

What is Workflow Automation?



If you had the opportunity to boost the efficiency, accuracy, and effectiveness of all your business processes, would you take it, or sit back and let your competition pull ahead?

In today's competitive global economy, organizations dedicated to achieving their goals need every edge they can get.

Technologies such as *workflow automation* are becoming an increasingly essential part of a successful business strategy.

By understanding how workflow automation tools work, you can more effectively implement them and begin to reap the benefits that come with reduced human error, fewer bottlenecks, and greater overall productivity and profitability.

What is Workflow Automation?

Is your company operating at peak efficiency? Are the tasks performed by your staff as streamlined and accurate as they could be?

Are those same staffers making the best use of their time? If the answer to these and other questions is "no," then workflow automation might be just the ticket to help your company get back on the track to growth and a healthy return on

investment (ROI).

In essence, workflow automation is a business process management (BPM) tool. It's all about identifying and optimizing the tasks performed by your staff.

It looks beyond manual processes to incorporate applications and technology tools like artificial intelligence, centralized data management, and (unsurprisingly) process automation.

Depending on your business, the tasks you choose to automate can radically transform your workflows. The tasks best suited to automation are:

- Basic (If/then processes, with allowances for contingencies)
- Predictable, repetitive tasks—e.g., data entry, automatic email replies, scheduled social media posts, collecting information from new employees, vendors, or customers, etc.
- Processes that can suffer from bottlenecks if left unattended—e.g., purchase order approval workflows, payment authorizations, etc.

Different organizations have differing reasons for implementing workflow automation tools.

That said, tools such as workflow automation software bring a set of improvements to all business processes, including:

- Greater productivity and efficiency.
- Improved staff morale (less drudgery, fewer repetitive tasks, higher job satisfaction).
- Improved accuracy of both data and task execution.

These are broad descriptions, of course, and depending on the workflow automation solution you choose, your business can enjoy more specific improvements built around the business processes that matter most to you.

The greater the efficiency and accuracy of a process, the faster it can be completed—without the need for costly, time-consuming corrections or adjustments.

The Benefits of Workflow Automation

One of the most compelling arguments in favor of workflow automation is its versatility.

It can be applied to business processes in almost any department, including human resources, accounting and finance, marketing, and, of course, procurement.

Regardless of your industry or business unit, choosing to automate manual tasks can transform your workflow management for the better.

Procurement in particular benefits from the use of workflow automation tools built into a comprehensive, cloud-based procurement solution such as PLANERGY, which brings not just workflow automation, but deep data analysis, centralized data collection, organization, and management, and improved supplier management to the table.

Process Clarity

Applying machine learning to manual processes not only transforms time-consuming and repetitive tasks into drag-and-drop, set-and-forget workflows, but helps you identify opportunities to make them even more effective.

Consider your approval workflows for purchase orders and invoices.

Using a paper-based, manual process, a crucial order or payment could get stuck in a bottleneck, lost in the mail, or suffer from a variety of human errors, from data entry SNAFUs to the wrong vendor information leading to a late or duplicate payment.

Using spreadsheets in a program such as Microsoft Excel mitigates this issue somewhat, but doesn't allow for truly transformative improvements.

Workflow automation removes the need for human intervention while simultaneously laying bare the roles and responsibilities of all parties involved.

Reminders keep documents flowing in a timely manner, so there's no fear of lost orders, production shortages, missed discounts, or angry vendors charging late

fees.

Real-time monitoring and centralized data storage make communication and collaboration easy and intuitive; there's never any confusion or question about the status of a PO or invoice, because everyone can see its status in real time.

Improved Accountability

The same transparency that removes delay and confusion also improves accountability.

Process benchmarks, formalized business rules, and automatic reminders keep everyone on task, and total visibility makes it clear at a glance who should be doing what, when they should be doing it, and any problems that might be holding up the works.

And since all tasks are monitored and all data is recorded, it's easy to set benchmarks for performance and refine processes using key performance indicators (KPIs).

In addition, tasks like vendor onboarding, which used to involve multiple folks across different departments shuffling documents back and forth in a flow ripe for confusion and error, can now be largely automated through the use of vendor portals.

Aspiring suppliers provide their information and submit it for review and qualification through automated workflows; existing suppliers can connect to the system to update order information, send an eInvoice, or provide vendor-specific services.

Here, too, KPIs improve accountability and performance, by routing vendor compliance and performance data directly into your system for monitoring and review.

Lower Cycle Times, Greater Security

The greater the efficiency and accuracy of a process, the faster it can be completed—without the need for costly, time-consuming corrections or adjustments.

The procure-to-pay (P2P) process, connecting procurement and accounts payable (AP) with your entire organization via spend, is a powerful source of potential value growth when automated.

Multiply small improvements across the hundreds or thousands of purchase orders and invoices your company processes each day, week, month, and year, and you'll soon notice a healthy boost to your bottom line.

In addition to process improvements, workflow automation also improves the security of your spend.

A closed system that automatically connects buyers with the right vendor at the right price and terms for any given good or service is strong against rogue spend and invoice fraud.

With no exceptions to chase and fraudsters blocked at the door, your company gains value through more effective use of staff time and higher profits.

Real-Time Data and Document Management

Automating your workflows provides concrete and immediate improvements across your entire procure-to-pay process.

But with a complete procurement suite like PLANERGY, you gain even greater benefits from continuous process improvement in the form of real-time data that's ripe for analysis.

Powerful data analytics can spot potential problem areas in your workflows before they become crises.

Full data transparency means fully accurate forecasts and reports, as well as smarter, more strategic decision making and planning.

Workflow software collects and organizes performance data used to streamline your supply chain while preserving or improving performance, partner with your best suppliers to pursue mutually beneficial innovation or growth opportunities, and improve your bargaining position during contract management.

Better Communication and Collaboration

It's easy to overlook the human element when discussing the more powerful benefits of automated workflow processes.

But while workflow automation software like PLANERGY operates in the digital realm, the flesh-and-blood team members using it gain intangible benefits from its efficiency improvements.

Consider this: All of your data, in a single place, backed up in the cloud. Automated alerts, replies, and updates eliminate the need for loop-backs and email tag.

Level-appropriate, mobile-friendly, access to essential information for your entire team, whether they're in the office, on the go, or working half a planet away.

Real-time collaboration and data manipulation (including generating reports and creating forecasts and planning scenarios) reduces confusion, miscommunication, and delays.

Bringing vendors into the fold using the same workflow tools makes it easier to develop, preserve, and improve essential supplier relationships.

Automatic contingencies mean the folks who need to get the job done are always in the loop, and your company doesn't lose value from wasted time or resources.

Why You Should Use Workflow Automation

Digital transformation is rapidly redefining the modern workplace, and one of the reasons workflow automation is growing in popularity is the widespread prevalence of automatable tasks.

A 2018 study by research firm McKinsey Digital found that 45% of tasks performed in more than 800 professions could be readily automated, including product demonstrations, answering frequently asked questions (FAQs), and sales transactions.

In addition, McKinsey found that more than 60% of those 800 professions could

free up as much as 30% of their work hours using automation.

With low-level, low-value tasks like data entry, sales leads generation, document processing, etc. automated, staff have more time to dedicate to high-value, strategic tasks that require human intelligence and skill.

In fact, the study found that just 4% of common workplace tasks require any human creativity at all, and a mere 29% demand a human understanding of emotion.

While that might seem like an indictment of modern business practices, it's actually a promising opportunity; using process automation, the drudgery of time-consuming, repetitive tasks is transferred to computers, freeing human workers to bring their uniquely human creativity, skills, and expertise to more ambitious and strategically important endeavors supporting organizational goals.

The result? Happier, more productive staff, lower operational costs, and improved efficiency and accuracy across procurement function—and, because procurement touches every aspect of your company, *all* your business units.

Make Workflow Automation Part of Your BPM Plan

Investing in continuous improvement is a surefire strategy for growing your business.

Workflow automation makes it possible to extract maximum value and savings from all your processes, improves staff performance and morale, and creates a business environment where innovation, growth, and strategic thinking can flourish.

What's your goal today?

1. Use PLANERGY to manage purchasing and accounts payable

We've helped save billions of dollars for our clients through better spend

management, process automation in purchasing and finance, and reducing financial risks. To discover how we can help grow your business:

- Read our case studies, client success stories, and testimonials.
- Visit our “Solutions” page to see the areas of your business we can help improve to see if we’re a good fit for each other.
- Learn about us, and our long history of helping companies just like yours.

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2. Download our guide “Preparing Your AP Department For The Future”

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