

Making the Business Case for Automation Order to Cash



AUDITORIA®

Automation technology enables businesses to take advantage of tremendous gains by automating far-ranging workforce processes quickly, accurately, and efficiently.

From sales and marketing, to human resources and operations, most organizations have adopted advanced solutions to streamline critical processes and have taken advantage of the time saved to focus on higher-level business priorities.

But the office of the CFO has yet to embrace technology to its advantage, and finance employees and organizations are hurting as a result.

The Business Case for AR Automation

The 2022 State of Automation in the Finance Office Report showed that the finance office is not sufficiently automated, according to 62% of respondents. And almost half - 44.5% - have basic levels of automation, where some workflows are automated while the team still manually handles most of the work.



There is never enough time in a finance professional's day to focus on the higher-level business objectives that help to move individuals and organizations forward. Finance teams that implement advanced technology will recover thousands of lost hours in repetitive manual accounting tasks, follow-ups, error checking, and data entry. This allows the finance team to focus on the more value-add, strategic type of work to achieve the greatest positive impact.

Today's job market faces some of the most significant challenges, with personnel leaving unsatisfactory positions in unprecedented numbers. Putting automation in place helps alleviate the pain caused by the lack of available talent or unrewarding work. Automated solutions help relieve organizations feeling the strain of overworked and overwhelmed finance teams.

The Impact of Manual Work

On the Accounts Receivable side of the house, teams are continually bombarded with requests from customers. Responding to requests for documentation, researching account and payment statuses, sending dunning notices, and following up on outstanding balances consume time daily, increasing the burden on AR teams that are already stretched thin.

Time is spent manually gathering data for analysis, seeking approval or authorization, and communicating with internal and external stakeholders, taking time away from more meaningful and impactful activities.



According to the **2022 State of Automation in the Finance Office Report**, it is clear that the finance office is still suffering from transactional, manual work.

Results show that 38% of finance professionals do not use advanced technologies in the finance backoffice. These teams will be the slowest in the adoption race. Organizations that have started incorporating technology in their finance departments as early adopters will gain a significant competitive advantage.

“Every activity that a person does in an organization could benefit from being supported (or replaced) by more intelligence in some way. Intelligent business applications that deliver better performance (i.e., accuracy), improved user productivity, and faster inferencing will provide a strong business case for users across industries.”

Gartner
“Emerging Technologies and Trends
Impact Radar: Hyperautomation”

The ROI of Automating AR

Organizations that automate AR processes allow teams to streamline collections, speed up payments, prioritize team performance, and handle helpdesk inquiries.

For a firm employing 15 collectors who work 32.5 hours per week on following up with customers for payment, advanced automation could cut their workload in half, thereby saving more than 12,000 hours per year. To put it into perspective, that would be 1,584 days recovered each year.

According to CFO.com, the median DSO for companies is 36 days. Best-in-class firms have a DSO of 30 days. With a modest 17% improvement in outstanding receivable balances, an average-performing midsize company suddenly enters the top tier and has additional cash to invest in growth.

Competitive Advantage

Automation makes business procedures more efficient and effective, so employees have more time to work on process improvement and strategic direction. This shift allows organizations to accelerate development or put goods and services into the hands of their customers faster than the competition.

Providing advanced automation tools to handle mundane tasks allows organizations to deliver a richer, more effective environment for their employees. Finance personnel then focus on value-driven activities that drive the organization forward while enhancing the work experience at the individual level.

Conclusion

Over the next few years, a profound shift is underway for the finance office as automation is no longer a “nice to have.” Corporate finance must embrace automation to help drive growth or risk getting left behind, or worse, becoming even more overwhelmed and overworked, resulting in burnout, turnover, and greater risk for the organization.

What Are Intelligent Business Applications?

According to Gartner, Intelligent Business Applications are enterprise business applications with embedded or integrated AI technologies, such as intelligent automation, data-driven insights, and guided recommendations, which deliver a more personalized interface, improve productivity, and support decision making. Injecting optimization, advisory, and decision support capabilities into process-centric workflows delivers significant enhancements to traditional, highly-procedural enterprise business applications. Intelligent business applications will be enabled by the principles of composability, allowing for components to be added and recombined as required.



About Auditoria

Auditoria accelerates breakthroughs for finance by deploying AI-driven, SaaS automation to help corporate finance reduce working capital dependence and improve overall cash performance. Auditoria increases finance teams' speed, accuracy, and efficiency using intelligent SmartBots to automate redundant and repetitive finance and accounting processes. Purpose-built for finance, with next-gen advanced AI, NLP, and machine learning technology, Auditoria integrates with systems of record and email boxes to engage key stakeholders to streamline and automate collections and payment processing, add controls to procurement spend, optimize spend and vendor management, and handle finance inquiries using automation that generates data to provide key insights into cash performance.

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