



Accounts Payable Automation Trends 2024



INSTITUTE OF FINANCIAL
OPERATIONS & LEADERSHIP

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No one knows spend better than SAP Concur.

For over thirty years, we have been committed to helping businesses of all types and sizes gain the financial visibility and control they need to thrive. One of the ways we do this is through developing best-in-class spend management technologies, including AI and machine learning, which help over 85 million users worldwide to streamline and automate processes each day.

Another way we support the success of businesses and business leaders is by providing spend management insights and predictions based on the latest data and thought leadership.

As a sponsor of the Accounts Payable Automation Trends research study for the last three years, we have seen an acceleration in the adoption of intelligent technologies for invoice management. We have also seen a rapid increase in awareness and interest in generative AI. These trends are echoed within our own Accounts Payable user base and across the wide range of finance teams we support, including expense, travel, tax, and risk management.

Taken together, it's clear that business leaders and employees alike are ready and willing to tap into the transformative power of intelligent automation.

If you're ready, too, we can show you how.

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Executive Summary

In partnership with our sponsor SAP® Concur®, we conducted independent global research among finance and accounts payable professionals to uncover the latest trends in Accounts Payable (AP) automation. Our study aimed to provide insights into the efficiency gains, adoption rates of automation, and barriers to implementing AI technologies in AP processes.

The independent research survey was conducted over a 6-week period in Q2 2024, with IFOL members, students and subscribers.

Key Findings

Efficiency Gains through Automation

Our research revealed an improvement in efficiency gains since 2023, driven by the adoption of timesaving and small-step automation solutions. In 2024, 52% of AP professionals reported spending more than ten hours a week processing invoices, down from 62% in the previous year. Moreover, the manual keying of invoices into ERP/accounting software decreased to 60%, compared to 85% in 2023.

Despite these advancements, stress on the AP team caused by poor processes remained the biggest challenge, reported by 64% of respondents. Additionally, damage to vendor relationships was identified as the second most significant challenge, according to 40% of respondents. These findings underscore the ongoing need for process optimization and automation to alleviate AP team burdens and strengthen vendor relationships.



Partial Automation: A Persistent Trend

Our study identified a persistent trend of partial automation among AP teams. In 2024, 74% of teams reported being only partially automated, marking an increase from 62% in 2023 and 54% in 2022. Conversely, only 5% of teams reported being fully automated, indicating a significant gap between partial and full automation.

However, there is a growing intent to transition towards full automation, with 45% of respondents planning to achieve full automation in the next 12 months. An additional 31% expressed intentions to do so, albeit not prioritizing it currently. This suggests a gradual shift towards embracing comprehensive automation solutions to streamline AP processes.

Breaking Down the AI Technology Barrier

Despite the potential benefits of artificial intelligence (AI) in AP processes, our research highlighted a notable barrier to adoption. Only 7% of respondents reported currently using AI technologies in spend management processes.

However, there is a considerable interest in adopting AI, with 40% of respondents considering its implementation within the next year. Alarming, 45% of respondents admitted to not knowing whether AI adoption was on their agenda, indicating a lack of awareness or understanding of AI's potential in AP automation. Overcoming this knowledge gap and fostering a culture of AI adoption could significantly enhance the efficiency and accuracy of AP processes.

Conclusion

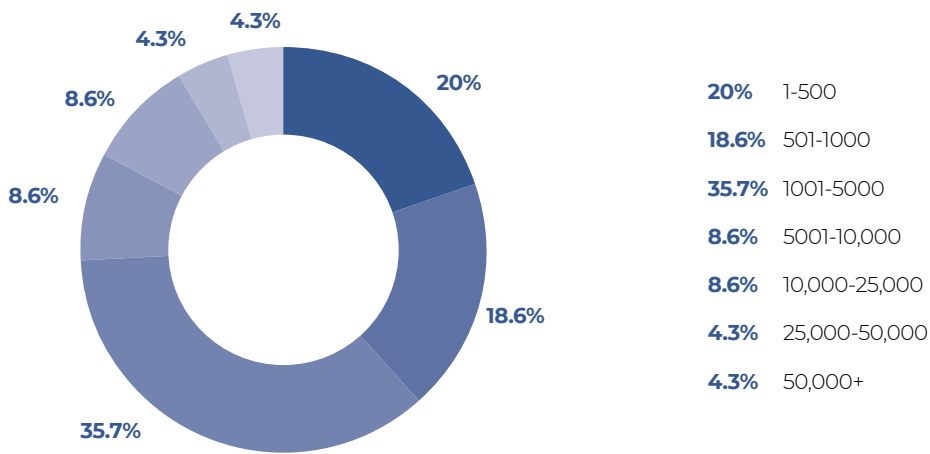
The findings of our research underscore the critical need for AP teams to prioritize automation and embrace transformative technologies like AI. While partial automation has yielded some efficiency gains, it may be hindering finance teams from achieving full transformation.

As AP professionals navigate the evolving landscape of automation, addressing process inefficiencies, enhancing vendor relationships, and breaking down the barriers to AI adoption will be imperative for driving future success. Embracing automation not only streamlines AP processes but also lays the foundation for organizational resilience and competitiveness in an increasingly digital world.

Research Insights

Current Invoice Process

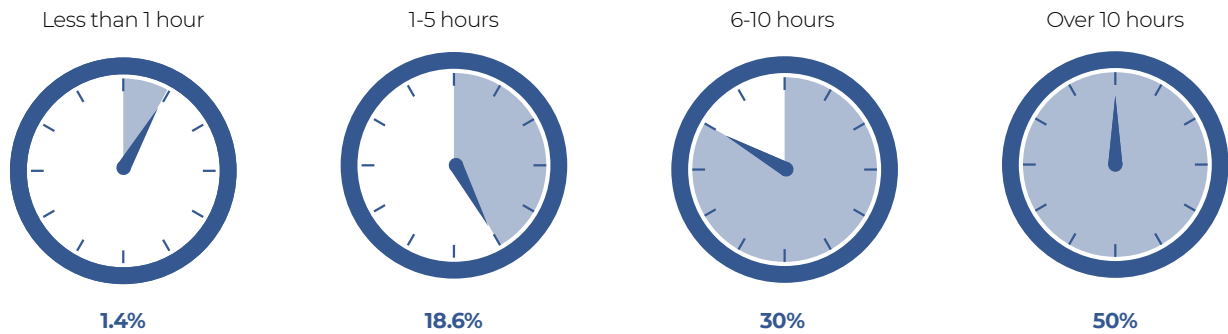
What volume of invoices does your accounts payable team process on a monthly basis?



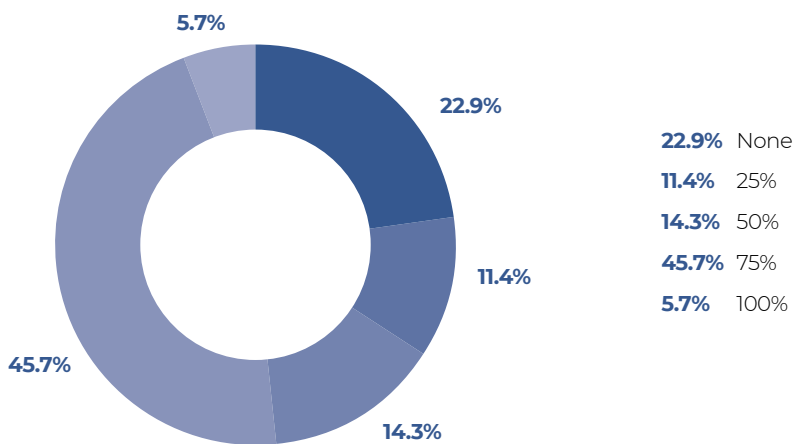
Do you (or a member of your team) manually key invoices into your ERP/accounting software?



How many hours a week does your finance team spend processing invoices and administering supplier payments?

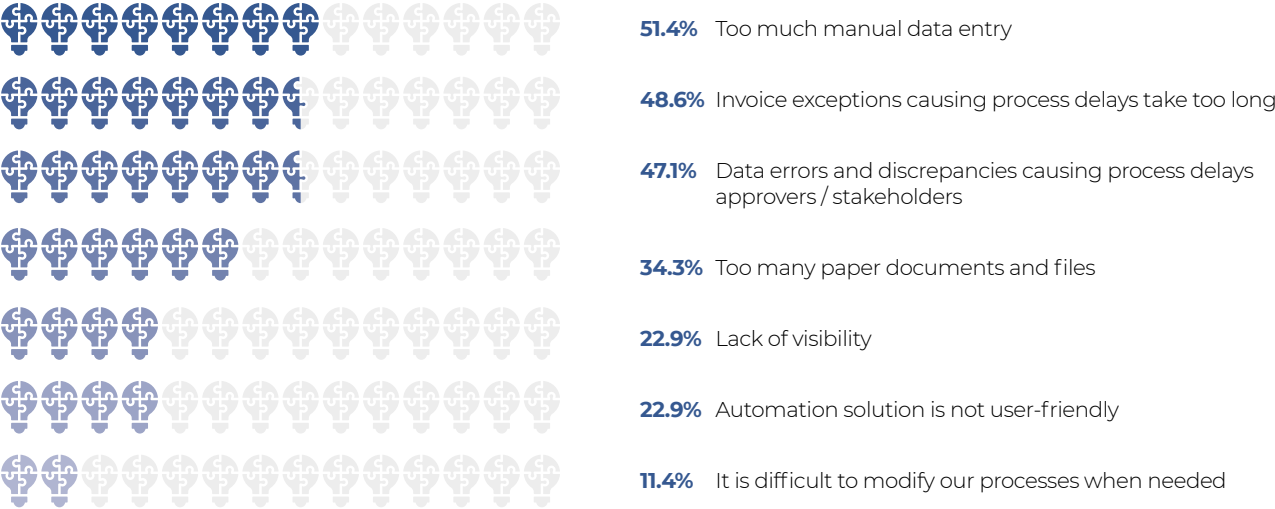


What percentage of your monthly invoices go through a purchase order process?

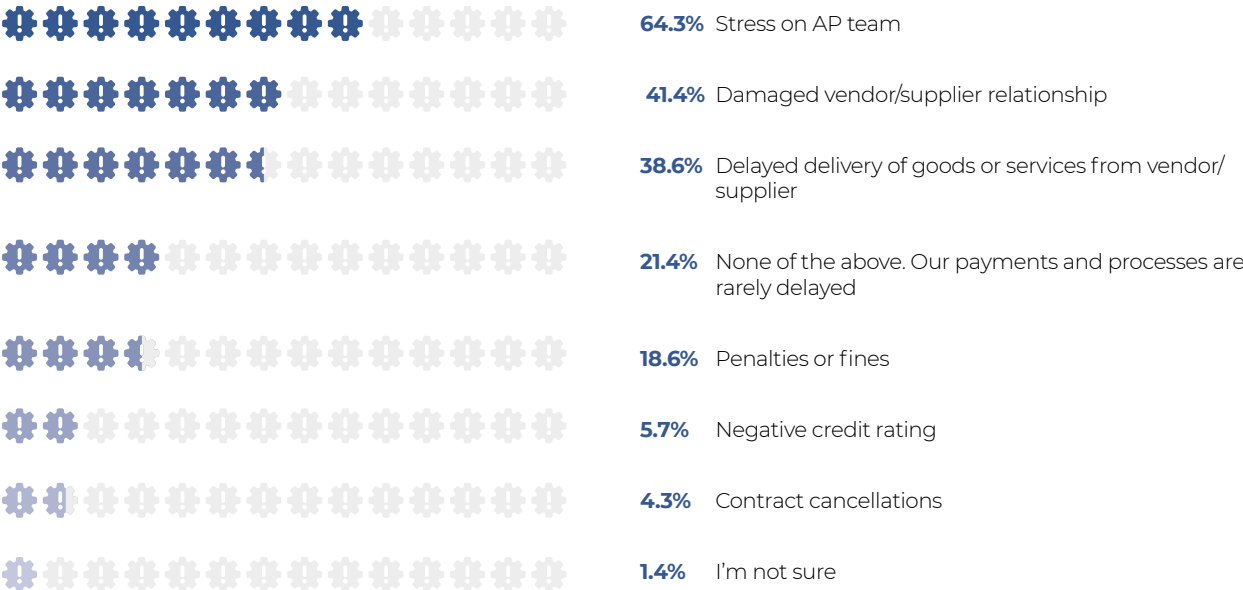


Current Process Challenges

What are the top accounts payable process challenges in your company?

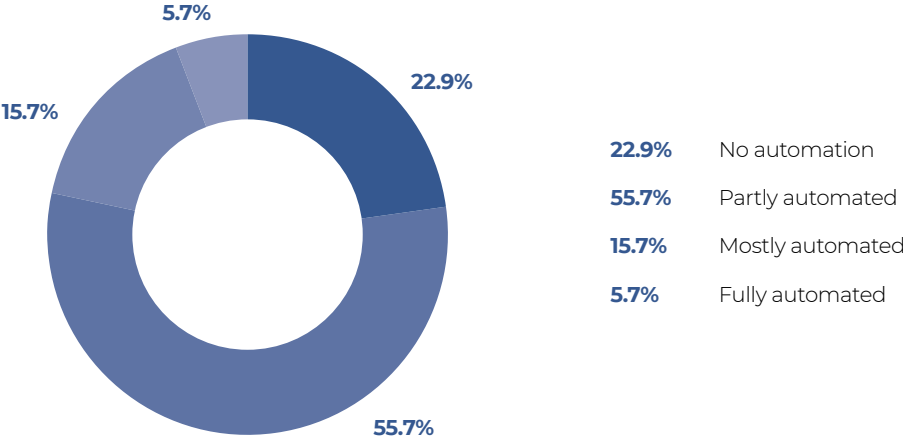


What are the core issues faced within your team as a result of delayed processes?

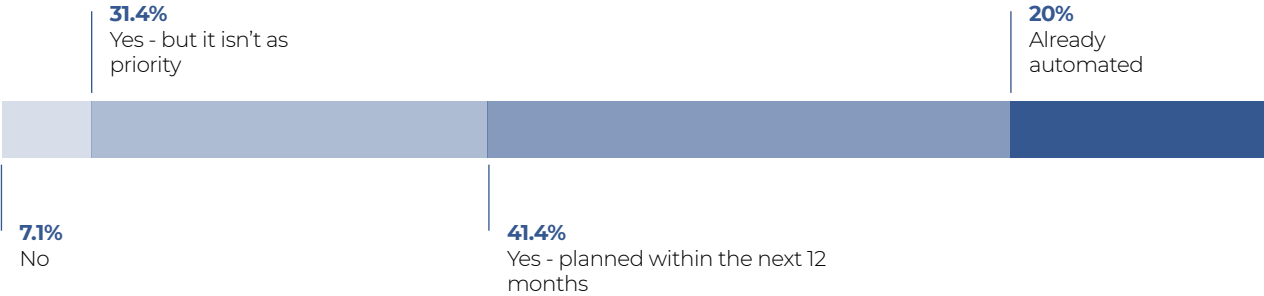


Current Process Challenges

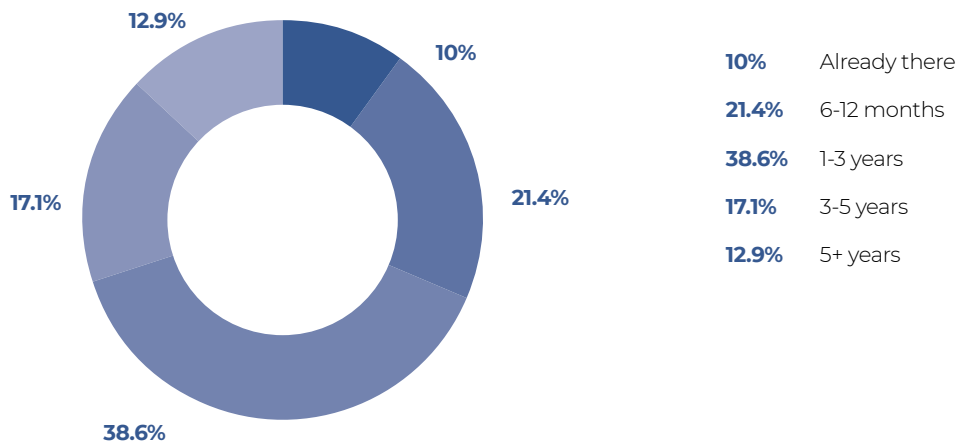
How would you best describe the current state of automation in your accounts payable department?



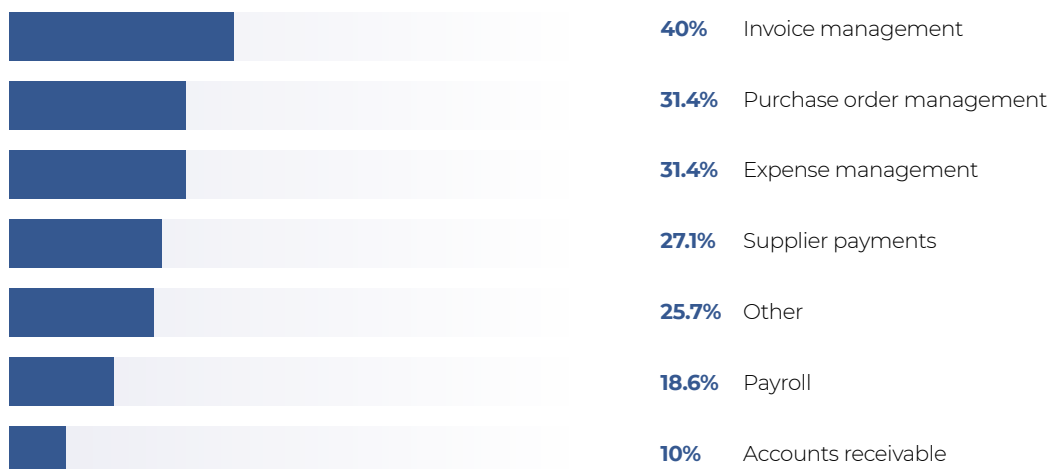
Are you planning on automating your AP process?



When do you anticipate your AP department reaching a fully automated state?



Which of the following financial processes have you already automated?



Current Process Challenges

What would be the top two reasons for automating the AP process for your business?



Do you believe that automating invoice management and supplier payments would free up your finance team to focus on more strategic initiatives?

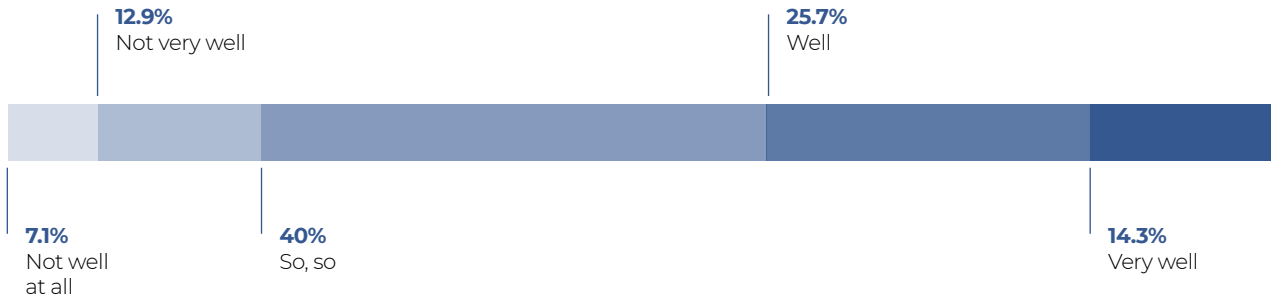


 YES 88.6%

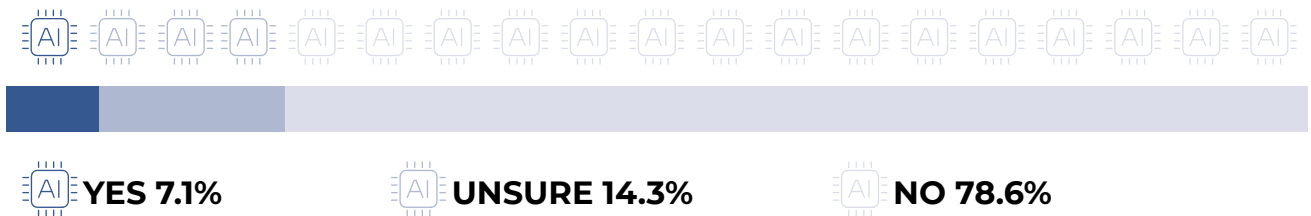
 UNSURE 8.6%

 NO 2.9%

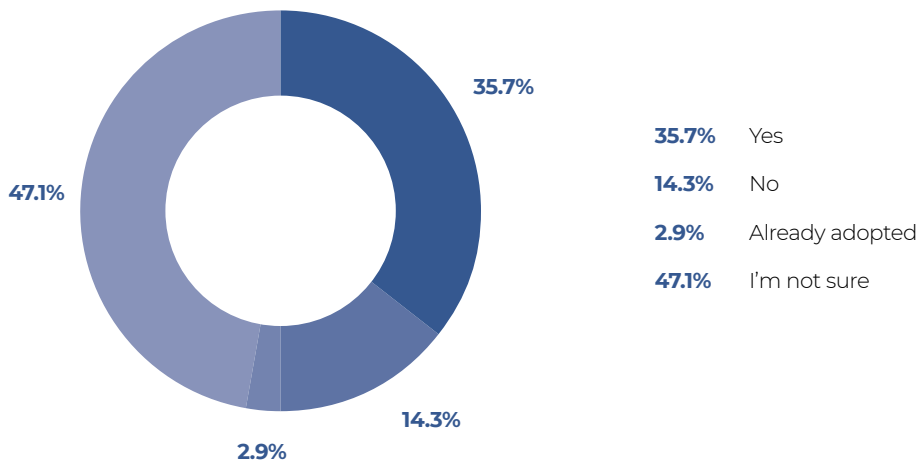
How well equipped would you describe your AP team to handle a sudden increase in invoice volume?



Do you currently use AI technologies in any of your spend management processes? i.e. identifying expense compliance and fraud, and analyzing spending trends.



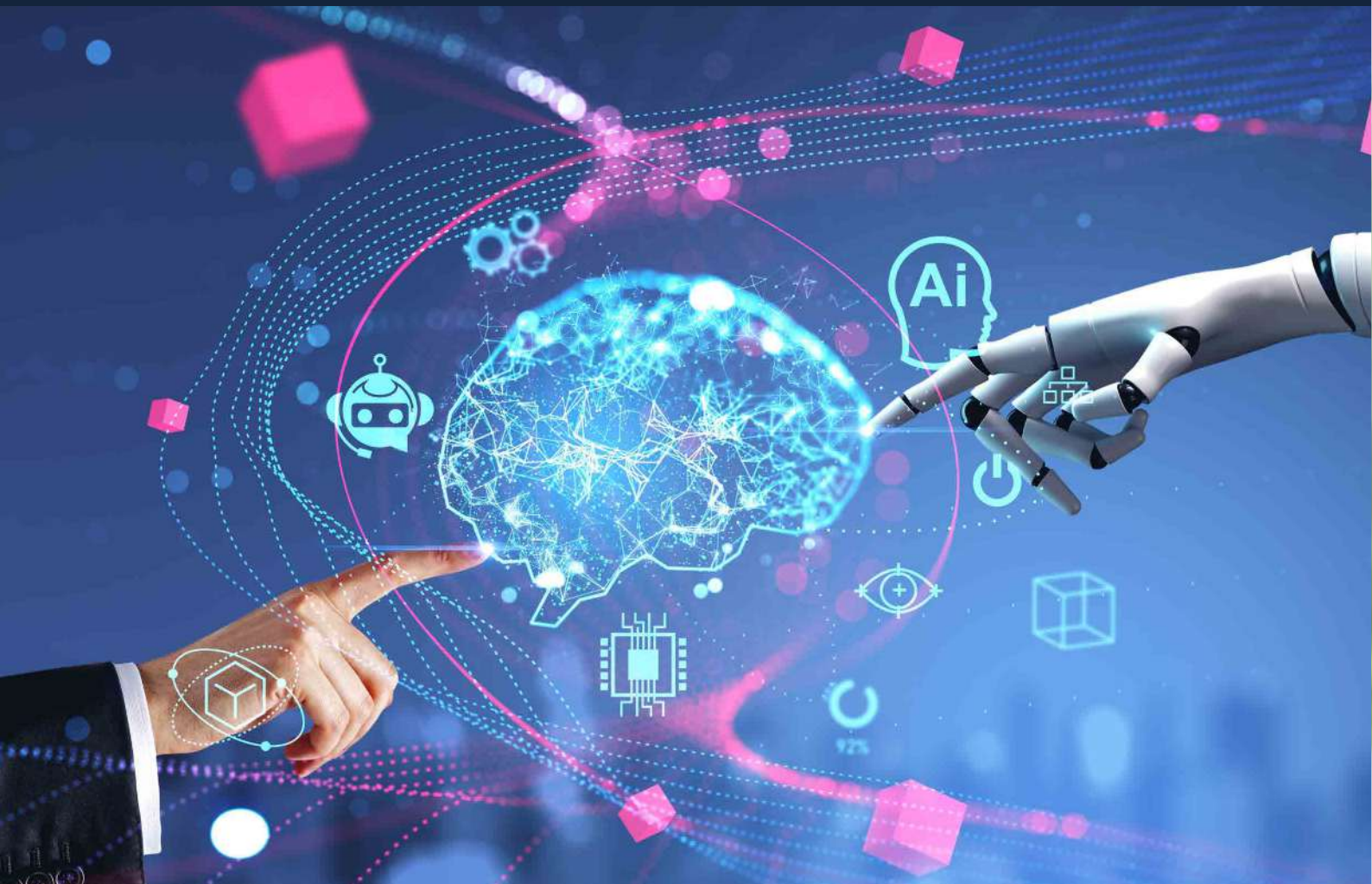
Are you considering adopting AI technologies in the next year?



If yes, what processes are you looking for AI to improve?



- 68%** Invoice payment authorization processes
- 64%** Mitigating risk and compliance in invoice management
- 44%** Managing cash flow
- 44%** Auditing expense reports
- 40%** Employee expense reimbursement process
- 28%** Mitigating risk and compliance in employee spend
- 16%** Managing taxes and identifying reclaim opportunities



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Maximize AP efficiency and mitigate non-compliant supplier spend with intelligent automation.

Customers report:

29%

less time capturing invoices after automating*

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*Analysys Mason 2022, Travel, Expense, and Vendor Invoice Management Study.



THE INSTITUTE OF FINANCIAL OPERATIONS AND LEADERSHIP

ABOUT US

Who we are

The Institute of Financial Operations and Leadership (IFOL) is a leading provider of education, support, and research to a global audience of Accounts Payable, Procure to Pay, Accounts Receivable, Order to Cash, and Payroll.

What we do

We provide training, certification and skills development to individuals and teams so they can grow as professionals, improve their performance and advance their careers in finance operations.

Our members

With over 30,000 active members and 7,000 students from over 14 countries who study with us each and every year, we offer over 15 courses and qualifications and help our students achieve a 99.8% first time pass rate.

Our community

Our growing online community of finance professionals are connected by mindset, not job title. Our global community is free and open to anyone. It offers resources, white papers and webinars for CPD, and the chance to network with like minded professionals.

Our events

We run a global conference programme for our community and beyond, with annual events in the UK, US and Canada, designed for Finance Change Makers.

Our promise

"In an ever-changing environment, IFOL helps driven and dynamic finance operations professionals be more effective through industry-leading education, research, and training and development.

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SAP Concur is the world's leading brand for integrated and scalable travel, expense, and invoice management solutions. Everyday processes are automated to guide employees through business trips, move authorized charges directly into expense reports, and expedite invoice approvals. By integrating near real-time data and using AI to analyze transactions, businesses can make more informed decisions, improve compliance, and avoid possible blind spots in their budgets.

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