

Conclusions

Cash management and forecasting is a critical business function, yet most enterprises admit they don't do it well. This can have dire consequences for the enterprise.

The key causes are acknowledged to be paper-bound processes, lack of shared vision and communication between Finance and Procurement and antiquated software. All this adds up to very poor visibility into AP processes and commitments.

Finnair, one of the world's oldest airlines, used to spend €40 (\$53.65) each on 115,000 paper invoices a year.

With Basware's help, the airline moved to a paperless process, from invoice receipt to approval.

This cut invoice-processing costs by 50% for an annual saving of more than €1 million (\$1.34 million).

In many enterprises, this lack of visibility into AP throws a deep shadow over future cash obligations. It confounds any attempts to improve cash management and it limits the amount of meaningful data available for forecasting.

Meanwhile, cash is routinely frittered away on paper-shuffling, missed early-payment discounts, and late-payment penalties.

All this makes invoice processing a promising area for automation. The real-life results of FFE Transportation Services, Finnair and Loomis, Sayles & Company show the tremendous cost savings and rapid ROI that a project with the right vendor can achieve.

When the veil of shadows is pushed back from AP processes through proper automation, more timely, complete and accurate data becomes available to support both short-term cash management strategies and longer-term cash forecasting.

To see more examples of enterprises that have improved their cash management and forecasting by automating their AP functions, please visit www.basware.com/resources.

Or contact our experts directly by e-mailing info@basware.com