12 REASONS TO AUTOMATE BUSINESS PROCESSES TODAY

Automation. Accelerated.

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What happens when your company receives an invoice or you hire someone new? If your company uses manual business processes, a person will need to sort each invoice or review new hire paperwork by hand. Manual processes take time and can be error-ridden. With business process automation software, essential business functions occur smoothly and without interruption. There is less of a risk that something will go wrong when processes are automated versus performed by hand.

If your company hasn't yet started to enhance certain workflows, such as employee onboarding or managing accounts receivable, learn more about the reasons to automate business processes. Discover what your company can do to start automating business processes today by exploring this list of advantages:

1. REDUCE OPERATIONAL COSTS

Operational costs are the expenses you pay to keep your business running. They include the cost of rent, utilities, supplies, and your team's salaries. Automating business processes can lower your operating expenses by reducing the need for supplies and speeding up workflows. For example, if you switch to an automated accounts receivable process, you eliminate the need to have an employee produce and track invoices.

Instead, once an invoice is created and put into the system, the automation software takes over. It sends the invoice to the appropriate client, either by mailing it or printing a physical copy. The software also monitors the invoice's status. If a client doesn't pay on time, the software follows up. It can also place credit holds on the accounts of clients who fall significantly behind in payments.

Automating the accounts receivable process means you do not need to keep printing new invoices or repeatedly sending the same email messages to different clients. Your company does not have to pay an employee to track invoices, either, which can save money in the long term.

2. ELIMINATE HUMAN ERROR

People make mistakes, especially when it comes to data entry.

Two of the most common mistakes made during data entry are **transposition** and **transcription errors.**

A transposition error occurs when a person is working quickly and types in the information incorrectly. When typing in the amount due, they might write $145 instead of $415, for example. Or they might type in a phone number incorrectly, reversing the digits in the area code.

A transcription error occurs when a person is transferring information from one document to another and either misses or misspells a word. In some cases, an autocorrect feature might contribute to a transcription error if the corrected text isn't caught or reviewed by the person doing the transcription.

Automating the data entry process reduces the chance of human error. It can also eliminate confusion caused by simple mistakes.

By decreasing human error rates within your facility, business automation processes can save your organization money by removing the need to review entries with a fine-tooth comb or backtrack and correct inaccuracies.

3. CREATE CONSISTENT EXPERIENCES FOR CUSTOMERS

These days, customers have a lot of options. They can work with Company A or Company B, both of which offer a similar product or service. Which company are they more likely to choose? The one that offers the most consistent experience.

Few, if any, customers like uncertainty. If they regularly order a product from your company, they want to receive an item that is identical in quality time after time. They also want to have a similar experience each time they work with your business.

That can mean receiving their invoices on a consistent, predictable schedule and knowing that those invoices will have the same payment terms each time. Business process automation services make it easy for your company to provide customers with the experience they expect. Consistency builds trust, which will bring your clients back to do business with you again.

4. RAISE EMPLOYEE MORALE

Engaged employees are people who are "enthusiastic about and committed to" their employers and workplaces. When employees are not engaged with their work, they typically do the bare minimum and are often on the lookout for better opportunities at other companies. There are numerous benefits to having engaged workers on your team. Companies with regularly involved team members typically have higher earnings, higher profits, more satisfied customers, fewer accidents, and higher levels of employee retention.

One way to help employees participate more at work and increase their morale is by giving them tasks and assignments to work on that are genuinely challenging and interesting. Minimizing the number of repetitive or mindless tasks your team members do can help them feel more excited about coming to work each day.

Automating those responsibilities is one way to take them off your employees' to-do lists. Once you have automated certain processes, you can further boost engagement and morale by showing your team members exactly how their work helps the company and themselves.

5. INCREASE PRODUCTIVITY LEVELS

Automating repetitive tasks such as invoice tracking, document filing, and managing accounts payable increases your employees' morale, and it can also make your team more productive. When your team doesn't have to worry about recurring tasks, they have more time on their schedules and more space in their brains for the essential projects that make your business run. They can focus on landing a new client, interviewing the most talented and eligible candidates for a job, or designing your company's next product line.

It's no secret that some business processes take a considerable amount of time, especially when performed manually. Once a new team member is hired, all of their paperwork needs to be collected and verified. A delay in the onboarding process can mean your company's next project is also prolonged. Or a potential new hire could decide to accept a different offer.

The quicker your company moves — whether doing high-level or basic tasks — the more productive it will be, and the greater the level of success it will likely have.

6. LOWER THE COST OF MISTAKES

Small mistakes can have a high price tag. For example, a decimal in the wrong spot could mean your company ends up significantly overcharging a client. When your client becomes upset over the error, they might decide to take their business somewhere else. A mistyped numeral in a new hire's Social Security number can mean that the wrong individual is credited with that person's Medicare and Social Security taxes. Business process automation lowers the risk of errors and significantly reduces the expense of making mistakes.

Cutting back on the risk for mistakes can also increase your company's overall efficiency, which can mean lower costs for your business. Completing tasks quickly and accurately creates a better outcome for your business's bottom line, which can allow you to grow and expand your company as it improves.

7. REDUCE EMPLOYEE CONFUSION AND SIMPLIFY TASKS

- Automating business processes can reduce confusion in the workplace by creating clear-cut processes and guidelines.
- When your company automates specific tasks, it increases its operational stability by clearly defining how these jobs should be completed.
- There is little room for error or guesswork. Your team members won't be left to wonder if a specific task is their responsibility or someone else's.
- This renewed assurance can also lift worker morale by increasing your employees' confidence in their job roles and duties to the company.
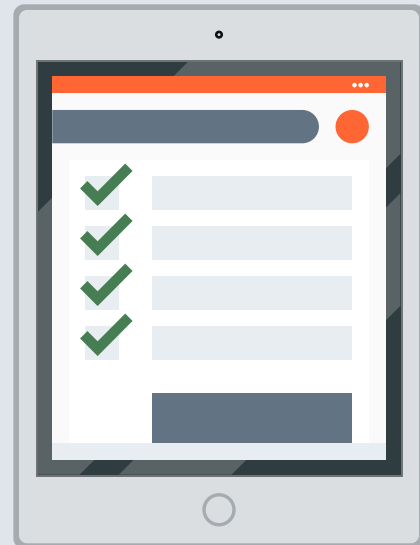
Business process automation also reduces confusion by ensuring that specific, critical steps are not missed or accidentally passed over. With automation, once a task lands on an employee's desk, they will have confidence that all the prerequisites have been taken care of. That prevents them from having to revise or correct any inaccuracies, which leaves them more time to complete more pressing assignments.

Another benefit of minimizing employee confusion by automating business processes is that doing so eliminates any finger-pointing and blaming. If particular tasks are understood to be handled by the software, your team members won't have to say to each other, "But I thought that was your job."

8. ENJOY TIME-SAVING BENEFITS

You know time is money. Letting automation software handle specific tasks saves your company time, which also saves money. One example of how automation saves time can be seen with accounts payable automation.

Every month, your business receives invoices from the vendors it works with or purchases from. Those invoices need to be logged and the correct payments must be issued by the due date. If an employee is left to handle the job, it can take them several hours, if not a few days, to go through all the invoices, input the information, and set up the payments. Depending on when and how invoices are received, the employee might need to frequently interrupt their other projects and responsibilities to handle AP invoices.

With AP automation, invoices are captured, and the relevant data is extracted from them by the software program. AP automation can handle both digital and paper invoices, eliminating the time needed to input paper copies into a system. The software also scans each invoice to figure out what to do with it next.

If the software detects an error in the invoice or identifies a duplicate, it will flag it for review. It can also approve invoices that meet company requirements, funneling them through to payment without needing input from a human employee.

9. REDUCE EMPLOYEE TURNOVER

In 2018, 41 million people voluntarily left their jobs. Among the reasons why people quit are a perceived lack of growth opportunities and little room for advancement. No one wants to be bored at work – nor do they want to feel like they are not being stretched to their fullest potential.

But when employees are asked to perform mindless tasks that could easily be handled by a software program, they will likely feel unsatisfied and underappreciated. Using business process automation software that handles the data sorting and sifting leaves room on people's schedules for projects they are actually excited about. It also frees up more room in their minds for creativity and in-depth brainstorming, which can prove valuable to improving a company's operations.

When employees are not asked to focus on drudge work or repetitive tasks, they have increased space to be creative and pursue personal and company-wide growth. They are more likely to stick around at a company that creates opportunities for fulfillment and creativity rather than leaving to search for greener pastures.

10. INCREASE YOUR RELIABILITY AS A BUSINESS

Your company's customers want a business they can rely on. So do your vendors and employees. Automating business processes can make your business more reliable in several ways.

When you automate the onboarding process for employees, you reduce the risk of errors and help things move more quickly. Your team members can then rely on you to pay them in a timely fashion and properly withhold taxes, retirement savings, and other benefits from their paychecks. You create a reputation among them for being dependable, which increases employee loyalty and retention.

When you use AP automation software, you make it more likely that your vendors will receive their payments on time. Automated accounts receivable software means your customers can expect regular invoices and consistent payment due dates.

11. RECORD AND REPORT KEY METRICS

When you automate certain processes, you get easy access to data and metrics that can help you make strategic business decisions. For example, you can review your payment due dates and decide to ask vendors to adjust them based on your cash flow needs.

The same is true for accounts receivable. You can adjust due dates to reduce strain on your business and improve cash flow. Switching from Net-60 to Net-30 payment terms for your clients could allow you to pay your vendors sooner and more efficiently, reducing the need for late fees or additional charges.

12. OPTIMIZE PERFORMANCE LEVELS

Lower costs, increased productivity, and happier employees all lead to one thing — improved overall business performance. Whether you automate a single process or multiple, you will likely see a widespread lift in your company's performance. A change of this magnitude can work overtime to improve your reputation and internal productivity.

Automated employee onboarding can make your company more attractive to the best talent, which means you will likely benefit from better ideas and an improved workflow. Automated AP and AR systems streamline cash flow, minimizing your financial concerns. Reducing repetition and redundancy will make everyone happy, from your clients to your team members.
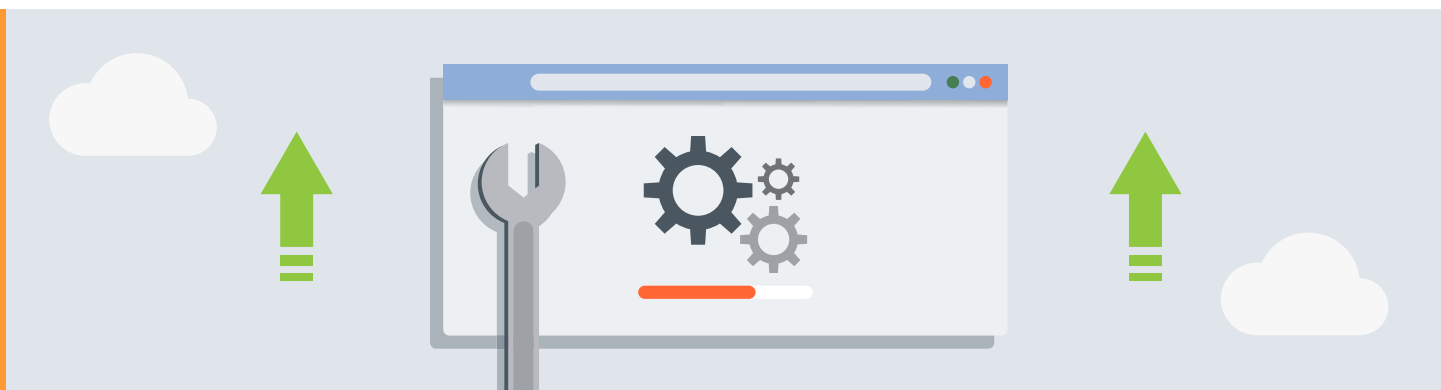
LEARN HOW TO AUTOMATE BUSINESS PROCESSES WITH MHC

Where do you start when you want to automate your business processes? MHC offers several automation solutions to help your company begin the journey. MHC Workflow includes features that automate the employee onboarding process, managing all the necessary paperwork and helping your company bring on new hires quickly. MHC AP Automation streamlines the accounts payable process, reducing errors and ensuring your invoices are paid on time.

If you are ready to get the most significant benefits from employing business process automation, contact us today to request a free demo of our systems.