ACCOUNTS PAYABLE GUIDEBOOK

12 STEPS

TO KICK YOUR PAPER HABIT

AP SUPPORT
GROUP

ESKER®

FUJIFILM
Value from Innovation

Process
Automation

Habit (n) [hab-it]
: a settled practice or regular tendency, especially one
that is difficult to give up.

See: paper usage in AP departments

5 SIDE EFFECTS

OF PAPER USAGE IN AP:

1 **Slower** invoice processing time

2 **Elevated** risk of error and non-compliance

3 **Higher** cost per invoice

4 **Limited** visibility to forecast working capital

5 **Difficulty** retrieving critical information quickly

WHY PAPER IS WORTH QUITTING.

Whoever coined the phrase *old habits die hard* must have worked in accounts payable (AP).

Today, AP remains inundated with paper as other areas of life and business go electronic. A recent study by Ardent Partners found that **66% are still received in paper format and processed via manual methods**.[1]

The cost of supporting this habit is a steep one. Not only does it prevent assurance of prompt and accurate payments, it fails to set your business apart from competitors.

Fortunately, help is available. Businesses of any size can Quit Paper™ with the help of Esker.

QUIT PAPER™

[1]Bartolini, Andrew. Dwyer, J. Christopher. Ardent Partners, June 2015. ePayables 2015: Higher Ground.

COLD TURKEY
ISN'T FOR EVERYONE.

We get it: Changing established business practices is easier said than done. It's not a switch you can just magically turn on.

Concerns about security, costs and compatibility with ERPs and other business systems shouldn't be taken lightly. Like kicking any habit, this one requires **strategy, patience and most importantly, support.**

This guidebook walks you through the 12 steps of eliminating paper with a best-in-class AP automation solution.

STEP 1 FULLY ACCEPT THE CHALLENGE.

Half measures won't do. Breaking a habit like paper requires coming face to face with it. **Admitting there's a problem** and **committing to a resolution**.

Much of the reluctance to accept this challenge among AP departments comes from an unwillingness to confront settled tendencies. *It's the way we've always done it.*

With decades of experience helping companies Quit Paper™, Esker is the advocate and trusted solution vendor to get you on the road to paper-free AP processing.

YOU'RE NOT ALONE

These are just a handful of the many Esker customers who confronted their paper habit and found success through AP automation.

PENTAIR   ALBEMARLE®   uralita

AGUA MINERAL SAN BENEDETTO   VARIFARMA   CGR

STEP 2 ASSESS YOUR PAPER USAGE.

You can't manage what you can't measure.

Key Performance Indicators (KPIs) are a great way to identify troubling habits and trends, and evaluate how your AP processes stack up to selected benchmarks down the road.

Trading in your manual methods for an automated AP invoicing solution ties in nicely to KPI improvement. It's no coincidence that the highest performing AP departments are exceptional in the very areas that automation is known to improve.

EXAMPLES OF GOOD KPIs TO MEASURE:

- Number of invoices processed per month or per employee
- Processing cost of each invoice
- Timeliness of payments
- Discounts captured due to early payments
- Level of automation already implemented
- Number of duplicate invoices detected
- Percentage of duplicate invoices captured

STEP 3 ASSEMBLE A SUPPORT GROUP.

Quitting paper is not a one-man or one-woman job. **It's a process that demands collaboration**.

How change is handled — from executive management to mid-management, financial analysts to IT staff — can often be the most important driver of success.

Change Management is an approach that helps smooth the transition. As a top-tier solution vendor, Esker has processes in place to facilitate components of Change Management. The collaborative nature of electronic AP processing aids the process as well.

WHAT TO EXPECT BY MANAGING CHANGE:

- Higher likelihood of success
- Increase moral of all employees involved
- More likely to be within budget and timeframe
- Less stress before, during and after quitting paper
- Increase project legitimacy
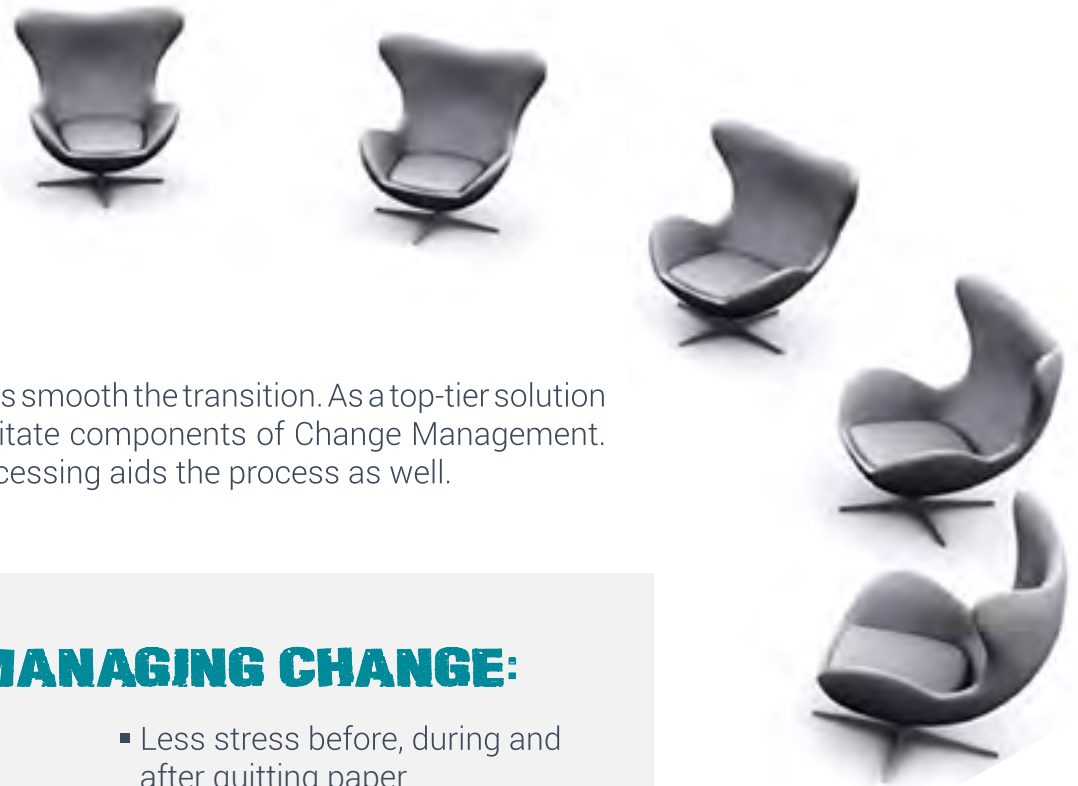
STEP 4 CHOOSE YOUR CHAMPION.

There's no right way to kick a paper habit. Each organization's needs are uniquely their own. While some prefer to host their **AP invoice automation solution on-site**, others are intent on leveraging it as a **cloud-based service**.

Choose a vendor that can be a champion to your cause, preferably, one that offers flexibility in how your specific AP automation plan can be implemented.

HELLO
my name is
Quentin DePaper

YOU'LL FIND COMFORT IN ESKER'S CLOUD SOLUTION:

- Rapid project go-live and immediate scalability
- Low risk and 24/7 availability
- Compatibility with ERP, desktop or other business applications
- Highly flexible platform for customized developments and modifications
- Predictable pay-per-use pricing
- No new hardware or software investments
- Unified AP workflow outside the ERP infrastructure

STEP 5 GO AT YOUR OWN PACE.

The path to progress has many roads. Whether you're eager to go all out from the start or prefer to take things slow and steady, you should have that option.

Consider a vendor that enables a phased approach to automating your AP invoicing process — **one where you control the tempo**, not the other way around.

HERE'S A SNAPSHOT OF ESKER'S PHASED APPROACH:

- **Phase 1:** Offers basic scan-and-file so electronic invoice copies can be available to those who need immediate access.
- **Phase 2:** Adds workflow processing and machine learning to reduce the time it takes to get invoice payment approval of non-PO invoices.
- **Phase 3:** Includes all of the features of the first two phases but offers the capabilities to integrate the solution with the ERP system.
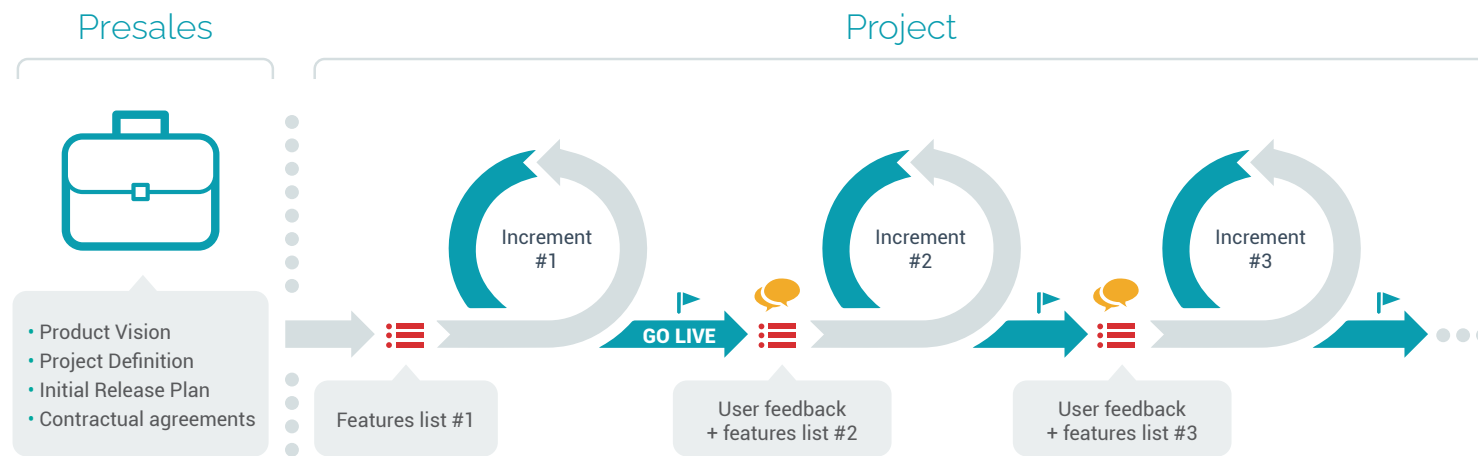
STEP 6 SET YOURSELF UP FOR SUCCESS.

Standing on the sidelines is no way to Quit Paper™. The sooner you get hands-on experience in the process, the more thoroughly objectives will be understood and the quicker project benefits can be achieved.

Be sure to choose a provider that uses the **Agile Methodology to solution delivery**, which promotes collaboration, adaptation and rapid response over contract negotiation, rigid plans and limited involvement.

HOW YOU BENEFIT FROM ESKER'S USE OF AGILE METHODOLOGY:

- Gain benefits of solution more rapidly
- Invest resources in most valuable features
- Reduce risks and lower startup costs
- Make decisions and modifications with context
- Quickly receive new features to test
- Play an active, participatory role in project

Presales

- Product Vision
- Project Definition
- Initial Release Plan
- Contractual agreements

Features list #1

Project

Increment #1

GO LIVE

Increment #2

User feedback + features list #2

Increment #3

User feedback + features list #3

STEP 7 CLEAN UP THE MESS.

Binders, file cabinets and storage units have long been the traditional way to store invoices. Today? Nothing more than remnants of an unchecked paper habit.

Automated AP invoicing cleans up the mess by making physical storage unnecessary. Invoice copies can be **safely stored using electronic infrastructure** and kept for as long as needed. You'll wonder how you ever put up with the hassle of hunting down a single document.

HOW ESKER MAKES INVOICE STORAGE & ACCESS EASY:

- Invoice data is automatically integrated in the ERP system during automated processing.
- The copies are safely stored using Esker's infrastructure's advanced login security policies.
- Any document can be accessed at any time using a multi-criteria search engine in the Esker web interface.

STEP 8 AVOID TEMPTATION.

Business isn't going to stop while you're busy kicking a paper habit. Your best bet? Avoid the temptation for manual routing altogether using a comprehensive automation solution.

Seek out a vendor equipped with technology to **capture and extract relevant data** from incoming fax, email and postal mail invoices and **automatically route and index** them. It's an easy way to stay paper-free at all times!

ESKER'S TOOLS OF TRADE

Processing paper invoices is a dirty job but Esker is up to the task — we do it so you don't have to. Our intelligent machine learning technology works by getting invoices where they need to be quickly and accurately. Esker's solution also has the capability to read and process over 120 languages.

STEP 9   FULLY COMMIT TO QUITTING.

Of course, getting invoices processed quickly and accurately after receipt is only half the battle. They also need approval. Exceptions have to be handled. **If you're not careful, you can fall back into the same manual traps that spawned your paper problem in the first place**.

What's needed is an AP automation solution that allows you to easily orchestrate PO or non-PO invoice verification and payment approvals, erasing paper pains as well as compliance concerns.

ESKER SIMPLIFIES INVOICE VERIFICATION & APPROVAL:

- **Predefined Criteria:** Invoices are automatically sent to the appropriate workflow path based on predefined criteria.
- **Add Documents as You Go:** Users have the option to add supporting documents for invoice validation or rejection at any step.
- **3-Way Match Verification:** Esker checks for the corresponding POs and goods receipts when a PO-related invoice arrives.
- **Straight-Through Approval:** If desired, the Esker solution can be "taught" to process vendor invoices with no human intervention.
- **Mobile Invoice Approval:** Esker offers on-the-go accessibility for managers to easily review, edit and approve invoices 24/7 from any Apple or Android device.

STEP 10 STAY INFORMED.

Once your AP process is streamlined, the last thing you want to do is fall back on bad habits or develop new ones. Having the right know-how goes a long way.

Staying informed and educated through the process is an easy way to help strengthen your plan of attack and foster beneficial relationships with like-minded paper-quitters.

ESKER'S EDUCATIONAL NETWORKING OPPORTUNITIES:

- **Consult-a-Pro Webinars:** monthly training and Q&A sessions
- **Esker Americas User Conference (EAUC):** Esker's largest educational and networking event
- **Esker All Access:** VIP customer advocacy hub infographics and more
- **User Gatherings:** Esker User Groups & CSBC Events
- **Customer Community Portal:** online support and resources
- **Customer Network:** monthly updates on all things Esker

STEP 11 CELEBRATE PROGRESS.

Having a paper habit implies that you're constantly, well ... managing paper. That doesn't leave a lot of time to focus on important things such as analytics (i.e., the science of how, when and why you're improving).

Successful AP departments establish quality KPIs early on (See: Step 2) so that **progress can be compared to previous benchmarks**. Secondly, they utilize solutions that offer visibility into working capital so that cash management can be optimized.

ESKER'S ANALYTICS & AUDIT TRAIL:

Esker's Accounts Payable automation solution enhances your existing business system(s) by making invoices 100% traceable and visible at any stage. Because every invoice goes through Esker, users can run reports, monitor validations and forecast a variety of metrics at any time.
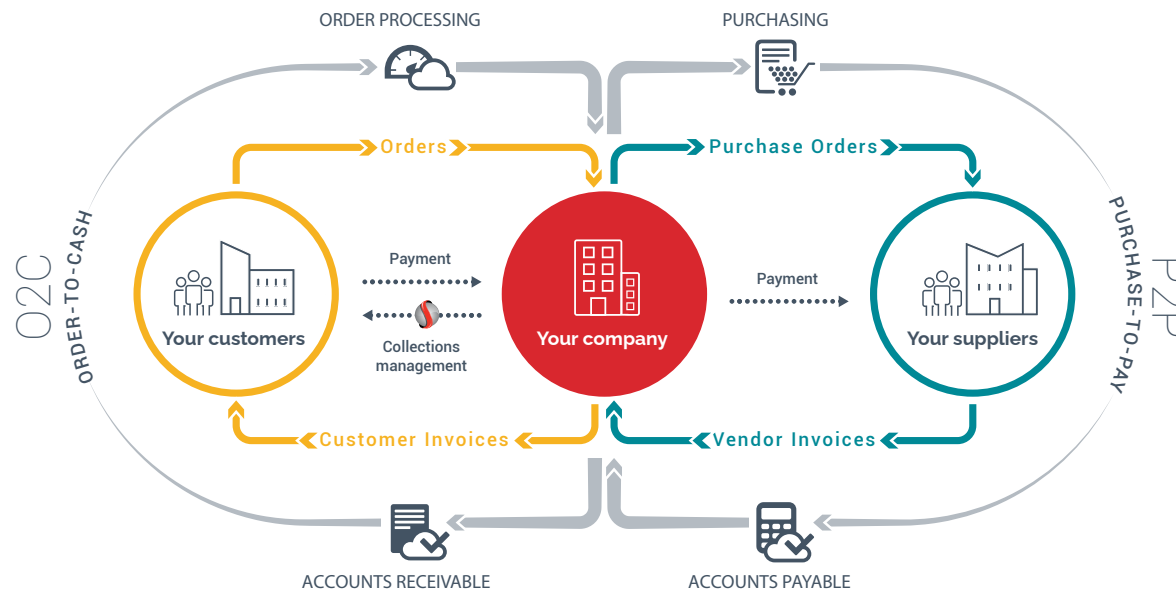
STEP 12 HELP OTHERS QUIT PAPER.™

If manual operations have worn out their welcome in the AP department, there's a good chance other areas of the business are dealing with paper habits of their own.

Luckily, automation solutions can be extended from AP to include other business processes — whether it's for automating and capturing other inbound documents like sales orders or electronically delivering outbound invoices, POs or more.

QUITTING IS CONTAGIOUS

Esker allows organizations to control all of their Quit Paper™ initiatives within one flexible and comprehensive automation platform. The result is a unified paperless environment that spans the entire business cycle.

ORDER PROCESSING

PURCHASING

Orders

Purchase Orders

O2C ORDER-TO-CASH

P2P PURCHASE-TO-PAY

Payment

Your customers

Collections management

Your company

Payment

Your suppliers

Customer Invoices

Vendor Invoices

ACCOUNTS RECEIVABLE

ACCOUNTS PAYABLE

THE SECRET TO STAYING
PAPER-FREE.

Congratulations on turning a corner! We hope these 12 steps provided you the education and inspiration needed to kick your paper habit in AP once and for all.

As your organization changes and the business landscape evolves, you might be tempted to revert back to bad habits. What's the secret? Partnering with an engaged vendor who understands your challenges and has the solutions to fix them.

No business can Quit Paper™ alone. Be sure to take the time to explore all of your options.
Just know that — when you're ready — Esker is here to help.

QUIT PAPER ™

WE ARE ESKER.

Esker is a worldwide leader in document process automation.

Forward-thinking businesses use our solutions to **Quit Paper™** and streamline their inbound and outbound communications.

After 30 years of field experience, Esker has over 11,000 customers and millions of licensed users worldwide.

Our headquarters are in Lyon, France, but we're located just about everywhere paper needs quitting.

Learn more online at
www.esker.com.

BELGIUM
CANADA
U.K.
GERMANY
U.S.
FRANCE
ITALY
SPAIN
MALAYSIA
SINGAPORE
AUSTRALIA

WHEN YOU'RE READY TO LEARN MORE …

White Paper:
8 Steps to Becoming the Ultimate Accounts Payable Advisor to Your C-Suite

eBook:
*5 Accounts Payable KPIs Worth Tracking
and How to Maximize Results with Real-Time Analytics & Dashboards*

Buyer's Guide:
Accounts Payable Automation:15 Questions to Differentiate Vendor Invoicing Automation Solutions

Plus, be sure to check out the **Esker Blog**, your connection to everything newsworthy in the world of automation.

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FUJIFILM
Value from Innovation

Process
Automation

Learn more and get in touch for a demo today

Learn More >

Book a Demo >

ESKER