ESSENTIALS GUIDE FOR UK LEADERS

From Inherited to Designed: 7 Steps to Ready Your AP Function for AI



Most finance leaders inherit their AP process rather than design it. It accumulated - one reasonable decision at a time, across sites, systems and predecessors - until nobody could say why it works the way it does. That matters more in multi-site businesses than almost anywhere. Invoices arrive, supplier counts run into the hundreds per site, and volume swings with demand rather than headcount.

AI adoption is accelerating and boards are asking what finance is doing about it. But research shows only 15% of UK organisations have fully automated their AP processes.

The gap between AI interest and AI impact is not a technology problem. It's a design problem. Automation makes a process permanent - so the question is whether the process deserves to be. This guide sets out seven steps to answer that before you deploy anything.

STEP 1

START WITH THE PROCESS YOU HAVE

The most common mistake in AP transformation is letting the technology lead. Before evaluating any AI tool, establish whether the process you are about to automate was designed for the business you run today - or inherited from a version of it that no longer exists.

A control added after an incident, an approval step for a director who has since left, a workaround from a system migration that became permanent just because it worked. Each was reasonable at the time, but together they produce a process nobody would design from a blank sheet.

15%

of organisations have fully automated their AP processes. ***Having an ERP is not the same as having automated AP. Even with one in place, 56% of invoices still require manual intervention.***

ASK YOURSELF: If you were designing your AP process today, for the business you run now, how much of it would survive?

STEP 2

DIAGNOSE THE ROOT CAUSE

Manual effort, delay and exception volume look identical whatever is causing them. But there are only four root causes, and they have different remedies: tooling, process design, governance, and organisational readiness.

Only the first is resolved by buying software. Process design problems get digitised. Governance problems get encoded and preserved. Readiness problems mean nothing you implement will hold. Misdiagnosis is expensive, and the bill arrives at implementation.

58%

of finance professionals say their current systems don't give them enough control to fix known AP delays. ***Knowing where the delay is isn't the same as being able to fix it.***

ASK YOURSELF: Which of the four causes is actually operating in your AP function - and how would you prove it?

STEP 3

MAP THE EXCEPTIONS, NOT THE HAPPY PATH

The straightforward invoices were never the problem. What consumes an AP team is the residue: the PO mismatch, the invoice that arrives without one, the coding that fits no existing rule, the approval that stalls without explanation.

These are the items that displace planned work, and they are why AP capacity is so difficult to forecast. Design for the exceptions and the majority takes care of itself. Design for the majority and the exceptions will define your outcome.

ASK YOURSELF:
What proportion of your team's week goes on exceptions rather than planned work - and can you answer that with a number?

STEP 4

SETTLE GOVERNANCE BEFORE YOU ENCODE IT

An approval matrix in a policy document can be changed in an afternoon. The same matrix configured into a system is considerably harder to move. Whatever is wrong at go-live becomes durable.

Check thresholds and delegations against how the business actually operates, and look for workarounds. Wherever people have built a route around a control, that control has stopped fitting reality. A control that is routinely circumvented is not being enforced — it is being tolerated.

77%

of UK finance leaders agree that AP automation reduces compliance risk and makes audits less stressful. ***That only holds if governance is right before it is automated.***

ASK YOURSELF: If something went wrong in your AP process today, would the audit trail stand on its own, or would it need someone available to explain it?

STEP 5

BE PRECISE ABOUT WHAT AI CHANGES

The case for AI is usually made on data capture, which understates it. Extraction accuracy was largely solved before this generation of tools.

The material change is in exception handling: **line-level matching, coding by inference rather than fixed rule, and routine exceptions resolved without human involvement.** Where this is working properly, 70–80% of invoices should be processing touch-free at 99%+ extraction accuracy.

75%

of UK finance leaders agree AI will free finance teams to focus on more strategic work. ***The appetite is not the constraint. The sequencing is.***

ASK YOURSELF: Which of your recurring exceptions are created by the AP process, and which are created upstream of it?

STEP 6

SET THE BASELINE THAT WILL PROVE VALUE

Invoice volume and cost-per-invoice are useful operational metrics, but they improve in almost every deployment - including the disappointing ones. They will not tell you whether the redesign worked.

Measure the things that describe capability: the proportion of the week spent on exceptions, decision latency between an invoice becoming ready for approval and being approved, touch-free rate, and audit preparation time. For reference, finance teams running a properly redesigned process typically see 80%+ reductions in manual processing time and 70%+ of invoices handled touch-free.

81%

of UK finance leaders agree that improving invoice accuracy makes financial reporting more reliable – ***connect your AP metrics to the outcomes that matter most.***

ASK YOURSELF: What three measures would tell you, beyond doubt, that this was worth doing - and could you produce them today?

STEP 7

SECURE THE MANDATE, NOT JUST THE BUDGET

Redesign has no vendor and produces no demonstration, which makes it easy to fund the technology and skip the process work. Transformation stalls when it becomes 'the finance team's project', because most of the friction originates outside finance.

Bring the teams that own purchasing, operations, and day-to-day management into the conversation early as partners whose perspective strengthens the outcome, not as gatekeepers. Treat the first implementation as a foundation: choose something that sits alongside your existing ERP, absorbs rising volume without proportional headcount, and adapts as compliance requirements tighten.

79%

of UK finance leaders say rising invoice volumes would trigger investment in AP. ***Build the infrastructure before the volume forces the decision.***

ASK YOURSELF: If your invoice volume doubled in the next 18 months, would your current process cope - without doubling headcount?

Statistics sourced from Kefron's independent research into UK finance professionals, conducted by Censuswide, January 2026.

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Design comes before deployment

Automation makes a good process permanent. Fix the flow first.

Book a complimentary AP redesign review. We'll walk through your actual invoice flow, identify which of the four root causes are driving the friction, and show you what a redesign would improve.