DocTech White Paper

The Ultimate Guide to Automated Invoice Processing



Table of Contents

The Ultimate Guide to Automated Invoice Processing 4
What You'll Learn 4
What is Automated Invoice Processing? 4
Automated Invoice Processing: How It Works 4
The Challenges Presented by Invoice Processing 5
Struggling to Find Documents 5
Security 6
Information Trapped on Paper and Across Email 6
Extracting Key Details from Invoices 6
Late Payments 6
Reasons to Automate your Invoice Processing Procedure 6
Data Capture 7
Brexit 7
Eliminate Long Searches 7
Cut Manual Data Entry 8
Visibility 8
Reporting 8
What is DocuWare? 8
Why You Should Choose DocTech for Automated Invoice Processing 9
Invoice Processing FAQ 9
What is Invoice Processing Software? 9
What is Automated Invoice Processing? 9
Is DocuWare Available with Sage Integration? 10
What is DocTech's Solution for Accounts Payable and Invoice Processing? 10
Conclusion 10
DocTech's Free Discovery Call 10
What is Automated Invoice Processing and Why Do I Need It? 10

What You'll Learn 10
What is Automated Invoice Processing? 11
How Automated Invoice Processing Works 11
Machine Learning 11
Workflow 11
Approvals 11
Exceptions 12
Features of a Good Invoice Processing Software 12
Integration Streamlines Processes 12
Email Management Ensures no Information is Lost 12
Visibility and Control means Nothing is Overlooked. 12
Why Your Organisation Needs Automated Invoice Processing 13
In Summary 13
11 Challenges in Invoice Processing - Resolve them with Automation 14
1. Adapting to Remote Working 14
2. Slow Processing 15
3. Missing Invoices 15
4. Manual Data Entry 15
5. Matching Errors 15
6. Lack of Structured Approval Process 16
7. Unauthorised Purchases 16
8. Poor Visibility 16
9. Security 17
11. Scalability 18
Conclusion 18

The Ultimate Guide to Automated Invoice Processing

Automated invoice processing simplifies the Accounts Payable (AP) process by streamlining the receipt, capture, approval and storage of invoices by moving them digitally through the business. Manual invoicing is error prone and out dated. Automation should no longer be something just your competitors are doing.

What You'll Learn

After reading this document you'll understand what automated invoice processing is and how it differs from manual, paper based processes. You'll learn how it can be used in your organisation to drive change, reduce costs and make a tangible difference to the working lives of your staff.

Organisations of any size and in any industry can benefit from AP automation services and solve some of the biggest challenges facing Finance Departments today.

What is Automated Invoice Processing?

Automated invoice processing is a way of simplifying the **accounting processes**, moving away from paper based and error prone manual data entry to a more streamlined digital approach. Automation software should be able to extract information from an invoice and populate it to an accounts payable or ERP system.

Traditional invoice processing where an invoice is received, manually matched against a purchase order, entered into a finance system, coded and then paid is time consuming – and that's if there are no issues along the way.

If no purchase order exists or the amounts don't match, it takes employees time to investigate and spend time away from their desks. These issues can be spotted quicker with invoice processing software.

Automating the invoice process will enable organisations to capture, sort, index and store invoices received in any format such as scanned paper, email and mobile capture. Structuring the process in this way from the start means only accurate data can enter the finance system, reducing errors and wasted time.

To understand more, read our blog: **Automated Invoice Processing: What is it and why do I need it?**

Automated Invoice Processing: How It Works

Automated invoice processing works by capturing incoming invoices in a document management solution and then pushing them into a finance or ERP package. An invoice enters the system, either through scanned paper, automatically via an email or is dragged and dropped in from the desktop. The important information is then captured, extracted, indexed and stored.

Machine learning can be applied which remembers where to find the most valuable information on a document as it's processed. As more and more invoices are put through the system it learns further and any manual corrections that have to be made are learnt too, continually increasing in speed and accuracy.

This **indexed data** sits at the heart of the solution, enabling users to easily find the digital document they're looking for. Having been securely stored under a certain criteria, such as customer name or invoice number, searches are completed in a matter of clicks. Information can be accessed by an authorised user from any device and anywhere.

The digital invoice can now move through the accounts payable process, kick starting a pre-configured workflow that follows your business rules. The captured invoice information is automatically pushed into a finance or ERP system, eliminating double entries and with no manual intervention.



Invoices can be automatically approved by the system based on value or PO matches, or routed to a member of staff for approval. **Invoice processing software** can dramatically reduce errors and quickly highlight exceptions; streamlining AP processes and creating greater efficiency for finance departments.

Digital invoice automation provides transparency and visibility of the process at any given point. Managers can see from the system what stage an invoice is at, no chasing individuals for answers or lengthy searches in network folders trying to find the documents they need.

Digitally routed invoices can reach the approver quicker meaning they are paid quicker. This can avoid late payment fees and businesses can benefit from early payment discounts. It maintains relationships with suppliers and can be a good bargaining tool to negotiate discounts.

The Challenges Presented by Invoice Processing

Invoices are of course, a vital part of any business. It's not only how a business gets paid, but provides a record of a sale and a verification in writing of a payment agreement between you and a client.

Invoices contain the information a business needs to file taxes each year, show financial history and provide a form of legal protection as they detail the service given to a client and when. It is therefore important to address any challenges presented by invoice processing to mitigate any risk they present.

There are many common challenges in invoice processing whether that's relying on paper and emails, or where traditional processes can no longer keep up for organisations that have experienced growth.

Read can read more in our blog about **11 Challenges in Invoice Processing and how to resolve them with Automation.**

Struggling to Find Documents

Spending too long on simply finding the invoice you need is a waste of precious time. If employees have to look across multiple sources, click through large folder structures on the server or search on desks, then something needs to be done.

Huge productivity benefits can be gained by providing all offices with access to a **centralised, digital document pool**. Documents should be saved in a way to make searches quick and simple. For example all quotes saved as 'Quote' and no other variation such as pricing, quotation, price etc.

Security

How secure are your invoices and the data they contain, who can access what? These are all questions organisations should have the answers to and the right **Document Management Software** should ensure documentation is protected against misuse or loss.



There should be a robust rights structure to control which documents users can view, retrieve, edit, export, modify and delete.

Encryption provides next-level security for cloud-based software, and all documents should be stored with AES, and all internet communication traffic should be sent through TLS, HTTPS and HSTS.

Information Trapped on Paper and Across Email

An invoice hidden on a desk or sat in someone's inbox cause some of the biggest headaches for invoice processing, and if definitely doesn't work in today's remote working environment. Not only does all this information have to be manually processed, but it opens the door to errors, lost information and reduces employee productivity.



AP automation digitises processes such as supplier registrations, invoice approval, task management and payments. Organisations cannot benefit from optical character recognition, machine learning or robotic process improvement with information trapped on paper.

Businesses need to have a secure, organised and searchable invoice archive and trail for audits and budget planning. One of the most stressful times for any accounting department is the wasted effort associated with responding to auditor document requests – pulling paper documents, copying them, and refiling the originals.

Extracting Key Details from Invoices

Invoices contain a lot of information that may need to be processed in separate ways – spilt code billing, multiple cost centres or matching them to a PO. Data also needs to be accurately added into a finance system and organisations processing invoices manually may have problems with duplicate invoices, missing or incorrect information and slow processing times.

Late Payments

Inadequate invoice processing procedures can result in late invoice payments and penalty charges. If emails are deleted, misrouted, lost or simply inaccessible when employees are off sick or on holiday, the accounts payable processes can fall down.

With AP automation services, invoices that require approval because they either exceed a certain limit or cannot be matched, can be automatically routed for approval regardless of where they work.

Reasons to Automate your Invoice Processing Procedure

Streamlining invoice processing with automation software has a number of benefits including reduced overheads, increased efficiency and tighter control over the entire **accounts payable process**. Accounts payable automation

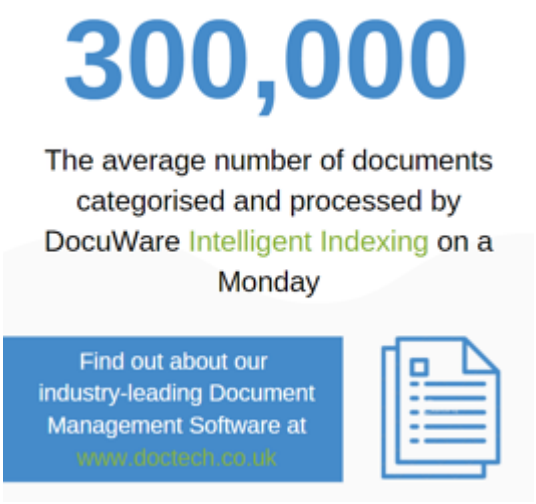
brings advantages not only for your business but importantly your employees too. Time saved means staff can get on with strategic activities rather than mundane data entry. Added to this, the stress and anxiety of month end is dramatically reduced.

Data Capture

Invoice automation software from DocuWare provides a simple way to automatically capture data from incoming invoices using **Intelligent Indexing**. Information is routed on the correct path for faster approvals based on individual business rules, and securely stored in a digital archive.

Integration with a range of systems including Sage, Open Accounts, SysPro, SAP, MS **Dynamics Nav** and many more makes standalone systems a thing of the past.

Software that doesn't work together is complicated for staff and makes it hard to access important information. Integrated software streamlines accounts payable and invoice processing. With an **integrated smart connect button**, staff never need to leave their familiar system to access documents in DocuWare.



Brexit

As a result of the post-Brexit UK-EU trade deal on 1st January 2021, organisations based in the UK, or that conduct business there, need to check their compliance regulations when it comes to cross-border operations.

Brexit has slowed down the supply chain and brought with it significant changes to customs and VAT processes. This is where DocuWare's AP automation services can really help.

The UK now operates independently of EU laws, which means UK companies have to manage changes to tracking imports and exports, associated taxes and fees, paying new suppliers, custom tariffs and declarations, export paperwork, transport logistics, VAT and more. With an automated solution the bulk of manual work can be handled by the system. Organisations can:

- Easily collect and store supplier details
- Match invoices to purchase orders
- Validate invoices
- Match invoices to proof of delivery (POD) documents
- Route invoices for approvals
- Post approved invoice information into an ERP

Eliminate Long Searches

Digitally stored and centralised invoices cut search times from hours down to seconds due to information being indexed in a set way. A simple search of a customer name for example, using DocuWare's drop down select list immediately brings up all invoices stored against that company name.

Narrow the search further to year or month and there is no longer a need to click through a large folder structure to get to the information you need.

Invoices that are categorised correctly also mean you're audit ready, with documents in a secure archive accessible only to authorised users. Invoices are one of the most important assets to provide tax and payment compliance so having the ability to find them easily in an audit is vital.

Cut Manual Data Entry

Data entry time with DocuWare can be cut by 95% resulting in **fewer manual errors**. Automatic extraction of head and line-item data provides the assurance that information is captured correctly from the start. Automating the whole purchase-to-paid process ensures the right product was ordered, the right price was quoted and the right invoice was paid.

Visibility

Gain greater visibility and control of the Accounts Payable process with clearly defined steps. With a system that processes invoices before they're due, your business can closely monitor billing discrepancies and payment terms, avoiding late payment fees while taking advantage of supplier discounts.

Reporting

Timely and correct financial reporting is only possible when information is up-to-date. DocuWare's automation features ensure balance sheets and other reports are correct. The stress for employees is huge when a report is needed and there's a scramble to find the right data.

DocuWare can help employees meet deadlines and avoid the headaches that come with disjointed data. Automation is not about taking employees away, but it's about using staff time more efficiently to keep systems and processes running efficiently. Automation helps you grow your business while maintaining costs.

What is DocuWare?

DocuWare is a document management system available both in The Cloud and On-Premise. It provides a central and secure digital archive for all business documents. These documents are available from anywhere – at home, in the office or out on the road, by anyone with authorised access.

- DocuWare provides **quick and simple access to your indexed documents**. There is no longer a need to print, store paper, save and forward emails or pay for expensive off-site storage.
- **Reduce overheads** and give time back to staff so they can get on with more meaningful work.
- Workflow automation tools **reduce the manual effort** needed for invoice processing. Digital invoice data is captured, indexed, stored and pushed into an ERP or Finance package removing manual data entry and associated human errors.
- **Automate approvals** based on predefined rules to move invoices through the system and reach approvers quicker. Any exceptions are flagged to the appropriate person making the invoice processing procedure faster and more transparent. **With DocuWare you can improve approval time by up to 80% and cut data entry by 95% when using Intelligent Indexing.**

- Add annotated notes and digital stamps directly to the digital invoice to **improve communication with colleagues**, with the original and updated document both saved in DocuWare. This provides a full audit trail of approval history along with who changed what and when.

- DocuWare's invoice processing solution is **available as a preconfigured system so you're up and running faster**. It comes with workflows, document templates and full security configurations and can integrate with your existing software environment.

Why You Should Choose DocTech for Automated Invoice Processing

DocTech was established in 1984 and we are the UK and Ireland's most experienced DocuWare partner, with a partnership spanning over 25 years. For 16 consecutive years, DocTech have achieved DocuWare Diamond Club status.

We understand that every organisation is different and has its own set of requirements and invoice processing needs. Our focus is to truly understand your business and work with you to establish the problems in your existing processes, and implement a cost effective solution to achieve business goals.

Our clients stay with us for the long term and we're proud of the relationships we've developed. A client since 2001 recently told us: "***The fact we've been customers for many years shows that you guys are in it for the long term and genuinely want us to use your products and services to improve our business.***"



Our team has more than 75 years of combined experience of invoice processing solutions, expanding their knowledge further with each and every new implementation. We help our clients across both the private and public sectors work smarter, improve performance and reduce costs.

View our **product video** to see a more detailed view of the software.

Invoice Processing FAQ

Having an accurate invoice processing system in place is vital for all organisations, and here we answer some of the most frequent questions we are asked.

What is Invoice Processing Software?

Invoice processing software is a set of programs and instructions which tell a computer how to electronically handle invoices from receipt through to payment and storage.

Invoice processing can be, and is for many organisations a paper based and manual process but when carried out with computer software, each step can be automated to meet business requirements.

What is Automated Invoice Processing?

When invoice processing is automated it means the data capture, validation, review and approvals can be carried out automatically by a computer software solution.

Invoice information is captured by either a scanner, automatically from an email sent or drag and dropped into the software from the desktop. From here invoices are validated by the system based on business rules; such as an invoice amount matching an approved PO for example. They are then reviewed, added to a cost centre and approved, via a task sent to the appropriate person to notify them an invoice is ready to be approved.

Is DocuWare Available with Sage Integration?

Yes! DocTech has **integrated DocuWare** with all the different **Sage packages**, as well ERP, Finance, CRM, Housing and Educational systems. Integration with your existing systems is a key part of what we do.

What is DocTech's Solution for Accounts Payable and Invoice Processing?

DocTech solutions quickly and easily capture invoice information from a variety of different document types including PDF, email, JPEG and TIFF. Using machine learning technology, invoice information from predefined data fields needed for processing, such as supplier name, reference, invoice number etc. are automatically captured.

This capture can be customised to your organisations requirements and any information not recognised by the system, can be highlighted by the user, simply corrected and remembered in the next data capture.

Conclusion

Organisations taking advantage of automated invoice processing, optical character recognition and machine learning capabilities are striding ahead of the competition. Moving to a digital accounts payable process where invoices are automatically captured and securely stored brings huge benefits across the company. Supplier relations are enhanced, better customer service, reduced overhead costs, improved bottom line, happier employees and less time wasted.

Manual and paper based processes are slow and error prone and cannot easily scale up when needed. Implementing invoice processing software positions your organisation for growth and gives authorised users instant access to the critical data they need, no matter where they are located.

If your organisation is struggling with invoice processing in any way, whether there's too much paper, duplicated payments, lost invoices, lack of visibility, stressed employees or a disjointed purchase to pay system then we'd love to explain how our solutions can help.

DocTech's Free Discovery Call

We want to hear about what causes your biggest accounts payable headaches and what's really driving your need for change. From there, together we will map out your current process and highlight the areas we can improve with our invoice processing solutions.

Streamlining your procedures with automation, removing the huge amounts of unnecessary work from your team and integrating into your existing software environment are what we do best, and it works. Make a change now and see the ROI.

What is Automated Invoice Processing and Why Do I Need It?

The challenges around document security, audits, approvals and data extraction to name a few, can all be simplified with accounts payable invoice processing software.

What You'll Learn

Learn more about the challenges faced by Finance Departments with our Ultimate Guide to Automated Invoice Processing. Read how automation will help your organisation move away from disjointed, error prone, manual processes.

With invoices captured and stored digitally, information is readily available to those with authorised access, speeding up processing times and reducing the stress of month end for staff.

What is Automated Invoice Processing?

Invoice processing is the complete process an accounts payable team carries out to handle supplier invoices on behalf of an organisation. Invoices are received via paper, email or PDF, entered into an ERP or accounting software, coded and assigned to specific cost centres or projects, reviewed, approved, paid and added to a general ledger.

Invoice processing has multiple steps, each one needing to be fulfilled correctly before the next one can take place. More often than not, manual and paper based processes are error prone, slow and offer little or no visibility as to where a payment is up to.

Automating the **accounts payable** process with invoice processing software removes the manual steps and offers organisations greater control and reduced risk.

How Automated Invoice Processing Works

With automated invoice processing you can strengthen the complete invoice process. Invoice information is captured into processing software from either a **network connected scanner**, directly from email or drag and dropped from your desktop.

Machine Learning

With machine learning technology the most important information from an invoice, such as customer name, Invoice Number, Tax and Total amount are accurately captured and turned into structured usable data.

Document layouts are remembered so each capture leads to increased speed, precision and reliability. Any corrections are rectified by a user with a simple point and click on the document.

Over 80% of invoices are captured correctly in under a minute, dramatically speeding up the process compared with those using manual data entry.

Workflow

Once an invoice is in the system a workflow starts where it is checked for duplicates, followed by a check against existing supplier records. If a supplier does not yet exist, an automatic supplier on-boarding process starts.

Approvals

From here invoices are moved for approval which can be carried out in full by the system, or with some user checks in place. This is down to individual business preference.

Invoices can be automatically approved for payment if it's a repeat supplier, if a three way match occurs with an invoice, PO and delivery note, or if the amount is within a cost centre approval limit. For anything outside of this automated process the system seeks further validation from the appropriate user.



All approvers will be added into the system and where an approval is needed at any stage in the workflow, a notification is sent to the user about a pending invoice in their task list.

All tasks align with the due date of an invoice. Should a user be on holiday and the task is not complete, it is moved to the next authorised person in the workflow.

Exceptions

Invoices that are rejected for any reason will kick start a separate workflow and follow the designated path designed on implementation of the system. Throughout the entire process data is collected and once complete, this information can be fed into accounting systems.

Features of a Good Invoice Processing Software

For an organisation to reap the rewards of automated invoice processing software, certain features will be more beneficial than others. If giving staff the time to do more meaningful tasks while reducing the stress of month end is a priority, then a system with the following features will be important:

Integration Streamlines Processes

Integration with your existing ERP or accounting system will be invaluable to completely streamline your accounts payable process.

With **DocTech solutions**, a user can manage financial documents stored in DocuWare from within their existing accounts software, whether that's Sage, OpenAccounts, Quickbooks, Microsoft Dynamics and many more.

Email Management Ensures no Information is Lost

If your organisation receives the bulk of its invoices via email but staff struggle to manage them, work from a shared inbox or have to manually move emails into desktop folders to be actioned, then you need a system that connects with Outlook.



Dedicated email folders can be monitored where emails are automatically stored into DocuWare and a workflow started with no manual input at all. **Integrating emails** into an invoice process saves time and ensures all information in the email is captured and available to all team members.

Emails sat in an inbox waiting to be actioned, or worse lost, slow down the accounts payable process which can lead to late invoice payments.

Visibility and Control means Nothing is Overlooked.

With increased visibility into accounts payable and accounts receivable, your finance team can closely monitor billing discrepancies and payment terms. Electronic payment reminders can ensure nothing is missed.

Coupled with this, the time spent preparing for an audit is reduced as all documents are indexed and easily accessible. **DocuWare** also provides a full audit trail to show who has accessed what document and when, meeting compliance requirements.

Why Your Organisation Needs Automated Invoice Processing

If out-dated, paper based or manual processes are giving you more problems than they are solving then it's time to look at automating your invoice process.

The **supplier on-boarding process** can be a nightmare for many, assessing compliance and risks, collecting company information and integrating them into your supply chain. An invoicing system should be able to check if a supplier already exists and if not, start an automated on-boarding process which generates a form for them to fill in.

A **mounting pile of paperwork** is why many organisations turn to a digital invoicing system. When processes can no longer cope with the volume of documents created or when physical storage space is limited, making the move to a digital solution will help.

Data stored on paper or across inboxes offer very little security, and cannot be easily searched or organised. If employees are having difficulty simply finding invoices then things need to change. They're wasting paid hours and time that could be spent on meaningful reporting or other strategic tasks.

Invoice fraud isn't just something that affects the big players. It's one of the most common types of fraud an organisation can experience.

Whether it's scammers issuing fake invoices from a fake company or a supplier sending duplicate invoices so you pay twice, manual checks may only spot this when it's too late. Invoice processing software can flag an invoice from an unknown supplier and check for duplicates before payment is made.



In Summary

There can be many pitfalls when manually processing invoices and a number of factors management should consider.

- How long are invoicing processing times and how often do late payment charges occur?
- Is your business information secure, who has access to what documentation and what can they do with it?
- How much money is wasted on paper, printing and physical storage, alongside paid hours of staff held up by poor processes?
- Can your processes easily scale up for future growth?

Uncertainty in any of these areas means staff become demoralised and the competition moves ahead.

DocTech offer a free discovery call - talk with one of our experts, discuss the problems faced by your Finance team and understand the improvements we can make.

Our experience with organisations exactly like yours is why **our clients** trust us with their most important documents.

11 Challenges in Invoice Processing - Resolve them with Automation

The challenges presented by invoice processing can weigh heavily on finance teams. Monthly deadlines that rely on accurate data can be difficult with manual, slow processes. Added to this, pressure from management for reports and cash flow updates means real time data is vital.

In this article our aim is to help organisations understand how an automated invoice system can ease pressure and provide a wealth of benefits including early payment discounts, streamlined systems, lowered overheads and reduced stress on staff.

1. Adapting to Remote Working

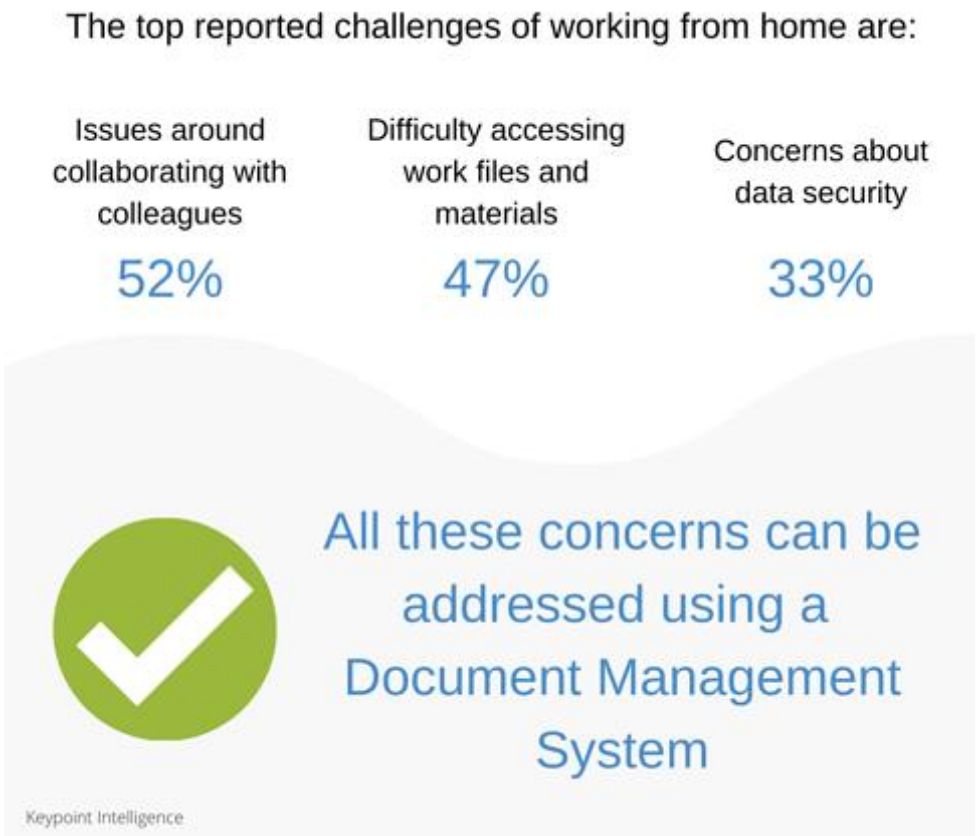
With more and more organisations moving to a more flexible way of working, enabling employees to **work from home** means your business processes have to adapt.

Invoices being passed amongst departments, stored in network drives or where the full process is carried out by multiple people may all be unachievable when working remotely.

How DocTech can help:

With automated invoice processing, invoices are stored digitally and accessed by authorised users from any device anywhere with an internet connection.

Working in the **Cloud** means problems with internal networks or VPN issues are eliminated. Manual invoice processes that were carried out in the office can be replicated digitally.



2. Slow Processing

Inaccurate data, missing invoices, staff absences and information trapped on paper all cause bottlenecks for finance teams and slow the Accounts Payable process down. Longer processing times can mean late payments, fees and overworked staff.

Matching a PO, to an invoice and then to a delivery note can take a long time if data has been added incorrectly or is missing entirely.

How DocTech can help:

AP automation means an invoice, PO and delivery note information is **digitally and accurately captured into a document management solution** designed for invoice processing.

The system can then match these documents to one another and if a match occurs, the invoice can be set for automatic payment. If there's no match, it's flagged to the appropriate user to investigate further.

3. Missing Invoices

Missing invoices as well as the time spent looking for them are two of the biggest challenges in invoice processing. Invoices moving around the business in paper form or via email can easily be lost or forgotten about.

Lost invoices cause problems with suppliers, accounting problems and can lead to an inaccurate view about the company' financial position.

How DocTech can help:

Our solutions **accurately store and index your organisations most important information**. It is instantly available from one central source, reducing wasted search times. One member of staff spending an hour a day searching through network folders, desks, emails or filing cabinets for the right information is close to a day a week.

That's almost the equivalent of a full day's wage – where better could that time and money be spent?

4. Manual Data Entry

Manual data entry presents a big challenge when processing invoices. Even the most conscientious of employees can make a mistake or run out of time to accurately transfer figures from an invoice into a finance system.

How DocTech can help:

Automated invoice processing **removes the need for manual data entry** as invoice data is accurately captured into the solution and then pushed in a finance package or ERP system.

This leaves staff more time to do final checks, as well as other more productive work. The data that's captured is then indexed and stored making it easy to find when needed.

5. Matching Errors

Three way matching is a way of verifying a payment to ensure that a supplier invoice is valid. When an invoice is received it needs to match a purchase order that should have already been received by the purchasing department, as well as a delivery note, to make sure the goods have arrived.

This **process is labour intensive as it can be difficult to locate the information required,** resulting in late payments and endless searches for finance team members.

How DocTech can help:

When this is automated by invoice processing software, these three documents will already be present, so as long as each has a matching PO number and the invoice amount is less or equal to the PO amount, it can automatically be authorised for payment with no manual intervention.

A task is created for the designated person or team to look at any exceptions which are then managed separately.

6. Lack of Structured Approval Process

Invoice reviewing and approval needs to happen before an invoice is paid, and is carried out by designated employees within a business. Manual invoice payment checks can include checking the invoice for accuracy, cross referencing dates, confirming the service or goods with the requestor, checking supplier details and recording the invoice due date. All time consuming, error prone and pretty laborious.

How DocTech can help:

Now think about a fully automated solution where you can easily route invoice approval requests based on amounts, supplier name or split code billing with multi-levels.

Electronic workflows give organisations the flexibility to keep work moving forward even when someone is away from the office, moving the approval to the next person in line when no action is taken after a set period. Invoices can also be approved by staff when they're out of the office on a mobile device.

7. Unauthorised Purchases

If an organisation has no clear **purchase to pay process** in place, unauthorised purchases can easily slip through the net. Without the need for a Purchase Order (PO) to be raised and then authorised by the appropriate person, can anyone in your business make an order without checks?

Whether it's a mistake or a malicious act, once the order arrives it need to be paid. This leaves businesses out of pocket and in a position where protocols need to be quickly put in place.

How DocTech can help:

With a well-defined and automated invoice processing procedure, this scenario can't happen. A PO is firstly created in the system by only those that have permission to, and digitally sent to managers for authorisation.

It is subsequently sent to finance and any other department depending on what's being ordered so no-one is left out of the process. Once approved, it's sent from the buyer to a supplier to request the order.

With this type of purchase order process, **a physical or digital document isn't needed** until the process is complete, saving resources.

8. Poor Visibility

Managers face challenges with invoice processing when data is trapped on paper or in emails as they can never be 100% where payments and approvals are up to. Speaking with staff to find the answers or searching through folders can cause delays and increase processing times.

How DocTech can help:

Invoice processing software provides the visibility and control needed, as each stage of the payment cycle is captured in real time. Billing discrepancies and payment terms can be closely monitored, and accurate reports and performance metrics can be produced.

9. Security

Financial information requires organised and **secure storage** to prevent vital information being lost or stolen. Fraud remains a huge problem for businesses which has been made worse by the Covid Pandemic.

A survey from major accountancy firm BDO found that six in ten mid-sized businesses in the UK were hit by fraud in 2020, with an average loss totalling £245,000.



How DocTech can help:

With **DocuWare**, all invoices are stored with AES encryption and data traffic takes place via HTTPS with TLS encryption. This prevents critical data such as passwords and financial information from being captured.

All invoices entering the system are checked against existing suppliers and if there's no match, they are flagged to be checked.

Access to invoices can also be tightly controlled so you can manage which employees can read, edit, export and delete data.

10. Audit Ready

Being well prepared for a **financial audit** is key, and while it can seem daunting to have an auditor expose possible errors, the exercise can prove to be hugely beneficial.

A company's financial statements, documents, data, reporting systems, cash flow statements, tax returns and balance sheets will all be reviewed.

How DocTech can help:

Having a great invoice processing procedure in place will help as an auditor will be able to see the clearly defined steps of how your process works.

On top of this, having easy digital access to all the supporting documentation will greatly reduce audit preparation time. If required, auditors can be granted read only access to DocuWare so they can easily pick any document they need to view.



11. Scalability

As business grows, can your processes grow too or will they buckle under the pressure? An increase in customers and suppliers means more invoices to manage and more staff needed to cope, especially if you reply on manual and paper based processes.

Hiring and training staff are time consuming tasks to carry out each time the volume of invoices increase.

How DocTech can help:

Invoice processing software **eliminates manual and repetitive** tasks that make it difficult scale up. Automation helps you grow your business while maintaining costs.

Conclusion

At DocTech we understand the **many challenges** of invoice processing. We have the experience and it's likely we've worked through your challenges with our existing clients.

Organisations need to think about **what issues are causing the biggest problems** to the bottom line and effecting their employees the most? Buy in from staff when implementing invoice processing software is so important, no-one likes change, but demonstrating the positive impact of this change is key, prior to installation.

Invoice automation resolves the challenges we have outlined in this article as well as many others. It's unlikely there's a problem you're having that we haven't encountered in the past and we're waiting to hear from you to explain how we can help.

Book a discovery call with our team. They will talk you through our solutions, understand your requirements and can provide a demo if needed.