

Future Qualification of an AP Analyst

CONTACT

Volkmar Ahrens

+65 88704960

volkmar@nxt4sap.com

nxt4sap WHITE PAPERS



Introduction

The role of Accounts Payable (AP) in organizations is evolving rapidly, driven by advancements in automation and artificial intelligence. With solutions like NXT AP, the landscape of AP accounting is being redefined, transitioning from manual, repetitive tasks to a streamlined, automated process.

This transformation not only increases efficiency and accuracy but also opens up new opportunities for AP professionals to focus on more strategic initiatives. In this white paper, we explore how the role of an AP Analyst is evolving in the age of automation and AI, and how it ties into the broader transformation of shared services into Global Capabilities Centers (GCCs).

NXT AP: Automating Today's Manual AP Activities

NXT AP leverages cutting-edge AI technologies, including Computer Vision and GPT-4, to automate the entire AP process, eliminating many of the manual activities that traditionally burden AP teams. The following are some key AP tasks automated by NXT AP:

- **Invoice Data Capture:** NXT AP uses Computer Vision to extract data from invoices, whether they are in digital or image form, ensuring accurate data capture without manual entry.
- **Data Validation:** Validation of invoice details, such as vendor information, PO number, and goods receipts, is automated using AI and SAP's stringent validation rules.
- **Three-Way Matching:** NXT AP triggers the three-way matching between purchase orders, goods receipts, and invoices to ensure accuracy and compliance before posting.
- **Compliance Checks:** NXT AP ensures adherence to local, industry, and company-specific compliance requirements across all markets by validating invoices against pre-defined compliance rules.
- **Exception Handling:** NXT AP identifies discrepancies and automates the resolution of common exceptions, significantly reducing the need for manual intervention.
- **Invoice Posting:** Once invoices pass all validations and checks, they are automatically posted in SAP, ensuring a seamless flow from receipt to payment.

Straight-Through Processing with NXT AP

NXT AP enables straight-through processing (STP) by leveraging SAP's stringent validation rules, including the three-way matching process, to ensure that invoices are processed automatically without manual touchpoints. This approach results in significant time savings, improved accuracy, and reduced risk of human error. The automation of manual AP activities, combined with real-time validation, ensures that invoices are always processed in compliance with the relevant regulations and organizational policies.

Ensuring Compliance Across All Markets

One of the key benefits of NXT AP is its ability to ensure compliance with a wide range of regulations and standards. Whether it's local tax regulations, industry-specific requirements, or company policies, NXT AP provides a comprehensive compliance framework:

Local Compliance: NXT AP ensures that invoices comply with country-specific tax regulations, such as VAT or GST, and meets e-invoicing mandates where applicable.

Industry Compliance: NXT AP incorporates industry-specific regulations, such as sector-specific tax exemptions, ethical sourcing requirements, and environmental taxes.

Company-Specific Compliance: Organizations often have internal policies that dictate how invoices should be processed. NXT AP allows for the customization of compliance checks to meet company-specific requirements, ensuring that all invoices align with organizational standards.

Combined with SAP's extensive set of validation rules, NXT AP always ensures compliance, accuracy, and consistency in AP processes, thereby mitigating risks and ensuring that the organization is always audit-ready.

The New Role of AP Analysts

The new role of AP Analysts also emphasizes that AP is ultimately a procurement function, and that a well-organized procurement process is the foundation of efficient AP processing. With the automation of traditional AP activities, the role of AP Analysts is evolving from a focus on transactional processing to strategic analysis and optimization. The future AP Analyst will play a crucial role in driving further efficiency and automation within the AP function.

Below are some of the **key responsibilities of AP Analysts** in the new era of AP accounting:

Identifying Further Automation Opportunities: AP Analysts will be tasked with identifying additional areas within the AP process that can benefit from automation. By understanding the entire procure-to-pay (P2P) process, from purchase request to payment, AP Analysts will work closely with the technology team to continuously enhance automation capabilities.

Leveraging AI for Enhanced Compliance and Efficiency: AP Analysts will explore how NXT AP's embedded AI technology can be further utilized to ensure compliance, efficiency, and reliability. This may include optimizing compliance checks, developing new validation rules, and leveraging AI to predict and prevent potential issues before they occur.

Process Optimization: With automation handling the repetitive tasks, AP Analysts can focus on process optimization—analyzing the P2P workflow to identify bottlenecks, inefficiencies, and opportunities for improvement. This strategic role will help ensure that the AP process remains agile, efficient, and capable of supporting the organization's growth.

Data Analysis and Insights: The availability of real-time data through NXT AP will empower AP Analysts to derive meaningful insights from AP transactions. By analyzing payment trends, supplier performance, and process metrics, AP Analysts will provide valuable recommendations to improve working capital management and strengthen supplier relationships.

Ensuring Best Practices: As AP processes become more automated, AP Analysts will play a key role in ensuring that best practices are followed across the organization. They will provide training, develop standard operating procedures, and ensure that the AP team is effectively utilizing the technology to maximize efficiency and compliance.

The Shift from Shared Services to Global Capabilities Centers (GCCs)

The transformation of traditional Shared Services Centers (SSCs) into Global Capabilities Centers (GCCs) is reshaping the future of AP accounting.

Traditionally, SSCs focused on centralizing manual, repetitive tasks to achieve economies of scale. With advancements in AI and automation, however, the role of shared services is evolving. GCCs are emerging as strategic hubs aimed at driving global process excellence, compliance, and continuous improvement.

NXT AP is at the **heart of this transformation, enabling GCCs** to move away from transactional tasks and focus on establishing, maintaining, and improving end-to-end processes that deliver value across the organization. AP Analysts in this new environment will work towards:

Process Excellence and Continuous Improvement: GCCs are focused on optimizing and standardizing processes across multiple regions and business units. By leveraging AI and automation, AP Analysts can monitor processes in real-time, identifying inefficiencies, bottlenecks, and opportunities for improvement.

Global Compliance and Governance: As AI (Computer Vision and GPT-4) handles the mechanics of invoice processing, AP Analysts will be instrumental in ensuring compliance with global standards and local regulations. In an environment of increasing regulatory complexity, the role of the AP Analyst will involve maintaining a framework that ensures adherence to VAT/GST rules, tax regulations, and industry-specific standards across different jurisdictions.

Innovation and Automation: GCCs are becoming hubs for process innovation, using AI not only to automate existing workflows but to continuously improve them. AP Analysts will leverage AI-driven insights to refine P2P processes, optimize cash flow management, and implement dynamic discounting strategies—all without manual intervention.



Comparative Table: Qualifications of

Today's AP Accountants vs. Future AP Analysts

Qualifications Needed by Today's AP Accountants

Qualifications Needed by Future AP Analysts

Manual validation of invoice details.

Knowledge of AI capabilities and how to leverage them.

Ability to enter invoice data manually

Ability to **identify areas** for further **automation**.

Chasing business users for approvals.

Focus on **process optimization** and efficiency improvements

Understanding of compliance requirements and accounting

Understanding the **entire P2P process** from purchase request to payment

Strong knowledge of accounting standards

Ability to **leverage real-time data** for insights and decision-making

Handling routine exception resolution

Ensuring **best practices** and **compliance** standards

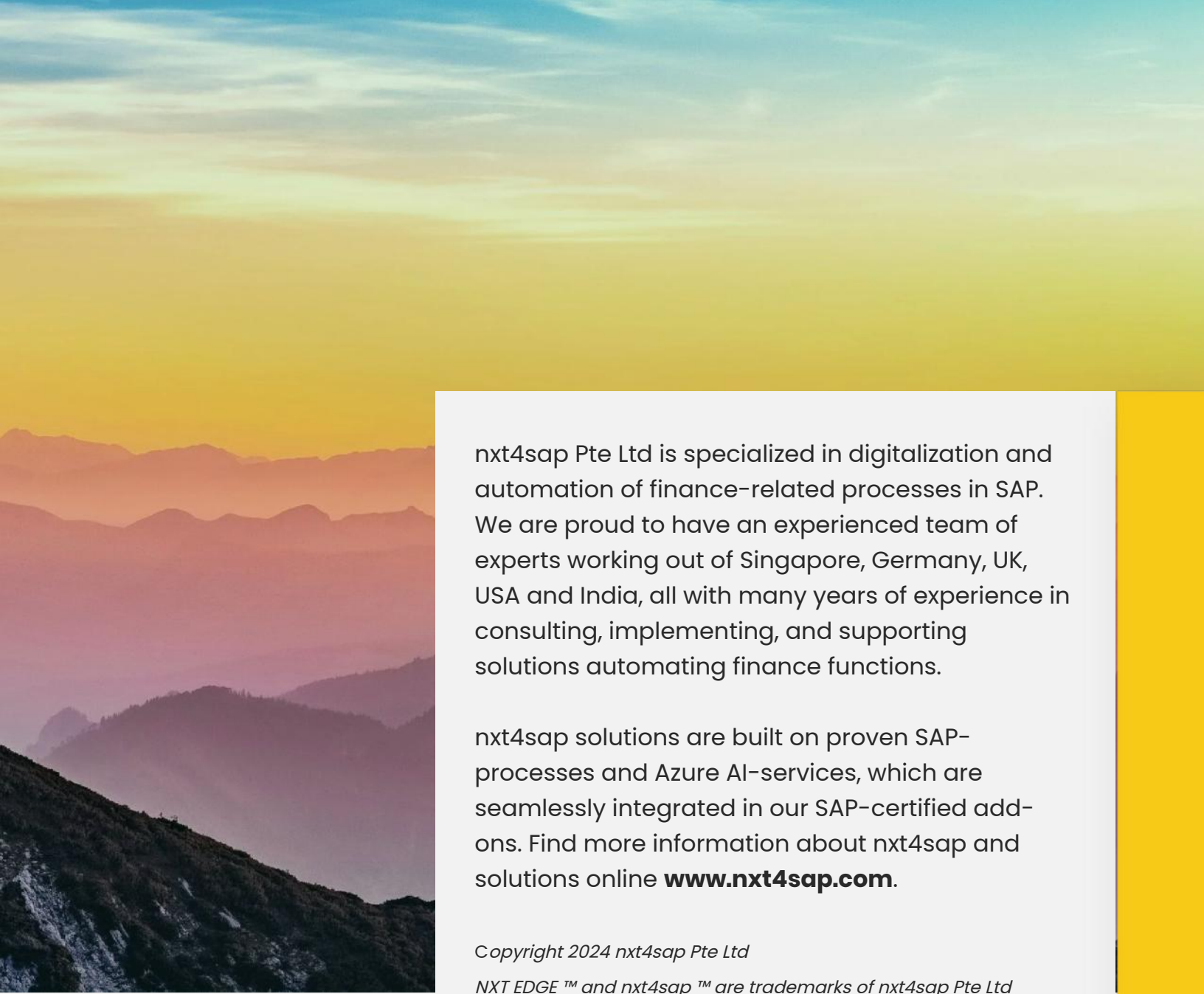
Proficiency in data entry tools

Familiarity with **AI-driven** technologies like **NXT AP** and **SAP**

Conclusion

The future of AP accounting is marked by a shift from manual, repetitive tasks to strategic analysis and process improvement, thanks to automation and AI-driven solutions like NXT AP. By automating all aspects of the AP process, from data capture to compliance, NXT AP not only increases efficiency but also empowers AP Analysts to focus on higher-value activities. The future AP Analyst will be an integral part of driving further automation, ensuring compliance, and optimizing the AP process—ultimately contributing to the overall financial health of the organization.

The transformation of shared services into Global Capabilities Centers highlights the need for AP Analysts to adapt and grow into more strategic roles. By embracing AI and automation, AP Analysts will not only help redefine the AP function but also contribute to shaping a more agile, efficient, and resilient finance organization for the future.



nxt4sap Pte Ltd is specialized in digitalization and automation of finance-related processes in SAP. We are proud to have an experienced team of experts working out of Singapore, Germany, UK, USA and India, all with many years of experience in consulting, implementing, and supporting solutions automating finance functions.

nxt4sap solutions are built on proven SAP-processes and Azure AI-services, which are seamlessly integrated in our SAP-certified add-ons. Find more information about nxt4sap and solutions online **www.nxt4sap.com**.

Copyright 2024 nxt4sap Pte Ltd

NXT EDGE™ and nxt4sap™ are trademarks of nxt4sap Pte Ltd



This documentation and its contents are the intellectual property of nxt4sap Pte Ltd, protected under the copyright laws of Singapore. Any unauthorized use, reproduction, or distribution of this documentation or its contents, in whole or in part, is strictly prohibited. This documentation may only be used for its intended purpose and may not be altered or modified without the express written consent of nxt4sap Pte Ltd. All rights are reserved.

SAP and S/4 HANA are trademarks of SAP SE. Microsoft and Azure are trademarks of Microsoft Corporation.