A WEBEXPENSES GUIDE

Bottleneck to baseline

A practical guide to optimising accounts payable

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Accounts payable rarely breaks all at once. The drag builds up slowly. Someone adds an extra sign-off after an audit, supplier invoices start arriving in five different inboxes, and line-level mismatches turn into hours of manual reconciliation.

A delay at the start compounds all the way through. A slow invoice receipt means slow approval, then late ERP posting, then a missed early settlement discount.

Optimising AP isn't about automating the mess you already have. Automate a messy workflow and you just make the same mistakes faster. Real optimisation means finding where work stalls, understanding why, and removing the manual steps one at a time.

The seven common AP bottlenecks

Most of the drag sits in seven places.

1. **Manual data entry.** Keying supplier, header and line details from PDFs or paper causes typos, wrong tax amounts and rework.
2. **Matching mismatches.** Small differences between the invoice, purchase order (PO) and goods received note (GRN) trigger exceptions that hold up the queue. Typical culprits are units of measure and added freight.
3. **Stalled approvals.** Invoices sit in inboxes because nobody is sure who should approve, the approver is on leave, or nothing escalates them.
4. **Too many exceptions.** If validation rules are too strict, or don't exist, the team spends its week fixing the same mismatches instead of processing clean invoices.
5. **Coding non-PO invoices.** Invoices without a PO need someone to choose the GL code and cost centre. That usually means a long email chain across departments.
6. **Slow ERP posting.** If AP and the ERP aren't connected, approved invoices still need a batch upload or keying in twice before they reach the ledger.
7. **Payment and reconciliation gaps.** Disjointed payment schedules lead to missed payment runs, last-minute holds, duplicate payments and late bank reconciliations.

Measure before you change anything

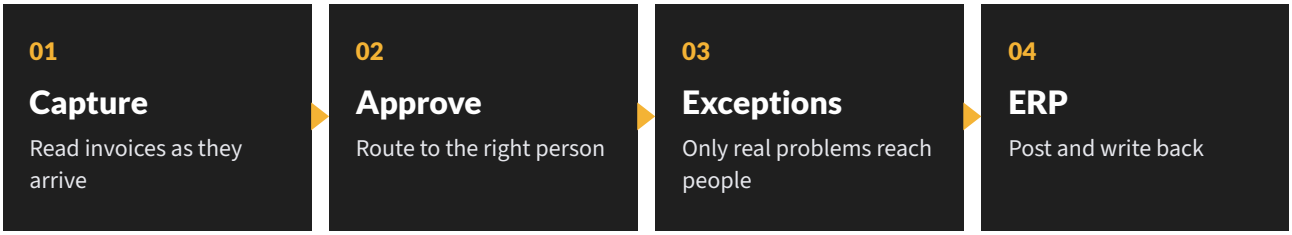
Before you choose software or redesign workflows, get a baseline.

- **Cycle time by stage.** Don't track only the total days from receipt to payment. Split it into receipt to approval, approval to posting, and posting to payment. If most of an invoice's life is spent waiting for a manager, faster scanning won't help much.
- **Touchless rate.** The share of invoices that go from arrival to ready-for-payment without anyone touching them.

- **Exceptions by cause.** Group exceptions by root cause, such as missing PO numbers, price differences or supplier tax details. Often a few causes account for most of the manual work, and those are the ones to fix first.
- **Touches per invoice.** How many times each invoice is reassigned, reviewed or edited before it's paid.

> **Try it: P2P Control Score**
>
> Get a quick read on where your purchase-to-payment process is losing control, before you start timing every stage.
>
> Get your P2P Control Score →
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> https://latest.webexpenses.com/finops-platform/purchase-to-payment-control-score

Four ways to fix the flow



1. Simplify approvals

Review every approval step. Remove any sign-off that adds delay without adding financial control. Set value thresholds so low-risk recurring spend, such as contracted utilities or software subscriptions, can take a fast-track route.

Configurable approval routes and delegation of authority mean invoices keep moving when someone is away.

2. Automate capture and set sensible tolerances

Replace manual keying with AI that reads invoices in any layout. Webexpenses Accounts Payable, for example, captures invoices from PDF, Excel, Word and images down to line level, then runs two- or three-way matching against the PO and receipt.

Then set realistic tolerances, such as a small percentage or a fixed amount for rounding and freight. That stops minor differences from becoming full exceptions.

3. Give exceptions a clear route

When an invoice does fail a check, it needs a standard path to resolution. Send discrepancies straight to the person who raised the order, rather than leaving them in AP's shared inbox.

4. Connect AP to your ERP

Your AP workflow should write approved transactions straight back to the ERP, with no batch files or double keying. Keep the ERP as the system of record, so supplier data, PO status and payments stay in step.

When it's time for software

Fix the process first. Software is worth adding when manual handling starts to limit growth.

- **Headcount grows with volume.** More invoices means more people to process them.
- **Money is being lost.** Discounts are regularly missed, or late payment penalties keep appearing.
- **Audits mean a document hunt.** Every audit sends someone digging for paperwork, or invoices reach payment without proper approval.

Find where invoices stall, simplify approvals, and let automation handle the routine checks. Do that, and AP stops being a reactive processing centre and becomes a function that scales and protects cash.

> **Next step: score your process**
>
> The Purchase-to-Payment Control Score turns the bottlenecks in this guide into a quick self-assessment, so you know which ones to fix first.
>
> **Get your P2P Control Score →**
>
> https://latest.webexpenses.com/finops-platform/purchase-to-payment-control-score

NEXT STEP

Want to see where your AP process stalls?

Book a 20-minute discovery call and we'll walk you through Webexpenses Accounts Payable built around your process.

Book a discovery call

KEEP GOING

Get your P2P Control Score →