The Path to Better Invoice Processing: How Collaborative Technology Accelerates Cash Flow

Survey of 300 CFOs proves the ROI of collaborative accounts receivable payment portals
## Contents

**PART 1:**
The quantifiable impact of poor, inefficient invoicing processes  

5

**PART 2:**
Collaborative accounts receivable payment portals: an essential technology in all CFOs’ future toolkits  

12

**PART 3:**
Collaborative payment portals undeniably outpace standard payment portals with respect to customer experience  

20

**PART 4:**
How CFOs measure the ROI of a collaborative accounts receivable payment portal  

25
Abstract

Invoice processing is a mission-critical function for businesses, yet it remains a formidable—and often consequential—challenge for most. The process—which begins with creating an invoice and ends with receiving payment—is seemingly simple, yet rife with complexities.

So, in collaboration with Wakefield Research, we surveyed 300 Chief Financial Officers to:

- Quantify the impact poor, inefficient invoicing processes have
- Determine whether collaborative accounts receivable payment portals can dissolve the invoicing challenges CFOs face
- Determine whether collaborative accounts receivable payment portals are superior to standard payment portals
- Identify the criteria decision-makers use when considering adopting these technologies.

We found that invoice processing complications are so profound that nearly 2 in 5 (39%) CFOs report their accounts receivable (AR) teams are weeks or months behind and will never catch up on invoices. Less than a quarter of CFOs (23%) report their AR teams are completely up to date on invoices.

Methodology:

The Path to Better Invoice Processing report was conducted by Versapay and Wakefield Research among 300 U.S. CFOs at companies. It includes a 50/50 quota for companies using collaborative accounts receivable payment portals versus those who do not, between April 25th and May 3rd, 2023, using an email invitation and an online survey.
These delays pose an array of very real threats to a business’ overall well-being; however, the contributing challenges are surmountable—if the right technologies are used.

Our research found that collaborative payment portals are paramount for improving the invoicing process and that they undeniably outpace standard payment portals with respect to bettering customer experience (CX).

Companies not using collaborative payment portals report greater challenges in key accounts receivable focus areas than those with them. Among their priorities, CFOs without these portals report greater challenges with surfacing and making relevant data transparent, errors and data reconciliation and internal communications.

CFOs also see their customers enjoying the perks afforded by collaborative accounts receivable payment portals. The added ability for AR teams to communicate over-the-cloud with their customers, and for customers to dispute invoices at the line-item level—for example—outshine the straightforwardness offered by standard payment portals, like the ability to only view invoice and account statuses. Barely a third of CFOs (34%) believe their customers are more likely to value that simplicity, instead emphasizing the outsized impact customer experience (CX) plays in their ROI evaluations.

In fact, for CFOs, a payment portal’s ability to influence CX is so consequential, their criteria for measuring ROI skews heavily toward its impact on customer relationships and collaboration between AR and AP teams. Traditional ROI measurements like direct labor efficiencies and time-savings are increasingly seen as lesser value indicators for these technologies.

How backed up is your accounts receivable team generally?

- **2.33%**
  - We will never catch up

- **14.67%**
  - We are weeks behind

- **22.00%**
  - We are months behind

- **38.33%**
  - We are almost caught up

- **22.67%**
  - We are all up to date

**Quick Facts**

- **61%**
  - Almost caught up or up to date (net)

- **39%**
  - Weeks behind, months behind, or will never catch up (net)

- **24%**
  - Months behind or will never catch up (net)

77% of accounts receivable teams are not up to date.
PART 1:
The quantifiable impact of poor, inefficient invoicing processes

Many businesses are invoicing in large volumes. Presumably, having an abundance of invoices in the pipeline is a positive indicator for businesses, and a desirable position to find themselves in. However, this becomes a problem for businesses who can’t efficiently create and process them.

Mid- to upper-midsized companies process more invoices, making them even more susceptible to the repercussions of invoicing delays. Half of CFOs (50%) at companies with revenues of $250 million or more say their AR teams process 2500 or more invoices a month, compared to 26% of CFOs at companies whose revenues are under $250 million.

Delays in invoice processing for companies with high invoice volumes create a compounding problem month-to-month. With 77% of CFOs reporting that they are not yet caught up on invoice processing—or are extremely behind in catching up—these delays pose a considerable threat to their bottom line.

Invoice volume is one of two contributing factors that determine the impact that delays in invoice processing will have on the bottom line. The second is invoice amount. Most CFOs (51%) report the typical amount of their invoices is $2,500.00 or more. The average amount of their invoices (excluding outliers) is $6,073.00.

How many invoices on average does your accounts receivable team process in a given month?

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Range</th>
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<tbody>
<tr>
<td>20.33%</td>
<td>Under 300</td>
</tr>
<tr>
<td>41.00%</td>
<td>300 to under 2,500</td>
</tr>
<tr>
<td>28.33%</td>
<td>2,500 to under 10,000</td>
</tr>
<tr>
<td>10.33%</td>
<td>10,000 or more</td>
</tr>
</tbody>
</table>

Quick Facts

<table>
<thead>
<tr>
<th>Value</th>
<th>Description</th>
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<tbody>
<tr>
<td>1,850</td>
<td>Median number of invoices processed per month</td>
</tr>
<tr>
<td>5,297</td>
<td>Average number of invoices processed per month</td>
</tr>
<tr>
<td>2,433</td>
<td>Average number of invoices processed per month (excluding outliers)</td>
</tr>
</tbody>
</table>

The median amount of invoices AR teams process per month is 1,850, with 38% of CFOs saying their AR teams process 2,500 or more each month. The average number of invoices AR teams process per month (excluding outliers) is 2,433.
The math is simple. With more than three-quarters of CFOs reporting that their AR teams are not yet caught up, it’s safe to assume these processing delays are wreaking havoc on their ability to accurately assess cash flow—the lifeblood of their operations.

What is the average amount of an invoice that your accounts receivable team processes?

- 9.67% Under $300
- 39.00% $300 to under $2,500
- 19.33% $2,500 to under $10,000
- 32.00% $10,000 or more

Quick Facts

- $2,850 Median
- $10,775 Average
- $6,073 Average (excluding outliers)
Invoice processing backlogs stem from operational silos, which are seen as detrimental to these businesses’ success. However, our survey reveals that across the board, CFOs are broadly aligned on the specifics of their AR system shortcomings and are embracing breaking these silos down and investing in technologies that deliver major upgrades over their existing systems—which range from exclusively manual to intimations of automation.

An overwhelming percentage of CFOs (96%) agree their AR teams would be more productive if they could work more collaboratively with their customer’s accounts payable and their own internal teams, with more than half (54%) strongly agreeing. This implies their existing systems inadequately encourage collaboration.

How strongly do you agree or disagree with this statement?

Our accounts receivable team would be more productive if we could work more collaboratively with accounts payable and internal teams

3.67% Disagree (net)

3.33% Disagree somewhat

0.33% Disagree strongly

96.33% Agree (net)

54.00% Agree strongly

42.33% Agree somewhat
Inefficiencies stemming from communication problems—both internally and with customers—have a direct impact on invoicing delays. Over a quarter of invoices (27%) on average are delayed due to lapses in communication.

These lapses in communication inevitably lead to disputes, which require energy and resources to resolve. However, as it stands, dispute resolution is a labor-intensive, time-consuming, inefficient process. And, according to more than a quarter of CFOs surveyed (27%), half or more of their accounts receivable teams’ workdays are spent resolving invoice disputes.

On average, what percentage of invoice payments a month are delayed due to lapses in communications?

- **Average**: 26.85%
- **Under 50% (net)**: 81%
- **50% or more (net)**: 19%

Older companies—those in business 15 years or more—report delayed invoice payments 33% of the time, which is troubling, as 44% of that cohort says their AR teams are weeks or months behind or will never catch up on their invoicing.
This problem is more prevalent at mid- to upper-midsized companies—those with revenues of $250 million or more. More than a third of CFOs (36%) at these companies report their AR team typically spends half or more of their time on dispute resolution, compared to those under $250 million in revenue (17%).

In other words, for 36% of companies of this size, over half of their AR team’s payroll is dedicated to resolving invoice disputes. That alone is a significant financial cost associated with inefficient invoice processing and collaboration. Likewise, this presents a major tax on these companies’ AR teams’ bandwidth, leaving a fraction of their time to handle the fundamental work of realizing revenue that’s not in dispute. With AR teams so heavily burdened by disputes, it’s no wonder they’re behind on invoice processing.
Hanging in the balance: Businesses have nearly $4 million in outstanding invoices each month due to lapses in communication

It’s touch and go for many businesses, whose cash flows are increasingly destabilizing due to unpaid invoices that should have been paid on time. Delayed payments are compounding at an alarming rate, and AR teams are diverting their focus toward capturing revenue that should have closed months prior. Approximately $4 million in outstanding invoices a month are due to lapses in communication, forcing businesses to stretch their human resources, get creative and survive with less cash on hand.

How we figured this out:
Based on the average monthly invoice amounts cited ($6,073.00 excluding outliers), the average monthly invoice volumes cited (2,433 excluding outliers), and the average percent of invoice payments delayed due to lapses in communication (27%), we estimate that mid- to upper-midsized companies have approximately $3,989,414.43 in outstanding invoices—either tied-up in disputes or not attended to—each month.
Collaboration and efficiency are crucial for catching up—sustainably—on delayed invoices

Nearly 3 in 5 CFOs (59%) report their AR teams currently need to respond to their customers for billing escalations often or always for more information. A meager 8% of CFOs say they rarely have to do this, with only 1% saying they never have to. Again, older companies feel the squeeze of these challenges more often: those in business 15 or more years encounter this issue more often (66%) than those in business less than 15 years (52%).

With so many invoices in backlog due to disputes requiring additional information—and resolution efforts constrained by time limitations—AR teams cannot reasonably stay up to date on invoicing processing.

All these compounding challenges are leading CFOs to acknowledge the urgent need for their accounts receivable teams to be able to address the invoicing questions and concerns that are bound to arise—and evidently are—in the most collaborative and efficient manner. This is crucial to catching up—without depleting resources and funds—on those delayed invoices.

When receiving billing escalations, how often do you need to respond to your customer and request additional information?

- 90.67% Occasionally, often, or always (net)
- 59.33% Often or always (net)
- 42.67% Often
- 31.33% Occasionally
- 16.67% Always
- 8.67% Rarely
- 9.33% Rarely or never (net)
- 0.67% Never
PART 2:
Collaborative accounts receivable payment portals: an essential technology in all CFOs’ future toolkits

Alongside operational blockades, inadequate technologies burden CFOs, who want their payment and invoicing processing systems to do more; work harder for them.

Our research reveals that for companies looking to radically improve their invoicing processes—and stymie, then reverse their invoicing fortunes—collaborative accounts receivable payment portals are a virtually assured upgrade over their existing systems, be they manual or automated to a degree.

A resounding 76% of CFOs report their current accounts receivable payment portals do not do everything they want them to do. Shockingly, over a third (34%) say their system could use a major upgrade as it only does some of what they want it to do.

Standard payment portals are defined as business-to-business invoice delivery and payment acceptance technologies that do not allow for two-way communication between your AR team and your customers’ AP teams in-application.

Which of the following best describes the accounts receivable system you are currently using to issue and collect invoice payments?

- 2.00% Our system doesn't do anything we want it to do
- 24.00% Our system does everything we could want it to do
- 34.00% Our system does some of what we want it to do, but could use a major upgrade
- 40.00% Our system does most of what we want it to do, but could do more

Larger companies—with revenues greater than $250 million—are more likely to report their current accounts receivable system doesn't do any or only some of the things they need it to do (47%), compared to companies with revenues under $250 million (24%).
How often do challenges with invoices arise that are outside the ability of your current payment processing systems which force your AR team to step in and resolve themselves?

- **80.00%** Multiple times a month or more (net)
- **52.67%** Multiple times a week or more (net)
- **20.00%** Multiple times a year or less (net)
- **19.33%** Daily
- **19.67%** Multiple times a year
- **33.33%** Multiple times a week
- **27.33%** Multiple times a month
- **0.33%** Never
- **52.67%** Multiple times a week or more (net)
- **20.00%** Multiple times a year or less (net)

This shortcoming is more pronounced for businesses whose AR teams are most backed up: those who say they are months or weeks behind or will never catch up; as well as those with 20% or more invoice payments delayed a month. Most CFOs (88%) in this segment report that their AR system does not do everything they could want it to do. Similarly, these CFOs are more likely to report that their AR system could use a major upgrade (47%).

Notably, four-fifths of CFOs (80%) report that multiple times a month or more challenges with invoices arise that are outside the ability of their current payment processing systems to resolve, forcing their AR teams to step in and resolve themselves.

Collaborative payment portals are defined as business-to-business invoice delivery and payment acceptance technologies that allow for two-way communication between your AR team and your customers’ AP teams in-application, allowing you to share invoices with customers but also leave questions and comments directly on invoices for internal and external teams to review and answer.
Businesses without collaborative payment portals forced to manually resolve challenges on nearly $3.7 million worth of invoices monthly

Each month, challenges arise on nearly $3.7 million worth of invoices that businesses’ existing payment processing systems cannot automatically resolve, forcing AR teams to step in and manually rectify themselves. Manual processing compounds payment delays, but more importantly, it keeps skilled AR teams working on routine—often administrative—tasks, preventing them from focusing on strategic collections initiatives.

How we figured this out:
Based on the average monthly invoice amounts cited ($6,073.00 excluding outliers), the average monthly invoice volumes cited (2,433 excluding outliers), and the percent of invoices that AR teams without collaborative payment portals must resolve themselves daily (25%), we estimate mid- to upper-midsized companies are forced to manually resolve challenges on $121,443.36 worth of invoices daily—or $3,693,902.25 monthly.
When pressures mount, collaborative accounts receivable payment portals prevail

CFOs face a variety of pressing invoice processing challenges, many of which—as the survey reveals—are best resolved using collaborative payment portals.

More than two-thirds of CFOs (69%) cite communication as a top challenge their AR teams currently face. Broadly, these top challenges include having to deal with:

- 47% A lack of relevant data transparency
- 47% Errors with data reconciliation
- 44% Internal communications
- 42% Pressures to see ROI
- 42% Communications with customers
- 37% Dispute management

99% of CFOs report facing at least one of these challenges.

The 69% citing communication as a top challenge includes respondents who cite internal communications and/or communications with customers.
Coincidentally, collaborative accounts receivable payment portals deliver exactly what CFOs want most—and need most, to address those challenges—from their AR automation solutions. More than two-thirds of CFOs (69%) report over-the-cloud communication (net) is most needed—including the ability to communicate over-the-cloud with internal stakeholders (43%) and with customers (41%).

Broadly—and beyond those features noted—the features CFOs want most include:

- **41%** Full transparency and access to relevant data and documentation
- **36%** A customer-friendly user interface
- **36%** Custom invoice delivery options
- **35%** Secure payment acceptance options
- **35%** Invoice line-item dispute management capabilities

100% of CFOs report wanting at least one of these features
Collaborative payment portals are well-suited to bridging the AR Disconnect

Those invoice processing logjams—an inability for stakeholders to collaborate effectively; inadequate technologies; operational silos—are all symptoms of the AR Disconnect, the widening gap that’s caused by miscommunications between a sellers’ accounts receivable team and their customers’ accounts payable team.

In a (not-so) remarkable concurrence of events, collaborative accounts receivable payment portals deliver the boosted productivity CFOs agree comes from greater collaboration, by actively working to bridge the AR-AP chasm by bringing stakeholders together, over-the-cloud.

Cloud-based technologies are preferred because those deployed on-premises do not deliver ground-up transformation. On-premises technologies fail to remedy underlying processes, increase capital expenditures, draw highly qualified resources away from core, profit-generating activities, and are inflexible. Learn why cloud-based software is necessary for boosting customer experience.
The top challenges accounts receivable teams are facing, filtered by collaborative payment portal deployment

<table>
<thead>
<tr>
<th>Challenge</th>
<th>% of CFOs without a collaborative payment portal facing this challenge</th>
<th>% of CFOs with a collaborative payment portal facing this challenge</th>
<th>Delta Δ</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of relevant data transparency</td>
<td>52%</td>
<td>43%</td>
<td>17.31% fewer</td>
</tr>
<tr>
<td>Errors with data reconciliation</td>
<td>52%</td>
<td>43%</td>
<td>17.31% fewer</td>
</tr>
<tr>
<td>Internal communication</td>
<td>49%</td>
<td>40%</td>
<td>18.37% fewer</td>
</tr>
</tbody>
</table>

In general, those without collaborative accounts receivable payment portals report greater delays among their AR team, with 43% saying they’re weeks or months behind or they will never catch up, compared to 35% with these portals.

The AR Disconnect is defined as the condition when accounts receivable processes and the technology that enables them do not align with the customer’s needs, creating a gap between the buyer and seller in the invoice-to-cash cycle.

Yet, an argument could be made than an investment in a standard payment portal is more favorable than staying put; however, these traditional solutions can only improve a business’ invoicing process so much.

Companies that do not have a collaborative accounts receivable payment portal report greater challenges in key areas than those with one. A lack of relevant data transparency is a greater challenge for those without a collaborative payment portal (52%, compared to 43% with one). Likewise, errors with data reconciliation are a greater challenge for those without a collaborative payment portal (52% without, compared to 43% with). The same is true with internal communication (49% without, compared to 40% with).
No time like the present: CFOs biggest hurdle is resistance to change

While intricacies abound when transforming operations—particularly financial operations—the data reveals that businesses are their own worst enemies. Despite acknowledging that promoting and maintaining connectivity is a prime objective as they seek to improve their invoicing processes, companies are slow to adopt modern communication methods most commonly found in collaborative accounts receivable payment portals.

To illustrate this, nearly half of CFOs (43%) cite email as the leading method of contact to resolve invoice errors; followed by phone (22%) and re-printing and mailing invoices (21%). Only 14% of CFOs are utilizing the cloud; the others are stuck using outdated, antiquated communication channels, not seeing any clear path forward.
PART 3:
Collaborative payment portals undeniably outpace standard payment portals with respect to customer experience

CFOs see immense value in collaborative accounts receivable payment portals for improving internal AR processes. However, there’s an incontrovertible belief that the benefits this technology delivers will extend far beyond Finance’s inner reaches. CFOs share a pragmatic optimism towards their customers also benefiting from them having implemented—or subsequently implementing—these tools.

Yet, these benefits are not equally shared amongst payment portals offerings. Our research reveals that CFOs believe their customers will receive greater benefit through implementing collaborative accounts receivable payment portals rather than standard payment portals.

With respect to customer experience, nearly all CFOs (99%) said that a collaborative accounts receivable payment portal would improve the overall customer experience more than a standard payment portal. Two-thirds said it would make a significant improvement.

Would a collaborative accounts receivable payment portal improve the overall customer experience more than a standard payment portal would?

<table>
<thead>
<tr>
<th></th>
<th>98.67%</th>
<th>33.00%</th>
<th>1.33%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes (net)</td>
<td>Yes, significantly</td>
<td>Yes, slightly</td>
<td>No</td>
</tr>
</tbody>
</table>

CFOs at mid- to upper-midsized companies are of a more emphatic belief: 75% of CFOs at companies with $250 million-plus in revenue say collaborative payment portals would significantly improve customer experience more than a standard payment portal, compared to 58% of CFOs in companies with less than $250 million in revenue.
When asked which would be more beneficial to their accounts receivable team, more than half of CFOs (54%) said the additional features of a collaborative accounts receivable payment portal, compared to 46% who said the functionality of a standard payment portal.

Which would be more beneficial to your accounts receivable team?

53.67%
The additional features of a collaborative payment portal

46.33%
The functionality of a standard payment portal

Notably, this gap widened for companies of 15 years or older (62%) and companies whose CFOs had tenures of 7 years or more (58%). More seasoned leaders and companies are more likely to be entrenched in traditional tools and operating mechanics. Technology that prioritizes collaboration beyond boosting efficiencies through basic automation is more disruptive and likely to have a more significant, transformative impact. This is reflected in how this segment responded.

CFOs believe their customers will receive greater benefit through implementing collaborative accounts receivable payment portals rather than standard payment portals.
How valuable collaborative payment portals are hinges on two things: visibility and transparency

For sellers’ customers to benefit from collaborative accounts receivable payment portals, CFOs admit the technology must deliver on certain criteria. Customers demand heightened visibility and transparency—across all interactions and operations they’re involved in. CFOs recognize this and acknowledge that payment portal technology should operate in service of this emerging need.

Our research reveals that nearly all CFOs (98%) agree that accounts receivable payment portals are more useful when they provide a way for their AR teams to collaborate with customers with all relevant information—like invoices, supporting documentation, conversation threads, payments, and dispute logs, etc.—readily available.

Do you agree AR payment portals are more powerful and useful when they provide a way to collaborate with customers with all relevant information readily accessible?

- 97.67% Agree (net)
- 2.33% Disagree (net)
- 56.00% Agree strongly
- 41.67% Agree somewhat
- 1.67% Disagree somewhat
- 0.67% Disagree strongly

This insight corroborates recently conducted research that found software’s impact on customer experience to be the factor that matters most in Finance and business leader’s purchasing decisions—more so than direct ROI. The belief that software is critical to improving customer relationships is so pronounced that technology is seen as increasingly valuable when it connects teams directly with their buyers.
Notably, what CFOs perceive as important functionality to be baked into payment portals aligns with this sentiment—that collaboration be the ubiquitous theme. This is evidenced by what CFOs rank as the 2nd, 3rd, and 5th most important abilities collaborative accounts receivable payment portals possess:

- Centralized visibility of customer interactions and account records
- Customers can make partial payments
- Customer can schedule payments
- Customers can authorize auto-payments
- Customers can make multiple invoice payments at one time
- Communication in-portal, over the cloud with internal teams and external customers
- Resolution of payment or invoice issues in-portal, over the cloud
- Customers can pay invoices using multiple payment methods (i.e., credit cards, ACH information, etc.)

When thinking about collaborative accounts receivable payment portals, rank the following abilities by their importance [top three ranked responses]:

- Customers can pay invoices using multiple payment methods (i.e., credit cards, ACH information, etc.): 47.67%
- Communication in-portal, over the cloud with internal teams and external customers: 43.00%
- Resolution of payment or invoice issues in-portal, over the cloud: 40.33%
- Customers can make partial payments: 35.00%
- Customer can schedule payments: 33.00%
- Customers can authorize auto-payments: 31.33%
- Customers can make multiple invoice payments at one time: 30.33%

Standard payment portals do not possess much of the functionality unique to collaborative accounts receivable payment portals. This strongly suggests that payment portals failing to provide services in support of boosting customer experience—or failing to solve core business use cases as defined by CFOs and interpreted as what’s most needed from an AR automation solution—are of lesser value.
Collaborative versus standard accounts receivable payment portals: CFOs see upgraded experiences delivering sweeping benefits for customers

What standard accounts receivable payment portals lack in functionality and connectivity, they gain in simplicity and ease-of-use. However, CFOs don’t see that trade-off as equal, instead believing that their customers will benefit from the upgraded experiences that collaborative payment portals can provide.

When asked what payment portal abilities their customers would find most valuable, all CFOs (100%) cited at least one of the following features. What’s most striking, however, is what features are top-ranked—or rather, which is ranked last.

The smallest percentage of CFOs—just over one-third (34%)—said that customers are more likely to value what standard payment portals deliver: that is, viewing invoice and account statuses. Instead, most CFOs see their customers most enjoying the perks afforded by collaborative payment portals.

What payment portal abilities would your customers find the most valuable?

- **82.33%** Payments (net)
- **100%** Any (net)

- **45.67%** Communicating with your AR team in-portal, over the cloud
- **39.67%** Paying multiple invoices at one time
- **37.67%** Making partial payments
- **37.67%** Viewing invoice and account statuses
- **40.33%** Viewing billing history
- **37.67%** Disputing invoices at the line-item level
- **34.67%** Paying single invoices in-full amount
PART 4:
How CFOs measure the ROI of a collaborative accounts receivable payment portal

Either as a net new investment—transitioning from not having any payment portal in their tech stack—or as an alternative to an already-implemented standard payment portal, CFOs see proven, quantifiable returns in investing in collaborative accounts receivable payment portals.

However, how those returns are calculated varies, with CFOs assessing the performance of collaborative payment portals across a spectrum of criteria. Here are the standards by which CFOs measure the ROI of these technologies. They measure them in their ability to:

- Increase account transparency and access to pertinent data (40%)
- Improve and log communication with customers (39%)
- Improve customer experience (36%)
- Improve their tech stack performance—by virtue of integrating with their ERP (35%)
- Improve their accounts receivable team's reporting capabilities (33%)
- Deliver AR team time-savings (33%)
- Reduce days sales outstanding (30%)
- Resolve disputes in a timelier manner (28%)
- Accelerate cash flow (24%)

Impact on CX more important than direct ROI

Interestingly, CFOs' ROI criteria are distinctly split, with measurements indicative of improved customer experience and better collaboration between AR-AP teams rising to the top, and measurements reflective of more direct labor efficiencies or time-savings settling nearer the bottom. This mirrors CFOs’ increasing involvement in front-office initiatives, like transforming the finance organization into a CX giant. Now, the software they use to achieve their goals is being measured appropriately.
CFOs value their staff’s skillsets, yet traditional dispute resolution processes—and invoicing and payment processing technologies—hamper their teams’ strategic impacts.

Impressively, only 14% of CFOs who are currently using collaborative accounts receivable payment portals experience daily challenges arising with invoices that are outside of the ability of their current payment processing system to resolve.

Having highly skilled workers needing to step in and resolve issues that have escalated during the invoice-to-cash cycle detracts from the time these experienced staff have to focus on priorities. How capable a payment portal is at resolving invoice challenges without human involvement is paramount, and success in this area bodes well for these technologies.
Accounts receivable teams with collaborative payment portals are absolved from having to manually resolve over $1.6 million worth of invoices monthly

Businesses using collaborative payment portals can reorient their skilled AR teams toward higher value, strategic work. The technology accomplishes this by automatically resolving more challenges on invoices their existing payment processing systems could not formerly handle. Businesses with these portals are freed by having 44% more cash automatically brought in monthly, without requiring their teams’ direct, human involvement.

Collaborative payment portals essentially improve collection effectiveness index (CEI)—the percentage of its receivables collected during a given period—days sales outstanding (DSO)—how fast a business collects receivables—and restabilize cash flows by boosting the efficiency and effectiveness of collection activities.

How we figured this out:
Mid- to upper-midsized companies without collaborative accounts receivable payment portals are forced to manually resolve challenges on $3,693,902.25 worth of invoices monthly. Seeing as those with collaborative payment portals experience daily challenges arising with invoices that are outside of the ability of their current payment processing system to resolve less frequently (14%, compared to 25%), we estimate that this cohort benefits from the time-savings granted by not having to manually resolve $1,625,316.99 worth of invoices monthly.
For CFOs, sustained ROI is ultimately a function of customer adoption

A successful deployment of customer-facing software—like payment portals—hinges on customers’ affinity for, and usage of, the solution. At the end of the day, regardless of accounts receivable payment portal type—standard or collaborative—customer adoption is the most critical variable to CFOs seeing sustained ROI.

Our research reveals that more than four-fifths of CFOs (86%) agree with this—reinforcing the need for payment portals to be highly adept at encouraging customer sign-up and prolonged use, for CFOs to extract the most value from them.

Versapay boasts the highest customer adoption rate in the marketplace at 82%, well above industry average.

How strongly do you agree or disagree with the following statement? Unless most of our customers use our payment portal, we won’t see a sustained ROI from it.

85.67% Agree (net)

43.00% Agree strongly

42.67% Agree somewhat

14.33% Disagree (net)

10.67% Disagree somewhat

3.67% Disagree strongly
In summary

Businesses looking to accelerate cash flow, drive efficiencies, and deliver exceptional customer experiences are turning their attentions to the much-maligned invoicing process. After all, with more than three-quarters (77%) of accounts receivable teams not up-to-date, nearly all delays can be traced back to poor invoicing practices—resulting from operational miscues and inadequate technologies.

Collaborative accounts receivable payment portals offer a bright path forward, offering virtually assured upgrades over their standard counterparts, and especially over CFOs’ existing systems. They prevail when invoicing challenges mount, are well-suited to bridging the AR Disconnect, and undeniably outpace standard payment portals with respect to customer experience.

With quantifiable returns—including an irrefutable, positive impact to customer experience, an ROI criterion of outsized importance—underpinning innumerable intangible perks, this technology will undoubtedly make your accounts receivable teams’ and customers’ invoicing and payment experiences exponentially more enjoyable.
About Versapay

Versapay is the leader in Collaborative Accounts Receivable. The Versapay Collaborative AR Network is the first solution that empowers the genius of teams by bridging the gap between suppliers and buyers through a shared, digital experience. Owned by Great Hill Partners, Versapay is based in Toronto with offices in Atlanta and Miami. With 9,000+ clients and 1,000,000+ buyers engaged, Versapay handles 40+ million new invoices and drives $60+ billion in global payment volume annually.