.97 accuracy, but it also captures data at the line item level with the same efficiency to eliminate the need for manual data entry.
- ✓ Dynamics 365 GlobalAutomation for Business Central ensure the accuracy of your data extraction by using confidence-based reporting to route document for review to a dedicated queue.
- ✓ Incorporates a no-code integration platform for Dynamics 365 Business Central, so there's no need for a third-party iPaaS solution to transport your information. In fact, GlobalAutomation supports both standard and custom API calls for the entire Dynamics 365 platform.
- ✓ Dynamics 365 GlobalAutomation for Business Central combines the best of Intelligent Information Management with Account Payable Automation. Built on a secure, SOC 2-compliant information management platform,



- ✓ GlobalAutomation leverages a powerful Business Process engine to provide you with Accounts Payable best practices in a flexible, easy-to-customize platform.
- ✓ Provides a complete digital transformation platform that extends beyond AP Automation. Once you've digitally transformed your Accounts Payable process, wouldn't it be great to move into other departments to improve efficiency there? Square 9 launches your efforts within Dynamics 365 Business Central, but we also include free downloadable designs for Accounts Receivable, Human Resources, and Contracts Management so you can maximize your return on investment.



square9
Taking the Paper Out of Work

Who is Square 9

Square 9 Softworks is an industry trailblazer in the field of intelligent information management, taking the paper out of work and ensuring a productive, hindrance-free environment where information can flow freely. Easy to learn, highly supported, and backed by world-class service and extensive education, Square 9 solutions are designed to help you take your organization to the next level.

Dynamics 365 GlobalAutomation for Business Central Delivers The Highest Return on Investment in the Industry

With Dynamics 365 GlobalAutomation for Business Central, you can process up to 10,000 invoices per month for as little as eight and a half cents per page. That's less than \$4.87 per hour to process all your Payables in a 40-hour week!

Contact Square 9 today to find out more about using Dynamics 365 GlobalAutomation for Business Central to manage your Accounts Payable Processes

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