

# Beyond Paper: B2B Receivables

Smart solutions that can reduce costs and boost efficiency

Simplifying processes and reducing costs are critical to helping businesses move forward during and after coronavirus. Eliminating paper should be a top priority, especially with fewer staff working in offices. While many companies are issuing fewer checks, there are also benefits from automating and streamlining Accounts Receivable.

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## Receivables and the pandemic

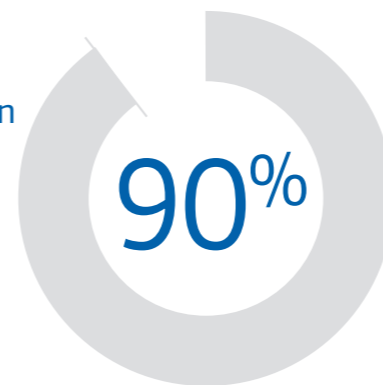
Recent AFP survey results indicate coronavirus is significantly impacting receivables. With greater urgency around cash application, 71% of respondents have increased scrutiny on cash forecasting. More than half have delayed filling approved Accounts Receivable staff openings. Meanwhile, 39% of companies are already moving toward electronic cash application.<sup>1</sup> These trends—specifically speed, automation and digitization—all point toward innovative, paperless receivables solutions that boost productivity without the need to add headcount.

## Automated electronic reconciliation

While checks still represent a large portion of B2B payments, 58% of these flows have already transitioned away from paper.<sup>2</sup> This means faster access to cash, but it can also create reconciliation headaches for Accounts Receivable staff, since remittance information is often sent separately from payments. Connecting senders, invoice numbers and other details to specific payments requires slow, manual processes that can create errors and posting delays.

Our Intelligent Receivables solution directly addresses these challenges. Using artificial intelligence (AI) and machine learning, Intelligent Receivables finds and matches remittance data to payments that arrive in your bank account. After enriching the payments with remittance data, Intelligent Receivables automatically matches the payments to the associated invoice. As a result, we've seen many clients achieve straight-through reconciliation rates of 90% or more.

Clients can  
achieve a






**straight-through  
reconciliation  
rate with  
Intelligent Receivables**

Intelligent Receivables solves two of the major challenges of gathering remittance data. First, it automatically captures it when you auto-forward emails sent by your payers to your dedicated receivables inbox. It can also automatically log in to all of your online customer payment portals to extract remittance details.

In both cases, Intelligent Receivables replaces slow, manual processes with automation — eliminating inefficiencies and human mistakes along the way. Since it's powered by AI, Intelligent Receivables continually learns from your payers' behavior to get better, faster results the more you use it.

### Intelligent Receivables automatically collects

-  Invoice amounts, numbers and dates
-  Customer names and IDs
-  Deduction information

## Expanding electronic receivables

While the portion of B2B payments made by check has shrunk to 42%, there are ways to drive that number even lower.<sup>3</sup> Our Commerce Payment Portal can help your payers switch to electronic. This is critical with so many offices inaccessible to Receivables staff during the pandemic, especially if you don't use automated lockbox scanning.

The Commerce Payment Portal is an online gateway that allows your business payers to initiate card and ACH payments through desktop and mobile websites, phone menus and even kiosks. It consolidates

and streamlines incoming payments while enabling automatic reconciliation. You can also add your own branding to the interface for a seamless payer experience.

Client interest in our Commerce Payment Portal is surging due to current limitations on office access. To help you respond quickly to this demand, our implementation team specializes in getting clients up and running smoothly — often in days rather than weeks.

## Solutions in action

**An energy company** sought to digitally transform treasury operations and eliminate manual cash posting. They used Intelligent Receivables to simultaneously address both challenges.

### Results

- Automatic remittance extraction from emails, payer portals and lockbox
- 75% straight-through reconciliation in the first week

**A sanitary supply firm** wanted to upgrade its receivables processes in a way that would scale with the company's growth. They wanted to eliminate error-prone manual tasks with automation while reducing Days Sales Outstanding (DSO). Intelligent Receivables helped them realize these goals.

### Results

- Boosted straight-through lockbox reconciliation from 50% – 80%
- Accelerated cash visibility, reducing time spent chasing payments they've already received
- Enhanced daily cash forecasting

**An equipment finance company** was seeking to switch check receipts to electronic. They needed to implement quickly in response to the pandemic. Working with BofA, they held same-day calls to support the fast project timeline and migrate customers from lockbox to the Commerce Payment Portal.

### Results

- Higher customer satisfaction
- Fewer incoming calls to customer service team
- Implementation within 10 days

## Accelerating receivables transformation

Companies that receive and apply funds quickly and cost-efficiently are better equipped to meet working capital needs, especially in uncertain times. Both Intelligent Receivables and the Commerce Payment Portal can speed access to funds without requiring staff to physically handle paper, making them ideally suited to today's challenges. At Bank of America, we specialize in working closely with clients to accelerate digital transformation and paper-to-electronic conversion. Reach out to your BofA representative to learn more.

<sup>1</sup>AFP Survey: Impact of the Covid-19 Pandemic 2020.

<sup>2</sup>2019 AFP Electronic Payments Survey.

<sup>3</sup>Ibid.

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