

Five ways 2020 changed everything

2020 was full of challenges. Accounts receivable departments had to deal with changing work environments, business disruptions, low cash flow and uncertainty.

Automation has played an outsized role in AR's ability to meet these challenges and adjust business practices.

1

83% of B2B firms changed their AR processes since the start of the pandemic. ¹

Manual and labor-intensive processes are being phased out.

2

61.3% have adjusted their payment terms. ¹

Offering longer payment terms will create cash flow challenges for suppliers.

3

49.1% have changed credit limits. ¹

Firms that had higher degrees of automation were more agile and flexible and in a better position to adapt, serve customers and bring cash in the door.

4

64% of firms are shifting away from physical invoices. ¹

In the B2B space, this includes what will likely be a permanent shift towards digitization, a desire for contactless experiences and a greater need for efficient and reliable cash flow.

5

7 out of 10 firms plan to digitize their AR processes within the next three years. ¹

World-class finance functions and AR departments operate at a 36% lower cost ² and 30% shorter average DSO. ¹

1. PYMNTS.com, American Express. *B2B Payments Innovation Readiness*. September 2020. <https://www.pymnts.com/study/b2b-payments-innovation-readiness-report-american-express-september-2020/>

2. The Hackett Group. *Transforming Finance to Prevail in the Next Normal*. September 2020. <https://www.thehackettgroup.com/world-class-performance-20q3fin/>