

The Top Five Reasons Your AP Department Needs ECM

How much money would you save if you could increase early pay discounts from vendors? How do you prove to auditors that expenses were approved by the appropriate people? Which of your Accounts Payable (AP) clerks is best at handling exception invoices? What is the status and where is the invoice you put in inter-office mail for approval last week? For organizations using enterprise content management (ECM) software to capture, manage, store, preserve and deliver invoices and other unstructured content in their AP departments, these questions are much easier to answer.

Using ECM tools such as document imaging and management, workflow and application integration, organization can achieve the following goals:

1. *Slash Shipping, Filing and Storage Costs.* Once incoming paper invoices are scanned, either at a central location or at remote sites, they can be viewed by multiple employees regardless of location and/or routed for approval and processing without the expense, risks and delays of shipping. Electronic invoice handling results in savings in physical resources such as photocopying, real estate, office supplies and offsite storage. Labor associated with low value tasks such as filing and retrieving documents are virtually eliminated, as the invoices can be retrieved immediately from the ECM software interface or embedded within the line-of-business application. Using document retention tools, outdated documents can be automatically purged from the system.

2. *Speed Invoice Approval and Posting.* Automated workflow can be configured to post invoices that match an existing purchase order (PO) to the accounting system without human intervention. This allows employees to focus on higher value tasks such as exception processing and non-PO-driven invoices, accelerating the posting of those items as well. Reduced cycle times increase the likelihood of collecting early-pay discounts, eliminate the chance of late payment penalties and improve vendor relationships. Automated workflow provides a view of work in progress that offers unprecedented insight into employee productivity. Managers can use this information to assign duties based on individual employee strengths.

3. *Process a higher volume of work with the same number of employees. Or fewer.* Once scanned, those invoices that need human interaction can be load balanced to processors whether they are onsite, in a remote office, working from home or overseas. Based on pre-defined business rules, approval or exception resolution can be handled electronically instead of through inter-office mail, eliminating the need to copy documents and track them on spreadsheets. Interactive e-forms can be created to drive these processes and guide employees through complex corporate policies. Workflow provides for additional layers of notification or escalation when action isn't taken in a timely manner.

4. *Provide Premium Service to Internal and External Customers at a Lower Cost.* The ECM repository can store and associate supporting documents such as contracts and correspondence and make everything available from a single interface. Documents are available instantly by entering one or more keywords and can be displayed according to user preferences. Being able to answer customer inquiries in seconds improves the professionalism and morale of a customer

service team while increasing productivity. ECM can also be used to reduce the number of calls AP personnel receive. For instance, authorized employees can be granted access to financial documents relevant to their jobs. In addition, external users can be provided with secure Web access to documents they may need, but with redacted data keeping personal information (e.g., social security numbers) hidden and protected.

5. Support Compliance and Accountability. Not only is the risk of lost documents reduced by eliminating manual processing, but an electronic document repository can be backed up to ensure business continuity and disaster recovery. Workflow imposes consistency and prevents users from going outside of prescribed corporate policies. This capability strengthens internal controls and the ability to track them, as well as making it easier to accurately determine exposure and accruals. To reduce the costs and disruption of complying with audits, many organizations will provide auditors with temporary access to the ECM system. In legal discovery, investigators can search across virtually all corporate content from a single interface.

In addition to these benefits, you will find ECM solutions an essential part of your growth in 2006. You owe it to yourself to find out more. To learn about our OnBase solution for accounts payable and more please contact us at the address and website below.