COMPLETING YOUR RPA INVESTMENT WITH AI-BASED CAPABILITIES

ESKER®

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ARE THE BOTS REALLY TAKING OVER?

Robotic Process Automation (RPA) is a technology that enables companies to configure software, or "bots," to capture and interpret information for processing a transaction, manipulating data, triggering responses and interacting with portals to retrieve or upload documents. This communication path with other digital systems is needed when there is no API available for internal systems such as the ERP. In effect, RPA mimics human interactions to perform well-defined business functions.

However, for those considering the larger digital transformation picture, RPA is only a piece of the puzzle.

While RPA is a powerful tool for performing rules-based, data-centric and repeatable tasks, there are still many document-based processes that RPAs simply cannot address, such as:

- Complex processes that cannot be defined with a few simple rules

- Data recognition for situations outside the norm (e.g., order number is in a different place on the order), variations or changes

- Exceptions management: handling the cases that were not really planned and require human intervention to ensure the process isn't just invisibly stuck

What follows are five examples from day-to-day order-to-cash (O2C) and procure-to-pay (P2P) processing adventures that showcase how artificial intelligence (AI) is the ideal complement to RPA.

01

DATA EXTRACTION AND RECOGNITION

AI-powered solutions such as those developed by Esker, which comprise both machine and deep learning technologies, facilitate all of the common document flows of the O2C and P2P worlds, such as orders, remittances, claims, invoices and expense receipts.

MANAGE THE VARIANCE AND COMPLEXITY of incoming documents such as purchase orders and supplier invoices:

- AI-based solutions automatically extract relevant information utilizing intelligent data capture technology including OCR engines and deep learning capabilities. These do not rely on rules teaching or ramp-up periods, instead achieving a good level of data recognition (e.g., PO#, article, quantity, price) from day one.

RECOGNITION AND SPLITTING of invoice batches:

- Esker's AI-based solution offers the same deep learning capabilities for recognizing and suggesting a split for invoice batches. The user can then verify the accuracy of the split before the invoices are placed in a queue for AP verification.

SIMPLIFIED EXPENSING:

- Using AI data extraction, information can be captured and processed from context rather than characters. For example, a photo of a restaurant receipt is recognized as such and then expensed accordingly.

- Although not technically inbound documents but rather submitted by the employee, the challenges are the same, with additional complexity brought on by the fact that they are scanned or taken as a picture.

AUTO-LEARNING:

- Creation of knowledge base with auto-learning: If the first-time recognition is inexact, auto-learning will aid in filling any gaps. By automatically learning from user correction, the level of header and line-item data recognition increases, as does the overall automation.

- Teaching capabilities are also available when it's necessary to explicitly train the solution on specific situations, such as purchase orders by high-volume customers. Unlike many RPA solutions based on dev tools, AI-driven solutions enable teaching directly through the interface.

02

DATA VALIDATION AND ENRICHMENT

For any financial transaction, whether it's P2P or O2C, you'll want to first check the accuracy and quality of the data before using, importing or otherwise processing it. Once the validation is performed, the captured information can be enriched, meaning that it can be combined with data from other internal or external sources. Data enrichment makes the data more useful by adding value to it.

DATA VALIDATION by matching it against external sources, such as cases like:

- Contract matching, which verifies that an invoice matches the terms and conditions in the sales contract
- Checking the materials and prices on a customer order
- Validating a deduction claim against a trade promotion code referenced on this claim

ANOMALY DETECTION:

- Irregular/out-of-range amounts on vendor invoices
- Incorrect quantities (e.g., sending 20,000 of something instead of 20)

PREDICTIVE INVOICE CODING:

- Recommends allocation to GL accounts, cost centers, cost types and tax rates for non-PO invoices. These recommendations are partially informed by historical data, utilizing the coding template that best fits the invoice. The algorithm detects fixed prices (maintenance subscriptions, for example), to enable straight-through processing.
- Enriches previously extracted data by utilizing learned coding from similar previous documents. The invoice can then either be accepted for payment or rejected.

03

ANALYTICS AND REPORTING

You can't manage what you can't measure, and nowhere is this truer than when streamlining and optimizing businesses processes. Day-to-day success can hinge on access to the right documents and the right data at the right time. AI-based solutions are equipped to deliver exactly these types of insights.

MANAGE THE VARIANCE AND COMPLEXITY OF TO-DO LISTS:

- Number of orders, claims, invoices or payments in process, broken down by status: to be verified, to be approved, etc.
- Collections calls to perform prioritized by customer's risk level

BASIC ANALYTICS:

- Volume trends
- Split by channel

PERFORMANCE MONITORING:

- Automation rates
- Touchless rates
- Average processing time / average cycle time (request-to-order for example)
- SLA compliance
- E-invoicing adoption

P2P AND O2C CYCLE METRICS:

- Aging reports for AP and AR invoices, deduction claims
- DPO, DSO and DDO reports
- Payment forecast and prediction reports
- Risk evaluations for customers and vendors / OFAC background checks

04
MOBILE CAPABILITIES WITH ESKER ANYWHERE™

In a world where lunch and even toilet paper can be ordered on your smartphone while you're waiting for the bus, why should you be bound to a desk to perform basic functions like approvals and status checks? Standalone RPA solutions are simply not equipped to address the mobility needs of the modern workplace. With Esker Anywhere you can perform a variety of tasks on the go:

P2P APPROVALS, VALIDATIONS AND VISIBILITY ON THE GO:

- Users can approve, send back or put invoices or purchase requests on hold directly from the mobile app
- Create expenses or create, review and approve expense reports
- Review and approve contracts

FACILITATE THE WORK OF TRAVELING SALES REPS:

- Reps can place customer purchase orders, check inventory, access shipping status updates and create inventory reports directly in the app

VISIBILITY ON THE GO:

- Access to process KPIs, charts and dashboards

05

EXCEPTION HANDLING WITH COLLABORATIVE TOOLS

An often-overlooked challenge in financial cycle environments is the lack of communication — both inter-departmental and with customers and vendors. AI-driven solutions assist in resolving data exceptions such as price mismatches or stock issues by providing tracked conversations between customers and suppliers. Orders and invoices can be automatically placed into a separate workflow while waiting for feedback.

INTERNAL COLLABORATION:

- Verification and approval workflow capabilities (supplier invoices, purchase requests, expenses, customer deduction claims, credit requests)

- The workflow enables comparison of purchase order, shipping receipt and invoice, thereby ensuring accuracy and consistency of payments

- Internal conversation options ease interactions among AP staff, buyers, legal, etc.

REACH OUT TO CUSTOMERS AND VENDORS WITH EMAIL CONVERSATIONS:

- Enable CSRs to reach out directly to customers to clarify orders (e.g., quantity confirmations) helping to avoid time-consuming and potentially contentious phone calls

- Clarify if remittances do not match the records and payment can therefore not be applied

- Place invoices on hold while clarifying with the vendor why the price does not match the expected one
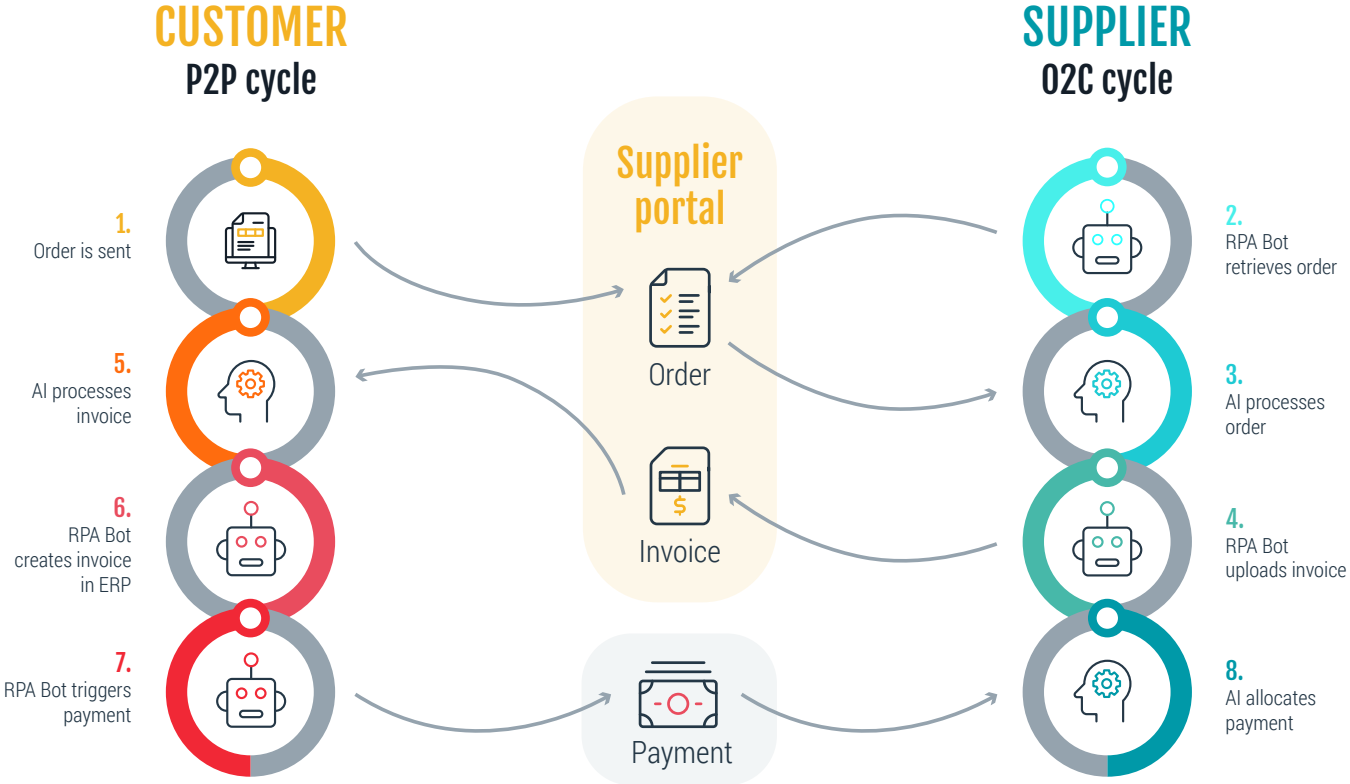
ESKER'S PORTALS FACILITATE CUSTOMER-VENDOR INTERACTIONS:

- Supplier Inquiries Management automatically classifies incoming files and requests from vendors

- Suppliers can send change order requests to customers

- Auto-reject non-compliant invoices

- Tracking and dispute features directly from orders and invoices

COMBINE, DON'T COMPETE

When AI and RPA work hand-in-hand, regular procurement and supplier business processes are elevated to holistic, end-to-end P2P and O2C automation cycles. Rather than thinking of these technologies as competing with each other, it's their combination that makes hyper-automation for these cycles a possibility.

The flow depicted here is an example of the O2C/P2P cycle involving a supplier portal, with a combination of RPA and AI on both the customer and supplier sides:

CUSTOMER
P2P cycle

1. Order is sent

5. AI processes invoice

6. RPA Bot creates invoice in ERP

7. RPA Bot triggers payment

Supplier portal

Order

Invoice

Payment

SUPPLIER
O2C cycle

2. RPA Bot retrieves order

3. AI processes order

4. RPA Bot uploads invoice

8. AI allocates payment

ABOUT ESKER

Esker is a global cloud platform built to unlock strategic value for finance and customer service professionals, and strengthen collaboration between companies by automating the cash conversion cycle. Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin.

Our customers use our cloud solutions to increase the efficiency, productivity and visibility of their Procure-to-Pay (P2P) and Order-to-Cash (O2C) processes.

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