paystand

A Complete Guide to AR Automation Software

Unlocking Efficiency

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Finance professionals are constantly seeking ways to enhance efficiency and streamline operations. One of the most effective solutions to address these challenges is implementing the right AR (accounts receivable) automation software. But what does this mean for CFOs, controllers, and finance teams?

Automating accounts receivable processes can cut invoice processing costs by around $7 per invoice. Companies with fully automated AR systems report faster cash flow, reduced errors, and substantial cost savings. Yet, a surprising 35% of mid-sized firms still rely on manual AR processes, leaving room for significant improvement.

Automation has become a top priority for executives: **59% of mid-sized firms that have heavily automated their AR processes are now focusing on streamlining payments of regular amounts.** However, navigating the selection process can be overwhelming with an array of options in the market.

This eBook is your ultimate guide to understanding, evaluating, and selecting the best AR automation software for your business. At the end of the ebook, you will find a checklist to assess your next big purchase.

Before AR Automation:
20+ hours wasted weekly
in manual tasks

After AR Automation:
20+ hours reclaimed
to focus on strategic
initiatives

What is AR Automation Software?

AR automation software streamlines and automates accounts receivable management tasks like invoice generation, payment reminders, and payment reconciliation. It replaces manual methods like paper invoices and spreadsheets with efficient, technology-driven solutions.

In your business, you issue an invoice with each sale specifying the amount due and the payment deadline. Manually creating and sending invoices, tracking payments, and following up on overdue accounts is time-consuming and error-prone, consuming valuable time and resources.

Automation in Action:
An AR manager no longer spends hours tracking overdue payments or reconciling accounts. Instead, the software sends automated reminders and updates records in real time, ensuring accuracy and faster collections.

[1]Statista, 2024

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How it works

01

Invoice Generation.

Instead of creating invoices manually, the software generates them based on templates and transaction data from your system. This saves time and ensures consistency in formatting and issuing invoices.

Payment Reminders

If a customer hasn't paid by the due date, the software can send automated reminders via email or text, prompting them to submit their payment. This helps reduce late payments and improves cash flow for your business.

Payment Reconciliation.

When customers receive payments, the software can reconcile them against the corresponding invoices, updating your financial records in real time. This cuts the need for manual data entry and reduces the risk of errors or discrepancies.

Key Benefits

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Time Savings and Efficiency

Eden Equipment reallocates 576 hours per year with the help of Paystand.
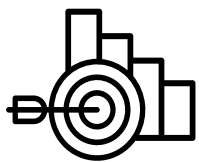
Accuracy

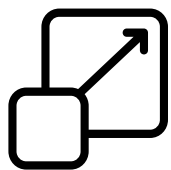Edgewood Healthcare with Paystand achieved a 99% Reduction in Manual Errors.

02

Cash Flow Optimization

Choozle saw a 33% reduction in DSO in 6 months.

Customer Satisfaction

BIIA Insurance saw a 42% increase of customers paying bills digitally and an overall increase in customer satisfaction.

Scalability

Elenty imports doubled Invoicing Volume With No Added Headcount.

Paystand.com

Challenges Without AR Automation

03

| Challenges	
Time-Consuming Tasks	Small business owners dedicate an average of 10% of their workday chasing unpaid invoices.
Difficulty in Tracking Payments	41% of finance leaders consider the speed of payments to be the biggest challenge in their collections processes.
Higher Risk of Errors	On average, companies write off 4% of accounts receivable as bad debt, which can be attributed to such errors.
Inefficient Invoice Processing	Over 50% of all B2B invoiced sales in the USA, UK, and Asia are overdue, highlighting manual invoicing processes' inefficiencies.
Lack of Visibility and Reporting	Manual processes often lack real-time visibility and limiting strategic decision-making.
Limited Scalability	A study by PYMTS discovered that adopting automation might reflect and drive a firm's growth trajectory. This indicates that proactive approaches to updating financial processes could catalyze expansion through automation.
Poor Customer Experience	Delays, errors in billing, and inefficient payment methods negatively impact customer experience, potentially harming client relationships.

"The automation features in Paystand have streamlined our financial processes, saving us time and reducing the risk of errors."

Bob Thonet
CFO at Penntek Coatings

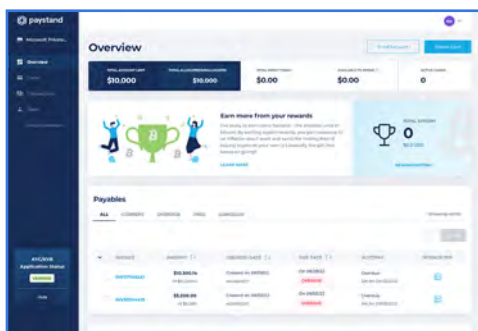Paystand.com

Key Features to Look For

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When choosing the best AR automation software for your business, several key features should be considered. Let's break them down.
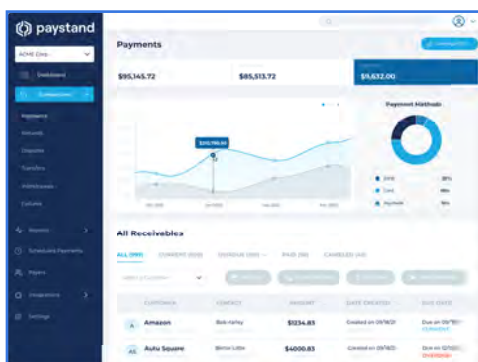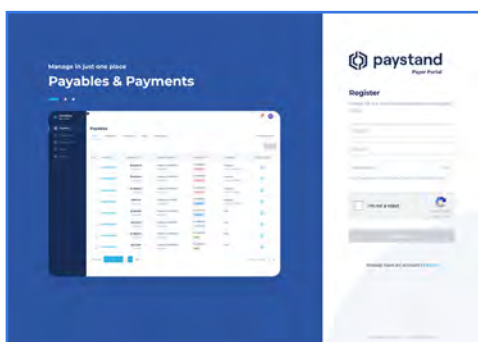

Compatibility with Existing Systems:

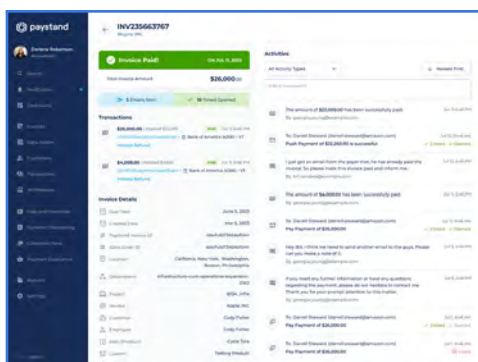Seamlessly connect with ERP, CRM, and accounting systems.

Customization Options:

Adapt workflows and templates to your business needs.

User-Friendly Interface:

Ensure easy adoption with intuitive navigation.


Security Measures:

Protect sensitive data with robust encryption and access controls.

Finding the best AR automation software requires careful features, compatibility, and security evaluation. This eBook will help you make an informed decision that will revolutionize your financial operations.

Start Automating with Paystand

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Ready to transform your AR processes? Paystand's innovative automation features help you streamline invoicing, payments, and collections—saving time, cutting costs, and accelerating cash flow.
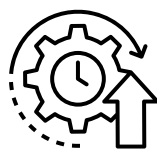
Improved efficiency

Say goodbye to manual data entry and tedious reconciliation tasks. Paystand automates the entire invoicing process, from generation to delivery. This will save your team time and reduce errors.

Cost savings

Paystand helps you cut costs and improve your bottom line by automating repetitive tasks and reducing the need for paper-based processes. Say goodbye to printing, postage, and late payment fees.

Accelerated cash flow

With faster invoicing and automated payment reminders, Paystand accelerates your cash flow and reduces DSO. Get paid faster and improve your working capital.

Security

Protect your sensitive financial data with Paystand's advanced security measures, including data encryption and robust access controls. Rest easy knowing that your information is safe and secure.
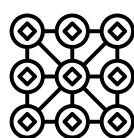
Integration

Seamlessly integrate Paystand with your existing ERP and CRM systems to ensure smooth data flow and end siloed data and disconnected processes.

Checklist   06

Finding the Best AR Automation Software

Use this checklist to guide your evaluation process:

- ☐ Does it integrate with your existing ERP and CRM systems?
- ☐ Can it be customized to match your workflows and branding?
- ☐ Does it have a user-friendly interface?
- ☐ Are robust security measures, like encryption and access controls, in place?
- ☐ Does the provider have a strong reputation and positive reviews?
- ☐ Are there case studies or testimonials from similar businesses?
- ☐ Does it align with your scalability requirements?
- ☐ Are there cost savings from eliminating manual tasks and paper processes?
- ☐ Does it improve cash flow and reduce DSO?
- ☐ Is customer support reliable and easily accessible?

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Zero Fees · Zero Time · Zero Touch · Zero

With Paystand's AR automation software, our customers have been able to:

Edgewood Healthcare	Reduce manual effort by	**99%**
MOTOROLA SOLUTIONS	Save Time (Weekly)	**20**Hrs
choozle	Cut Book Closing Time by	**50%**
eden EQUIPMENT COMPANY	Save Time (Annually)	**576**Hrs

Get Started