



Automating AP Processes For

A Fortune 100 Manufacturing Company

Through **AI-Enabled** Platform

TABLE O CONTEN

01 Introduction

02 Major Hurdles While Processing Invoices Manually

03 Manual Invoice Process Flow

04 Challenges of Manual Invoice Process Flow

05 Improving AP Process With KlearStack AI

06 Step-by-Step by Document Automation Process

07 The Final Result

Introduction

Enterprises are moving towards adopting a lean method of operations. By lean methods, enterprises can reduce overhead costs and implement processes that can get hours of work done in a few minutes. Bigger the firm, the more hours are spent on tasks that maybe not necessarily contribute to the growth of the business. Automation plays a big role in achieving lean growth. Automation allows enterprises to maximize profitability and improve the productivity of the firm as well.



As the technology has evolved over the years, automation for accounts and finance departments of any industry can be easily implemented. Documents such as invoices, receipts, and so on can be processed completely without manual intervention. This saves enterprises the cost of human resources while increasing revenue and productivity. It also helps in streamlining document processing during peak business seasons and therefore, documents can be processed seamlessly when the load of work is increased.

Major Hurdles While Processing Invoices Manually

The **Fortune 100 manufacturing enterprise** faced plenty of challenges while processing documents manually.



Manual Invoice Process Flow

The enterprise manually processed bilingual (Arabic & English) invoices from thousands of suppliers, every month. The data from the invoices were manually extracted, classified, validated and standardised and entered into excel files. The Accounts Payable team would then enter the data into the SAP. Data validation, multi-stage approvals, exception handling and other processes were all done manually.

Challenges of Manual Invoice Process Flow

The manual method of the manufacturing firm to process invoices and documents faced the following challenges:



Slow transaction turnaround time as it took several days to complete the end-to-end process of each invoice.



High cost of operations for human resources



Increase in data entry inaccuracies leading to loss of business due to rework.



Dissatisfied vendors due to long delays in generating invoices.



Unexpected charges are levied as a penalty due to late payments.

Improving AP Process With KlearStack AI

KlearStack is enabled with advanced level OCR technology and uses Machine Learning (ML) models to ensure end-to-end documentation takes place without manual intervention, every single time a document needs to be processed.

The manufacturing enterprise has now leveraged KlearStack AI to completely automate its invoice processes. KlearStack AI is an integrated SAP S4/HANA platform.

Step-by-Step by Document Automation Process

Step 01

The first step in the process is data extraction. KlearStack AI extracts data without using any templates.

Step 02

The extracted data is validated by the KlearStack AI rule engine

Step 03

The validated data from the invoices are forwarded to SAP using the RESTful API.

The data is processed by the KlearStack SAP extension through various configurable review, exception management and approval workflow until the accounting entries are automatically passed.



The Final Results

After the implementation of KlearStack AI, the manufacturing enterprise witnessed outstanding results. Here are the metrics, post the implementation of KlearStack AI:



Approximately **2 times** increase in productivity.



About **1,000 personnel hours** are saved on an average per month.



More than **95% field-level accuracy** was achieved. **80%** through straight-through-processing.



90% reduction in penalty charges due to late payment to vendors.



Significant improvement in the **agility of operations**.

Conclusion

With the numbers, it is clear that the KlearStack AI platform was able to not only transform the operations of the manufacturing firm but also deliver never-before-seen results and automated the entire invoice process.



About KlearStack

KlearStack is a G-local multiple awards winning solution used by Global Brands and Fortune-100 companies across many verticals. Some of the use cases include:

Banking: Many renowned banks and financial service providers have leveraged the AI-based OCR services of KlearStack to expedite real-time data extraction and automate several critical processes related to KYC, accounts payable, and loan sanctioning.

Trade: Trade finance involves the sharing and distribution of millions of paper-based documents. KlearStack's AI-based OCR solution automates the document processing for transactions, document reviews, compliance checks, application forms, etc.

Inventory Management: KlearStack automates the vital task of managing inventory data with its IDP and OCR solutions. The RPA services automate error free intersystem reconciliations.

Invoice Processing: No templates, no formats. Process and extract data from invoices and manage payments more effectively.

✉ hello@klearstack.com

🌐 www.klearstack.com