T2MWORKS.

THE POWER OF AUTOMATION
Document Automation - Accounts Payable

INTRODUCTION

Efficiency in modern business is increasingly critical to success and creating competitive advantage. A T2M Works customer was confronted with the cumbersome process of managing accounts payable (AP), especially the handling of vendor invoices received as PDF attachments via email. The manual process was fraught with challenges including time-consuming data entry, error-prone invoice review, inefficient matching with purchase orders, and a lack of searchable data for reporting and automation.

CHALLENGES

The AP process was unwieldy, hampered productivity and heightened the risk of errors. The AP team manually saved each PDF invoice from emails, reviewed each document for discrepancies, matched invoices with purchase orders, then, posted them to the general ledger. This labor intensive process was not only slow, but also made it difficult to access and analyze the data contained within the PDFs, thus affecting workflow automation and decision-making.

Recognizing the need for a solution that could tackle these challenges head-on, the client turned to T2M Works to automate the process. T2M leveraged Microsoft Document Intelligence (MDI), Logic Apps and Artificial Intelligence (AI) showcasing the profound impact of digital transformation on financial operations.

MDI is a suite of capabilities within Microsoft 365, specifically designed to help organizations automate the processing and understanding of documents using AI and machine learning technologies. MDI is part of Microsoft's broader push towards leveraging AI across its productivity and business applications and, offers tools that streamline how documents are handled, processed, and analyzed across various business functions.

OUTCOMES

The implementation of MDI transformed the AP Process

- **Automated Invoice Capture:** The ability to capture invoices directly from email attachments significantly reduced manual invervention. The solution uses AI to extract text, data, and other relevant infromation from documents, converting unstructured data into a structured form that can be easily managed and analyzed. In this case, the extracted data was posted to a SharePoint list. The AI-powered solution excels at extracting relevant invoice details such as vendor information, amounts, dates, and purchase order numbers, making this data readily available and actionable.

- **Error Detection and Validation:** MDI automatically compared the extracted data against existing purchase orders, flagging any discrepancies for review by sending a Microsoft Teams chat notification to the appropriate AP administrator. This not only minimized the risk of financial inaccuracies, but also streamlined the validation process, freeing up valuable time for the AP team.

- **Accessible and Searchable Data:** The transition enabled by MDI was not just about automation, but also about making data accessible and searchable. This foundational change allowed for the development of automated workflows for approvals and general ledger postings, thereby enhancing overall process efficiency. It also laid the groundwork for generating real-time business reports and insights, which were instrumental in strategic decision-making and financial planning.

- **Chat Bot:** To further improve the process a chat bot was developed. Personnel are now able to ask questions of the bot using natural language queries in Microsoft Teams. For instance, an AP administrator can ask questions such as; "list all of the invoices received last month that increased by more than 5%" or "list all of the invoices that have been flagged for further review." The solution is being extended to enable AI to recommend when a notice should be sent to a vendor to contest the invoice.

CONCLUSION

The impact of integrating MDI and AI into the accounts payable process was profound. The efficiency gains were quantifiable with a more than 80% reduction in invoice processing time, demonstrating the systems's ability to significantly accelerate financial operations. Perhaps more importantly, the solution drastically reduced the margin for error, leading to an improvement in financial accuracy and reliability. From a strategic standpoint, the availability of real-time data and insights empowered the management team to make informed decisions swiftly, thereby improving the organization's agility and responsiveness to market changes.

In conclusion, this case study underscores the transformative potential of MDI and AI in modernizing the AP process. By automating manual tasks, enhancing data accuracy and accessibility, and streamlining workflows, the client not only achieved significant operational efficiences, but also enhanced their strategic decision-making capability. This journey highlights the critical role of AI-enabled digital automation in redefining business operations and offering a transformative path to modern work.