ACCOUNTS PAYABLE

FAQ GUIDE

15 Questions to Help Find Your
Ideal Automation Solution

ESKER®

INTRODUCTION
PURPOSE OF THIS FAQ GUIDE

Looking to streamline your accounts payable (AP) operations via automated processing? There are a lot of different vendors with a lot of different solutions … so what questions should you be asking to find the right automation tool for your process?

Esker has developed 15 essential questions to ask any potential solution provider — and the answers you should expect — to make your decision-making process easier and help maximize the success of your project.

WHY AP AUTOMATION IS NECESSARY

Businesses with paper-based AP processes are limited in their ability to not only minimize per-invoice costs but also to improve productivity, prevent duplicate invoices and take advantage of early-payment discounts. Financial planning, supplier relationships, employee productivity and even regulatory compliance efforts may suffer from lack of automation.

**Symptoms of inefficient AP management include:**

- Limited process control and visibility
- Damaged supplier relationships
- Missed early-payment discounts
- Longer reconciliation and payment cycles
- Inaccurate and lengthy closes
- Late and/or duplicate payments

15 QUESTIONS TO HELP FIND YOUR IDEAL AP SOLUTION

01

END-TO-END ELECTRONIC PROCESSING

"WE WOULD LIKE TO ELIMINATE AS MUCH MANUAL PROCESSING AND HUMAN INTERVENTION AS POSSIBLE. DOES YOUR SOLUTION COMPLETELY AUTOMATE THE AP INVOICE PROCESS?"

Invoice processing is most efficient when human intervention and manual tasks are minimized. Your vendor should provide a solution that automatically verifies invoice data (via predefined criteria), complies with business and audit policies, and enables a fully electronic processing environment where no manual data entry is required.
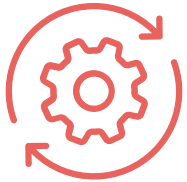
WHY ESKER?

Esker offers a comprehensive solution that automates every phase of AP — from reception of an invoice to its creation in the ERP application — replacing the need for any human data entry and dramatically reducing your AP labor costs. Esker processes and tracks any invoice with complete accuracy, visibility and efficiency. Invoices are automatically archived electronically, eliminating the need for manual storage and time-consuming filing with a backup of your archive always available.

Esker Anywhere™, Esker's mobile application, equips managers with on-the-road accessibility to review and approve spend requests and supplier invoices, as well as keep track of process performance trends anytime, anywhere.

RECEIVE & SCAN — EXTRACT — VERIFY & MANAGE — ARCHIVE — ANALYTICS & AUDIT TRAIL — SUPPLIER PORTAL

DASHBOARD & METRICS

"IT'S IMPORTANT THAT WE KEEP AN EYE ON THE PULSE OF OUR BUSINESS. ARE YOU ABLE TO PROVIDE CONTROL AND VISIBILITY INTO OVERALL AP PERFORMANCE?"
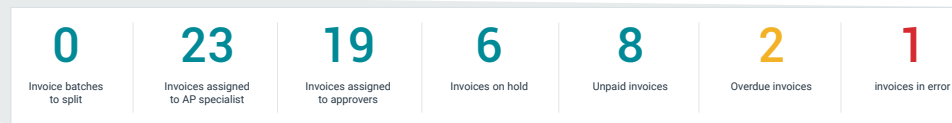
Your provider's AP solution should offer Key Performance Indicators (KPIs) and dashboards that provide real-time visibility and other analytical tools. This type of enhanced control and monitoring makes it easier for everyone involved to perform daily tasks, monitor performances, analyze areas of improvement, and allocate resources and workloads.

WHY ESKER?

Esker dashboards enable you to facilitate daily tasks, monitor performances, and react quickly to prevent problems or spot opportunities early, even on the go, making every action smarter and more strategic. The dashboards are customizable so that users can choose what they want to display and to which user or profile.

Esker's dashboards allow users to easily: see how many supplier invoices have been approved and how many still awaiting approval; measure long-term performance; gain insight on team capacity; review trends; and much more.

0	23	19	6	8	2	1
Invoice batches to split	Invoices assigned to AP specialist	Invoices assigned to approvers	Invoices on hold	Unpaid invoices	Overdue invoices	invoices in error

SUPPLIER PORTAL

"HOW CAN WE IMPROVE THE WAY WE COMMUNICATE, INTERACT AND COLLABORATE WITH OUR SUPPLIERS, AS WELL AS MINIMIZE THE WORKLOAD FOR OUR AP STAFF?"

Your provider's solution should include an online supplier portal, which enables smarter AP interactions, providing suppliers with real-time status information on their invoices, strengthening supplier relations and increasing your AP team's productivity. Additionally, suppliers should also be able to submit invoices directly online, thereby accelerating the AP processing time.

WHY ESKER?

Esker's self-service portal provides an open line of communication and a range of self-service options which enable you and your suppliers to improve information sharing, enhance financial performance and facilitate dispute resolution. Your suppliers can chat directly with AP staff to clarify or ask questions, facilitating collaboration and improving communication.

Suppliers can easily and securely submit and track their invoices with complete autonomy. This allows your AP department to reduce unnecessary paper handling, improve the timeliness of payments and lower your Days Payable Outstanding (DPO). Your AP staff is able to focus on more value-added tasks, increase its efficiency and reduce costs.

WORKFLOW

"WHY WOULD I WANT TO SET UP WORKFLOW OUTSIDE OF MY EXISTING ERP SYSTEM?"

Integrating a solution that runs AP workflow inside the ERP/business system might seem like the most straightforward approach, but it has a number of disadvantages. For example, maintaining "inside workflow" in each instance can cause inefficiencies, additional costs and consistency issues over time. Conversely, choosing a vendor that offers an external solution offers the flexibility to:

- Maintain business continuity through upgrades and other IT landscape changes
- Achieve anytime, anywhere access for managers
- Provide a single access point for invoice data for both ERP users and non-users
- Reduce training complexity and promote user acceptance
- Simplify setup for regional or worldwide shared services centers (SSC)
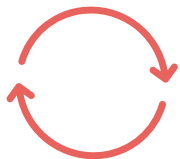
WHY ESKER?

Because Esker provides a solution that functions as a standalone module outside of the ERP application, it allows you to deploy the solution in different offices, even if they are not running the same information system. Additionally, Esker enables you to benefit from an unlimited number of approvers as well as web-based access for connection anytime, anywhere.

05

ACCURATE & INTELLIGENT DATA CAPTURE

"HOW DOES YOUR RECOGNITION TECHNOLOGY PRECISELY IDENTIFY CONTENT FROM DIFFERENT INVOICE FORMATS, AND DO WE NEED TO SET UP A TEMPLATE FOR EACH SUPPLIER'S INVOICE LAYOUT?"

Your solution provider should deliver intelligent data analysis tools to speed up the automation process and provide better accuracy and security for invoice processing with no templates required.

In order for accurate invoice automation with minimal human intervention to be successful, your solution provider's recognition technology must be able to intelligently extract all relevant information from supplier invoices regardless of the invoice format (e.g., scan, fax, email, etc.). The solution should also accurately recognize the desired information as you make corrections to the default recognition.

WHY ESKER?

Thanks to artificial intelligence capabilities, Esker quickly identifies and corrects errors, knows which invoices to prioritize and which to reject, collates those from purchase orders (POs) and validates them through an electronic approval workflow. The streamlined process improves reliability and accelerates the processing of future invoices.

Optical Character Recognition (OCR) and free-form technology are embedded into Esker's solution, allowing it to easily deal with content from diverse invoice types. Different invoice formats from a single vendor, or invoices from multiple vendors are easily handled without the need for a specific template.

06

ELECTRONIC ARCHIVING

"WE WANT TO ELECTRONICALLY ARCHIVE OUR INVOICES TO AVOID STORING MOUNDS OF PAPER. WILL WE BE ABLE TO ACCESS OUR DOCUMENTS EASILY?"

Your solution provider should be able to automatically archive your invoices electronically, allowing you to eliminate the time-consuming responsibilities of manual filing and paper storage.

Additionally, invoices should be archived in compliance with all e-invoicing regulations and securely backed up by your solution provider's infrastructure and always accessible to authorized personnel from any location for as long as you choose.

WHY ESKER?

Fully compliant with the EU Directive and regulatory frameworks, Esker's electronic archiving solution provides confidentiality, control and accessibility to all invoices via a secured infrastructure and web portal. Esker allows your invoices and data to be safely and automatically archived and easily accessible from anywhere for as long as you need them. With Esker's powerful multi-criteria search engine, you only need to enter one or more search criteria and your invoice will quickly be identified. A backup of your archive is always available and you can also request a copy on digital media.

07

ERP INTEGRATION

"WILL YOUR SOLUTION INTEGRATE WITH OUR ERP SYSTEM?"

Implementing an automation solution should not require additional costs for custom development. If your AP solution does not work with your current ERP system, the payoff will take longer, coupled with a higher Total Cost of Ownership (TCO).

Ideally, you want a solution that's compatible with virtually any ERP system, is configured to address the unique needs of your business, and easily integrates with your current infrastructure.
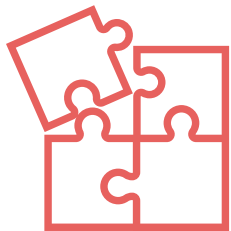
WHY ESKER?

Esker offers independent workflow functions which provide flexible integration options should you need to connect with several applications used by different subsidiaries or departments within the company.

Esker is compatible with a wide range of ERP applications, including: SAP, Microsoft Dynamics, Oracle E-Business Suite, JD Edwards EnterpriseOne and more.

Esker solution integration capabilities allow you to receive and track documents directly in your ERP application, resulting in greater process efficiency and productivity across every phase of business operation.

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AP AUTOMATION AT SHARED SERVICE CENTERS

"OUR ACCOUNTING FUNCTIONS ARE CENTRALIZED THROUGH A SSC. ARE WE ABLE TO AUTOMATE SUPPLIER INVOICING IN THIS MODEL?"

Your solution provider should bring numerous benefits to a SSC, including: advanced workflow capabilities, invoice traceability, audit trail, multi-language and global support, reporting, and queue management. In addition to reducing invoicing costs and improving efficiency and supplier relations, the difficulties of managing invoice processing in diverse ERP systems can easily be addressed with the right AP automation solution in place.

WHY ESKER?

Esker supports companies with shared services initiatives. Featuring multi-language capabilities and template-free technology, Esker eliminates the headache of processing invoices from multiple offices with different languages and invoice layouts.

Esker's external ERP workflow is ideal for a SSC with diverse ERP/business systems within different company offices, as well as invoice processing across a range of separate systems.

With real-time tracking and reporting capabilities, Esker delivers constant visibility over supplier invoices — an important requirement for financial managers who need to easily measure the productivity and efficiency of a SSC.

AUTOMATING SPEND FROM START TO FINISH

"DO YOU OFFER A PURCHASE-TO-PAY (P2P) AUTOMATION SOLUTION TO IMPROVE SPEND MANAGEMENT?"

Paper-based invoice processing prevents AP departments from being able to manage their workload efficiently, resulting in missed discounts and even damaged relationships with suppliers for not paying invoices on time. Converting both purchasing and invoice processing to electronic format will resolve the delays, errors, and lack of transparency and control associated with traditional manual processing. Using automation solutions across the entire P2P cycle streamlines communication and collaboration for all involved, resulting in excellent supplier relations, well managed financial risk and better management of working capital.
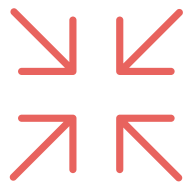
WHY ESKER?

Esker's Purchasing solution not only optimizes indirect spend requests and goods/services ordering, but it brings greater visibility and efficiency to the entire AP process by allowing you to:

- Quickly place spend requests with online purchase forms
- Benefit from automatic requisition authorization workflow
- Give requesters instant access to approved items
- Convert non-PO and non-MRO invoices into PO-like invoices
- Gain complete spend process transparency
- Monitor budget compliance
- Improve cash planning and supply chain management

INFORMATION SECURITY & INTEGRITY

"HOW CAN WE BE CONFIDENT THAT OUR BUSINESS DOCUMENTS WILL BE SECURELY HANDLED AND STORED?"

ISO 27001 is the internationally recognized standard for certifying that a company's Information Security Management System (ISMS) protects its data and that of its customers. SSAE 18 and ISAE 3402 audits are international reporting standards that analyze a service organization's control over information technology and related processes.

In addition, the EU-U.S. Privacy Shield provides a set of robust and enforceable protections for the personal data of EU individuals when transferring personal data between the EU and the U.S. Compliant companies must certify to the U.S. Department of Commerce that they adhere to the EU-U.S. Privacy Shield Principles. Maintaining these certifications displays dedication to document security and should be a top priority for your solution provider.

WHY ESKER?

Esker has achieved ISO 27001:2013 certification for its ISMS of on-demand services. Customers using Esker's cloud solutions can be confident their data is safe, properly controlled, and that security best practices are in place.

Esker has been awarded SSAE 18 & ISAE 3402 Type 2 compliance for its on-demand AP automation solution and all other solutions. Additionally, Esker's processes, procedures and controls for handling electronic protected health information (ePHI) are in compliance with the requirements of the HIPAA and the HITECH Act.

Esker also complies with the EU-U.S. Privacy Shield Framework as set forth by the U.S. Department of Commerce.

BUSINESS CONTINUITY

"WE CAN'T RISK LOSING CRITICAL INFORMATION OR PUT OUR BUSINESS ON HOLD WHILE A NEW SOLUTION IS INTEGRATED. CAN YOU PROVIDE UNINTERRUPTED SERVICE?"

Ideally, solution implementation should not disrupt daily business activities for long periods of time. Integration should be seamless and involve as little downtime as possible, with crucial business functions and industry-sensitive documentation being available to customers and suppliers at all times via a secure, always-on and backed up infrastructure.
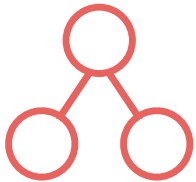
WHY ESKER?

With initial setup time only taking a few hours, Esker provides fast, simple and painless solution implementation without disrupting your existing systems. An Internet connection and a web browser are the only requirements needed to connect.

Featuring security measures such as data transfer by SSL, secure server bays, temperature, humidity and pressure controls, and 24/7 monitoring, Esker production centers are designed to safeguard document processing, protect sensitive information and support compliance for privacy regulations. As a result, Esker is uniquely positioned to meet the needs of organizations seeking to improve data privacy, access control and business continuity.

Each Esker server platform in North America, Europe and Australia back one another up, providing secure, redundant, uninterrupted service 24/7 year-round.

FLEXIBLE SOLUTIONS

"WHAT ARE OUR OPTIONS TO EASILY AND AFFORDABLY AUTOMATE OUR AP PROCESS?"

Understanding the benefits of automating software with a Software as a Service (SaaS) model over Business Process Outsourcing (BPO) is key for prospective businesses. With a SaaS model (i.e., on-demand), there is no software or hardware to install, you maintain data ownership and visibility, gain flexibility to adapt to changing business conditions, benefit from security and confidentiality assurance, and enjoy a faster ROI.

Issues associated with BPO include: failing to meet service levels, unclear contractual issues, changing requirements and unforeseen charges, as well as a dependence on the BPO which reduces flexibility. Additionally, a major drawback with BPO is security risks both from a communication and privacy perspective.

While hosting a solution on-premises offers many of the same functional capabilities as SaaS, it requires ongoing maintenance and investments in software and hardware.
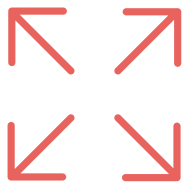
WHY ESKER?

Esker offers customers the choice of implementing their automation solution on-demand or on-premises. Requiring little to no upfront investments, Esker's pay-per-use SaaS platform allows you to implement AP automation rapidly and cost effectively without the need to build or expand an in-house network while moving from capital to operational expenditure.

The web-based nature of SaaS allows you to expand approval workflow beyond the walls of the company (e.g., to subsidiary offices, manufacturing facilities, etc.) without having to open the corporate firewall. More than 5,000 SaaS customers and 320,000 SaaS users worldwide rely on Esker every day to automate key business processes.

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EXPANDING TO OTHER BUSINESS PROCESSES

"TODAY WE'RE IN THE MARKET FOR AN AP SOLUTION BUT TOMORROW WE MAY NEED TO AUTOMATE OTHER BUSINESS PROCESSES — CAN YOU SUPPORT OUR GROWING BUSINESS NEEDS?"

Your solution provider should offer all of the technology, solutions, service and support needed to respond to your expanding needs. That means having the capability to address every aspect of the cash conversion cycle to automate other business processes such as order processing, accounts receivable and purchasing.

WHY ESKER?

Esker allows you to control all of your document process improvement efforts in one shared and collaborative platform that spans the entire cash conversion cycle. Whether you want to automate and capture any inbound document (e.g., sales orders, supplier invoices, etc.) or electronically deliver any outbound document (e.g., customer invoices, POs, etc.), Esker allows you to automate as needed using a shared group of technologies.

EXPERT CONSULTANCY & PROJECT METHODOLOGY

"HOW DO YOU DELIVER A SOLUTION THAT IS IMPLEMENTED ON TIME AND WITHIN BUDGET?"

To get the greatest amount of business value in the shortest amount of time, you should be afforded a high level of involvement early in the planning and throughout the project. A skilled solution provider with years of solution implementation experience understands the importance of respecting timelines and budgets.
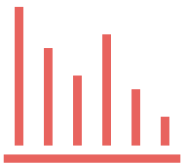
WHY ESKER?

Esker's use of Agile methodology creates an adaptive environment of enhanced process insight so that customers, business partners, and key stakeholders are actively involved throughout and achieve maximum value in every phase of solution delivery.

As opposed to the traditional "waterfall" approach, Agile methodology enables decisions to be made with context, invests resources in the most value-added features, and allows solution features to be tested and used in a short amount of time.

GLOBAL PRESENCE

"CAN YOU SUPPORT OUR MULTIPLE OFFICES AND MULTI-LANGUAGE NEEDS? AS A GLOBAL COMPANY, WE NEED TO BE SURE YOUR FAX SOLUTION CAN BE SCALED OUT."

In today's global marketplace, companies need an international solution provider who can support their automation needs across a worldwide network of offices, offer multi-language capabilities, including support for languages that contain a large number of unique characters and symbols (e.g., Japanese, Chinese, etc.) and have proven, cross-border deployment success.

WHY ESKER?

With offices around the world, Esker has an impressive track record of success for its many worldwide implementations. The Esker web user interface is available in numerous languages, and local language support is available in many countries. Esker's on-demand platform allows for a rapid solution rollout to various countries without the need to plan for multiple instances or larger, more complex infrastructure.

HOW ESKER'S ACCOUNTS PAYABLE SOLUTION WORKS

RECEIVE & SCAN

Regardless of format, scanned or electronic invoices are entered into an automated workflow and sent to Esker for processing.

EXTRACT

Esker finds and extracts all relevant supplier invoice data from the received document and creates the corresponding document in the ERP system.

VERIFY & MANAGE

Esker orchestrates PO or non-PO invoice verification and payment approvals, while complying with the necessary requirements. In some cases, touchless processing can be achieved as long as the selected criteria is matched.

ARCHIVE

Invoice data is integrated in the ERP system while a copy of the original invoice is attached and available to any authorized user.

ANALYTICS & AUDIT TRAIL

Invoices are 100% visible and traceable throughout every phase of processing. Tailored dashboards and metrics deliver key information to facilitate daily tasks, even on the go.

SUPPLIER PORTAL

A self-service portal provides businesses and suppliers with a collaborative workspace, real-time status information on invoices, enhanced supply chain performance and improved AP staff productivity.

6 WAYS COMPANIES BENEFIT FROM ESKER'S ACCOUNTS PAYABLE SOLUTION

Esker automates every phase of AP invoicing — from reception of the original document to the creation of an accounting book entry in the ERP/business system — enabling businesses to eliminate the manual pains of traditional AP invoice processing thanks to intelligent capture, touchless processing and electronic workflow capabilities. The end result? A simpler, more efficient way to manage cash flow and generate new revenue:

COMPANIES USING ESKER BENEFIT FROM THEIR ABILITY TO:

1	2	3	4	5	6
Achieve spend visibility from start to finish	**Work** smarter and be more strategic	**Eliminate** human intervention and errors related to manual handling	**Process** multinational and multilingual invoices	**Improve** supplier relationships	**Integrate** in multiple offices with different IT and ERP systems

REAL RESULTS ACHIEVED BY ESKER CUSTOMERS

- Accelerated AP invoicing processing speed by 50% *- Armtec*
- Divided the number of invoices awaiting approval by 10 *- Staci*
- Reduced the number of outstanding AP accruals by $8 million *- Farmland*
- Processed 90% of invoices in one click, without any human intervention *- Culligan*
- Saved $30k monthly in early payment discounts *- Parts Town*
- Processed 30% more invoices without increasing headcount *- Heptagon*
- Achieved a 95% on-time payment invoice rate *- Maxim Integrated*
- Achieved a 90% electronic processing rate, reducing the number of postal mail invoices from 60 to 10% *- Albemarle*
- Accelerated financial closing periods from 10 to 3 business days *- Jardiland*

With Esker, we have **cut our operating costs, paper costs, printing costs, postage costs and storage costs.** It easily exceeded our expectations.

Financial controller, Craig Mostyn Group

We have successfully transformed our AP process thanks to Esker, replacing third-party outsourcing for locations outside of Malaysia, and adopting a centralized model at our headquarters.

Project manager, Malaysia Airlines

For any company operating with manual processes, I strongly suggest they implement a system like Esker. **It drives efficiency in business and just makes it easier to do AP.**

Worldwide AP process owner, Maxim Integrated

ABOUT ESKER

Esker is a worldwide leader in cloud-based document process automation software. Organizations of all sizes use our solutions to automate order processing, accounts payable, purchasing, accounts receivable and other critical areas of business communication. After 30+ years of field experience, we have helped over 11,000 companies around the world in their efforts to Quit Paper™ and improve operational efficiency. Our headquarters are in Lyon, France, but we're located just about everywhere paper needs quitting.

Visit www.esker.com to learn more about Esker's solutions and join the conversation on our blog at blog.esker.com.