



IT SOLUTIONS • AI STRATEGY

Automated Accounts Payable/Receivable with Intelligent OCR (Optical Character Recognition)

Objective

Accelerate and error-proof accounts payable (AP) and accounts receivable (AR) by leveraging AI-driven OCR to automatically capture, extract, and process financial documents, reducing manual workload and cycle times for invoice and payment management.

Actors

- AP/AR managers and finance staff
- Controllers and accountants
- ERP and financial system users (Oracle Fusion, SAP, NetSuite, Coupa, Basware, HighRadius, Klippa DocHorizon)
- Vendors and customers submitting or receiving invoices and remittance advice

Business Problem

Invoice and payment processing remains slow, error-prone, and manual in most organizations. Human data entry introduces delays and mistakes, while high volumes of paper/PDF invoices, checks, and remittance documents create bottlenecks, compliance risks, and costs.

Solution

AI-enabled OCR systems ingest invoices and payment documents from diverse sources (scanned, PDF, email, EDI), extracting structured data fields (vendor, amounts, dates, PO numbers, line items) with high precision. Intelligent algorithms automate document classification, 2/3-way matching, approval workflows, and payment application, integrating directly with core ERP and cash management systems. Continuous learning and validation ensure improving accuracy and exception handling over time.

Key Functions

- Intelligent OCR for multi-format invoice and remittance capture, achieving 95–99% accuracy
- Automated document sorting, data field extraction, and entry into ERP/AP/AR systems
- PO/invoice/payment matching and discrepancy flagging with AI/ML
- Fraud detection and compliance checks during financial document processing
- Predictive analytics for payment/collection management and early discount identification
- Real-time dashboards and alerts for process bottlenecks, risk, and exceptions
- Seamless integration with leading ERP, ECM, and RPA solutions for straight-through processing

Business Flow

- Financial documents arrive via scanned copies, email, portals, or EDI
- AI OCR extracts all relevant data, validated against business rules and master data
- Matching, approvals, and cash applications are routed automatically; exceptions are flagged for review
- Finalized data is posted to ERP, with visibility for AP/AR managers and auditors; analytics support process improvement

Business Value

- Reduces invoice and payment processing costs by up to 30%
- Accelerates processing cycles, freeing staff from manual data entry and exception resolution
- Increases field-level accuracy, supporting auditability and compliance
- Enables scale and remote processing, boosting vendor and customer satisfaction

Product Mapping (Best-of-Breed Options)

- **Basware, Coupa Pay, HighRadius** — End-to-end AP/AR automation, intelligent OCR, and ML-powered validation
- **Klipa DocHorizon** — Next-generation OCR for finance, automated field extraction and PO matching
- **ABBYY FlexiCapture, Docsumo** — Advanced OCR and intelligent document processing for finance
- **Serrala, Vic.ai** — AI-driven invoice capture, cash application, and predictive cash flow
- **Pagero, Quadient, BlackLine** — AR automation with OCR-enabled dispute and payment handling

Oracle Product Mapping

- **Oracle Fusion Cloud Financials with Intelligent Document Recognition (IDR)** — Embedded OCR/AI for invoice, remittance, and payment automation, seamless ERP integration, and real-time analytics
- **Oracle APEX/OCI Document Understanding** — Custom low-code OCR-powered AP/AR solutions, extending native Oracle modules for advanced document understanding and workflow automation.