

AI-Powered Accounts Payable: The Next Frontier in Efficiency

Artificial Intelligence is more than a buzzword; it's a daily tool enhancing the efficiency of jobs like accounts payable.



As CFOs are actively seeking a workforce with skills in artificial intelligence (AI), it may be time to assess if AI is right for your organization, especially in functions like accounts payable (AP). Imagine using AI to handle tasks like collecting invoices, ensuring precise data entry, streamlining previously-paper operations all for an improved accuracy, and optimized financial management solution.

So your AP team can focus more on pursuing strategic initiatives for your business, such as driving innovation and insight.



How AI is Advancing AP Processes



Embrace real-time information.

There's a growing demand for real-time information both inside and outside the business. AI makes meeting these demands efficiently, enabling quicker decision-making and responsiveness.



Enhance fraud detection.

Analyze transaction patterns and anomalies, enabling AI to proactively detect potentially fraudulent activities across all financial transactions. Perform full historical and pattern-based analyses that humans cannot achieve in seconds, helping prevent financial losses.



Optimize cashflow management.

Utilize AI to automate entries, flag suspicious transactions, and provide more accurate accrual and forecasting based on current and historical data. This enables better cash flow management and ensures timely payments, reducing the risk of missed early payment discounts.



Automate tax calculations.

Implement AI-powered systems to accurately calculate sales and use tax based on applicable rates and rules provided by tax authorities. AI can help ensure compliance with complex tax regulations, reduce the risk of errors or miscalculations, and mitigate the risk of penalties and audits.



Early payment detection.

Utilize AI to identify invoices eligible for early payment discounts, optimize cash flow, and ensure timely payments to vendors. AI can provide real-time analysis of available discounts and help prioritize payments to maximize savings for the organization.



Assess invoice processing time.

Evaluate the percentage of time your AP staff spends on processing payments and related tasks, such as matching supplier confirmations, check runs, answering vendor queries, and reconciliations. Understanding this can help you identify areas where AI and automation can save your AP team some time.



Prioritize pre-approved transactions.

Use AI to determine the percentage of transactions viewed by AP prior to payment. Consider adopting an exception-based processing approach to streamline these workflows and reduce manual intervention, especially for routine transactions.



Improve AP decision making.

AI tools can synthesize large volumes of data to support better decision-making across the organization. From identifying cost-saving opportunities to optimizing cash flow management, AI can provide actionable insights for driving business growth and profitability.



Stay informed on industry regulations.

Stay abreast of rapidly changing government regulations affecting financial processes. Automation and AI can help manage compliance requirements efficiently, mitigating risks associated with manual processes.



Address supply chain challenges.

Address the time-consuming and manual process of managing an expanding network of suppliers by implementing automation and AI to streamline workflows and increase efficiency.



Building a Business Case for AI in Accounts Payable

The integration of AI in AP entails several crucial steps to ensure clarity, feasibility, and effectiveness.

Key steps:

1. Assess the current state vs. future expectations

Evaluate existing AP processes, identify inefficiencies, and set clear objectives. Define Key Performance Indicators (KPIs) to measure AI initiative success.

2. Identify and address potential challenges

- **Implementation Costs:** Conduct a cost-benefit analysis to justify AI investment, highlighting long-term savings.
- **Data Security:** Ensure robust security measures to protect sensitive financial data, including encryption and compliance with regulations.
- **Employee Training:** Develop training programs to upskill employees on AI tools, emphasizing benefits and ease of use.

3. Tips to mitigate concerns

- **Effort required for IT integration:** Collaborate with IT for seamless integration, emphasizing minimal post-implementation effort.
- **ROI expectations:** Set realistic ROI expectations, provide case studies for potential efficiency gains.
- **Security and control measures:** Assure robust security measures to IT leadership, addressing concerns about data privacy.



Get the eBook: Building a Business Case for AP Automation.



4. Tailor your approach by audience

- **IT Leadership:** Highlight ease of integration and minimal maintenance, address resource allocation concerns.
- **Finance Leadership:** Present cost-benefit analysis, addressing concerns about accuracy of data.
- **Operations Leadership:** Showcase how AI streamlines operations, provide assurance on implementation process.
- **End-Users:** Focus on user-centric benefits, alleviate concerns about job security through productivity enhancement.

5. How to build internal champions

Identify sponsors and champions to advocate for AI within the organization. Encourage stakeholders to experience AI tools firsthand, fostering a culture of innovation and continuous improvement.

40%

of AP departments experience multiple cases of attempted or actual payment fraud in 2022.¹

\$43K

Estimated savings annually²

7 months

Approximate time to see a positive return on investment (ROI)³



Take Action With SAP Concur

1. Embrace AI early to stay ahead of the curve and differentiate your organization from its competitors. If you're already an SAP Concur customer:

- Leverage our [existing AI tools and solutions](#) within SAP Concur;
- Join the [SAP Concur Community](#) to connect with peers, learn from experts, and get answers to your SAP Concur questions.

2. If not, explore [additional AI-powered features](#) offered by solution providers like SAP Concur to further enhance accounts payable processes.

3. Seek assistance from consulting firms like [Lyndon Group](#) to support AI implementation and optimize accounts payable workflows.



By delivering faster, more accurate, and more efficient AP processes, you can enhance customer satisfaction, strengthen relationships with suppliers, and gain a competitive edge in the market.

About Lyndon Group

Founded in 2000, a professional services firm providing specialized expertise to help organizations of all sizes and industries with every aspect of their expense, travel and payment programs. Our team of experts have built our reputation on developing deep, meaningful relationships with our clients - recognizing that no two businesses are alike. As such, a custom-tailored approach is taken in each engagement to ensure your program is seamlessly integrated into your organization's business operations. [Learn more](#)

Sources:

1-3. Extending Automation to Accounts Payable, 2022