The State of AP Maturity 2026: Closing the Gaps Between Partial and Unified Automation

What today's finance teams are getting right, the challenges they face, and why a unified approach to AP automation is the only way forward, based on a survey of 200+ finance leaders.

ottimate

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Introduction

“Good enough” isn’t good enough anymore.

Accounts payable (AP) teams are under more pressure than ever to move faster, achieve near-perfect accuracy, and deliver strategic insights that drive the business forward. Yet many are expected to do it all with leaner teams and fewer resources.

Many teams have turned to automation to meet these growing demands, but most take a piecemeal approach. While automating one or two steps in the AP process may seem like progress this approach creates more chaos than control. Disconnected systems, manual processes, and inconsistent data still remain.

One thing is clear: “good enough” automation isn’t good enough anymore. While it may check a box, it doesn’t truly solve the deeper problems of inefficiency, risk, and lost opportunities.

It’s time to rethink what automation really means for AP teams.

To understand where companies actually stand, we surveyed more than 200 finance leaders about their current level of automation, the challenges they still face, and their plans to close the gaps. In this report, you’ll get a clear view into how your peers are managing the invoice-to-payment lifecycle, what’s holding them back, and why unified AP automation is the key to closing the gaps that expose businesses to profit leakage, operational inefficiency, and fraud.

The growing volume problem in AP

When half of finance teams are processing over 5,000 invoices a month, the question isn't whether AP teams are busy. **It's whether their processes are built to keep up.**

For many organizations, the answer is no. Nearly four in ten organizations report it takes 5 or more days to process a single invoice, well above the best-in-class invoice processing time of 3.4 days.

50%

Of finance teams process 5,000+ invoices each month.

3.4 DAYS **Best-in-class invoice processing time**

Source: Ardent Partners

While that timeline may not seem particularly problematic, it quickly becomes unmanageable when multiplied across thousands of invoices. It's also expensive. According to Ardent Partners, the average cost of processing a single invoice is just under $10.

38% **Of organizations take 5+ days to process a single invoice.**

The growing volume problem in AP

Slow payment cycles lead to late fees, missed discounts, strained vendor relationships, and limited visibility into cash flow.

Constantly keeping up with a high volume of invoices also leaves finance teams with no time for strategic work and analysis that moves the business forward.

There's also major financial risk. If a team manually handles 5,000 invoices a month, even a seemingly small error rate of 10% means 500 potentially costly mistakes.

AI-powered AP automation can process complex invoices in seconds with an accuracy of 99.5% for header-level capture.

5,000 monthly invoices **at a 10%** error rate

= 500 potentially costly mistakes each month

The message is clear: high invoice volume and slow processing times damage productivity and open the door to serious financial risk. But partial automation isn't enough to keep up with the demands on finance teams. In fact, this approach actually makes matters worse by creating siloed processes and inconsistent data.

Automation spotlight
Prime Steak Concepts

Processes 4,000 invoices monthly across its restaurant group. After switching to unified AP automation, the team spends less time manually handling invoices and more time on growth initiatives.

Why today's automation is failing AP teams

Today, most finance teams are attempting to modernize, with 93% having at least some level of automation in their AP processes. While that seems promising on the surface, a deeper dive into the data reveals a different story.

Current Level of Automation in AP Process

7% **No automation:** Invoices and payments are processed manually

89% **Partial automation:** Some blend of automation and manual processes

4% **Fully automated:** Invoices and payments are processed automatically with no manual work

The vast majority (89%) of organizations still rely on a combination of automation and manual workflows, meaning they handle key steps such as coding, reconciliation, and payments by hand. **Only 4% of organizations have fully automated AP** from invoice to payment with no manual touchpoints.

This fragmented approach creates disconnected systems, inconsistent processes, and data silos that actually make finance teams' lives harder, not easier.

Most attempts at automation focus on narrow improvements, with invoice status tracking, duplicate detection, and matching invoices to POs topping the list. It's easy to assume these improvements will help, but on their own, they're not enough to make a real impact.

Most AP common automation use cases:

- **Invoice status tracking**
- **Duplicate detection**
- **Matching invoices to POs**

48%

Of finance professionals report little to no cost savings from their AP automation tools.

Even cost savings fall short. Nearly half (48%) of finance professionals report their automation tools deliver minimal or no cost savings. Though concerning, this finding isn't surprising given how much manual work still remains when automation is only partial.

Partial automation may seem like a step in the right direction. But it actually sets the stage for some of the key challenges finance teams face every day.

Where partial automation falls short

Even with some automation tools in place, many finance teams still face daily frustrations that slow them down and open the door to avoidable risk.

Manual data entry is the most significant pain point for finance teams. Inconsistent processes and integration challenges are other common themes that cause major headaches.

TOP FRUSTRATIONS WITH CURRENT AP PROCESS

48% Manual data entry

39% Individuals or teams do not follow the correct AP process, causing delays

38% Invoices require manual review

37% Invoices arrive in multiple formats (PDF, email, standard mail, etc.)

36% Lack of integration with my organization's other systems

These issues create inefficiency gaps across the entire invoice lifecycle, particularly around invoice ingestion, workflows, and approvals. Instead of eliminating manual work, partial automation just shifts it to a different stage of the process. Teams are still left overwhelmed and ill-equipped to do their jobs effectively and efficiently.

Most AP teams consider their core processes to be inefficient. More than half say their invoice ingestion and approval workflows don't perform well.

Critical areas like three-way matching, cash flow forecasting, and financial planning insights, and compliance support are falling particularly behind.

Even when processes seem to be functioning "good enough" on the surface, inefficiencies are lurking beneath it. These slowdowns drain time and resources, increase error rates, and prevent teams from focusing on work that drives growth and maximizes profits.

The reporting burden limiting financial visibility

Closing the books may seem straightforward in theory. But in practice, it's one of the most time-consuming and stressful responsibilities AP teams must manage. More than half of finance teams (51%) spend six days or more closing their AP books, which extends well beyond best practice.

Gen4 DENTAL PARTNERS

Automation spotlight

Processes 6,000+ invoices across 103 offices. Thanks to full AP automation, month-end close time has dropped significantly.

Reporting inefficiencies add another layer of stress. Over half (52%) of teams spend 11 hours or more running reports each week, and one in four say they often need to re-run reports due to errors or missing data.

52% **of organizations** spend 11 hours or more each week running reports

1 in 4 teams

Frequently re-run financial reports due to errors or missing data.

Manual reporting continues throughout the month, too. More than half of teams review vendor-level spend reports at least once per month, which is a tedious task when data is scattered across systems and requires manual manipulation.

53% Of organizations review vendor-level spend reports at least once per month.

When teams are knee-deep in manual reporting and reconciliation, real-time visibility into accurate financial numbers is impossible. That means leaders are forced to make decisions based on unreliable data, which increases risk and slows

How fraud and overpayment are outpacing manual safeguards

As AI evolves, fraud is getting more sophisticated and harder to detect. The manual processes and disconnected systems that define partial automation make organizations especially vulnerable.

Four in 10 (41%) of organizations have experienced invoice fraud or overpayment in the last year. This number is alarming enough. But the true figure is likely higher since many fraudulent payments aren't identified until well after they occur, if they're caught at all.

41% of organizations Have experienced invoice fraud or overpayment in the last year.

TOP FINANCIAL CONTROLS IN PLACE

52%	Manual view of all invoices before payment
50%	Require two or more approvers before releasing a payment
49%	Regular audits or reconciliation of AP activity
48%	Vendor verification procedure (e.g., validating banking info changes)
44%	Flagging anomalies in invoices
44%	Role-based access controls in financial systems

Many teams believe time-intensive controls like manual reviews and multi-level approvals can keep fraud and overpayment at bay. But these guardrails rely on human judgement, disconnected systems, and delayed visibility.

That means errors are hard to catch in time and fraudulent activity and overpayment are inevitable.

Turning automation expectations into real results

Finance teams face a wide range of AP-related challenges, and most believe that AP automation can help solve them. The top expectations of AP automation include reducing manual work and saving time. Nearly half of finance professionals also expect AP automation to reduce duplicate payments and prevent fraud, a sign that in addition to efficiency gains, teams also seek protection and control.

What finance teams expect from AP automation:

- Reduce time spent on manual data entry
- Streamline worflow across teams
- Reduce duplicate payments or invoices
- Match invoices to purchase orders
- Speed up invoice approvals
- Provide invoice status updates
- Prevent fraud or suspicious activity
- Classify invoices to correct accounts
- Lower overall invoice processing costs

Of course, expectations don't deliver results. Impact depends on how automation is implemented, and as we've explored throughout this report, a partial approach simply isn't enough.

Today, high-performing organizations are investing in Unified AP automation that leverages AI to not only speed up processes, but also detect anomalies, flag suspicious activity, and catch errors before payment goes out. In other words, AI-powered automation is becoming the most effective line of defense against increasingly AI-powered fraud attempts, while also delivering real performance gains across the entire organization.

ehs business solutions

Automation spotlight

Cut invoice processing time by 75% and scaled capacity 5x by moving from manual workflows to fully automated AP.

What it takes to move from hesitation to action

While most finance professionals recognize automation's potential, many remain cautious. Cost is the most common concern when adopting automation in the AP process, followed by integration complexity and uncertainty around ROI. These are valid concerns, especially when teams are wary of investing in yet another one-off automation tool that leaves manual work, siloed systems, and disconnected data in its wake.

TOP 3 AUTOMATION IN AP CONCERNS

- **50%** - Cost
- **49%** - Difficulty Integrating with existing systems
- **40%** - Unclear return on investment

That said, there is a clear path forward. Finance leaders indicate they're most influenced by solutions that integrate easily with existing systems, deliver measurable efficiency gains, and provide clear, quantifiable ROI. When automation feels unified and easy to implement, hesitation shifts to action.

TOP AP AUTOMATION ADOPTION INFLUENCERS

40% Easy integration with existing systems

37% Workflow efficiencies

40% Easy implementation process

40% Proven return on investment or cost savings

When these expectations are met, AP automation stops being viewed as a cost. Instead, it's seen as a strategic investment that improves accuracy, reduces risk, and frees teams from tedious work.

Adding another standalone automation tool to an already bloated tech stack won't cut it. Finance leaders want tools that work together, eliminate manual steps, and deliver measurable impact across the business. Only a unified, intelligent automation approach can meet these expectations and deliver real impact.

Why a unified approach to AP automation is the way forward

A lack of automation isn't the problem. The real problem is that many organizations take a piecemeal approach, which involves cobbling together tools and manual steps that don't work well together.

Instead of improving efficiency, partial automation just adds more layers of complexity. Teams must manage multiple tools, duplicate work across siloed systems, and constantly fix errors caused by unreliable data. With partial automation, slower payments, higher error rates, and a greater likelihood of fraud are the norm.

PACIFICA HOTELS

Automation spotlight

Processes 7,000+ invoices across 30+ properties. After unifying AP automation, the company gained real-time visibility and eliminated manual invoice routing across locations.

Only a unified AP automation platform can calm the chaos by connecting the entire invoice-to-payment lifecycle in one place. With a single source of truth, real-time visibility, and built-in AI-powered controls, teams can reduce manual work, stop mistakes in their tracks, and navigate the entire invoice-to-payment lifecycle with confidence.

Unified automation isn't just about speeding things up. It's about transforming AP from a reactive process to a strategic advantage that boosts accuracy, builds relationships, and protects the business from risk.

Partial automation was a necessary first step, but it's no longer enough. With rising complexity and risk, the competitive gap between unified and fragmented automation will only continue to grow. Now's the time to make the shift.

How finance teams can close the automation gaps

While finance leaders believe in the power of AP automation, investing in isolated tools isn't enough to unlock its full potential.

Here are some practical actions to take to close the partial automation gaps, based on this year's research.

1. Identify manual bottlenecks
Determine where your AP process still relies on manual work. Automating these seemingly minor inefficiencies can add up to major cost and time savings.

2. Strengthen system integration
Siloed systems create duplicate work and incomplete data. Make sure your AP automation tools integrate with your ERP, accounting, and reporting tools so data flows automatically, your numbers are reliable, and no duplicate work is needed.

3. Focus on usability and ROI
The easier a tool is to use, the greater the adoption. Invest in an automation platform that's easy to learn and use so you can see measurable gains as soon as possible.

4. Use AI to improve accuracy and bolster protection
Human-powered controls are error-prone. With an AI-powered platform, you can flag issues before they become costly errors.

5. Build visibility and compliance into your processes
Real-time reporting and built-in controls reduce the risk of fraud and overpayment while giving finance leaders the insights they need to make smarter decisions.

Ready to eliminate manual work and take control of AP? Book a demo with the Ottimate team to see what unified AP automation looks like in action.|

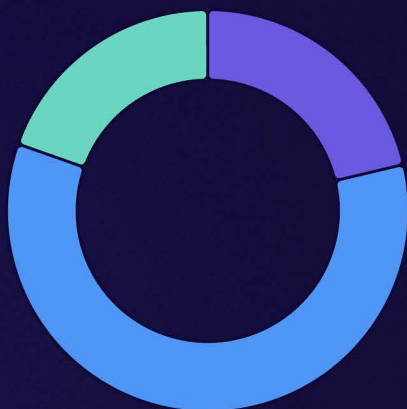
BOOK A DEMO

Research methodology

This report is based on an online survey of 225 finance leaders across health care, hospitality, and retail industries across the United States, fielded in September 2025.

Industries

- **Retail: 19.6%**
  (Department Store, Grocery, Apparel, etc)
- **Health Care: 21.3%**
  (Senior Living, Urgent Care, Pharmacy, etc)
- **Hospitality: 59.1%**
  (Hotels, Restaurants, etc)



Annual Revenue

- **$250M - $499M: 17.8%**
- **$50M - $99M: 21.3%**
- **$100M - $249M: 29.3%**
- **$20M - $49M: 31.6%**

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AP tools used