

The Future of Automation in the Business Office at Manufacturing Plants

Manufacturers have used automation for decades to maximize efficiency while reducing labor and production costs. While the industry depends on cutting-edge technology for success, employees in the back-office still often rely on manual practices to do their jobs.

For example, Accounts Payable (AP) practitioners spend hours on manual, repetitive tasks, including invoice data entry, pushing paper, tracking information, and responding to calls and emails about the status of invoices and payments. Archaic accounting processes hinder productivity and open the door for human errors.

Sixty-four percent of hours spent on manufacturing-related activities across the globe could be automated with existing technologies, with back-office processes showing great potential for automation¹. By automating their AP, manufacturing organizations can reallocate their time and resources to areas that were once neglected because of manual tasks.

Payment automation streamlines the process from start to finish and allows users to pay vendors with the touch of a button. What once was a multi-step process has now been reduced to two simple steps—upload your files and mark them as paid. Organizations implementing payment automation save thousands of hours annually. Along with efficiency, organizations also benefit from faster payments, enhanced business continuity, cost savings and rebates.

Increased security is another major benefit of automation. A recent study shows that forty percent of manufacturing businesses have experienced a cyber-attack within the past year, and thirty-eight percent of those businesses lost over \$1M in damages². Several manufacturers operate without a dedicated IT or cybersecurity team, making them prime targets for attacks. Making payments through a dedicated AP automation platform reduces the risk of fraud because payment data is encrypted, and access is restricted by two-factor authentication.

Automation is often associated with replacing humans, but that is not the goal of finance automation. Instead, more AP departments are embracing automated systems that enable humans to work alongside automation to complement the technology. By doing so, organizations can focus on work that's more valuable to them.

Best-in-class automated payment systems offer white-glove service to help with every step of the payment automation lifecycle (implementation, spend analysis, enrollment plans, supplier enablement, customer support, mitigate fraud, and business continuity). When AP departments combine advanced technology with human workers, optimal results are achieved.

¹ McKinsey & Company: *Human + machine: A new era of automation in manufacturing*

² Deloitte: *Manufacturers Alliance for Productivity and Innovation (MAPI)*