

10 Ways AP Automation Works Harder in Community Association Management

Uncover the Hidden Cost-Saving Benefits of AI-Enhanced Software



Introduction



The Value of AP Automation in CAM

Automating accounts payable (AP) can yield a significant return on investment (ROI) for CAM companies by helping to reduce operational costs and increase efficiency.



The community association management (CAM) industry is bustling, with approximately 25–27% of Americans living in managed communities, compared to about 1% in 1970.^{1,2} That growth shows no sign of stopping – The U.S. Bureau of Labor and Statistics expects faster than average job growth in the industry through 2033.³

However, the industry is experiencing a talent shortage, with not enough qualified candidates to fill open roles.⁴ As a result, some CAM companies are looking towards technology to help employees do more with less.

Rising materials costs in 2025 could put CAM budgets in an even tighter squeeze, as planned infrastructure updates may cost more than expected.⁵ This pressure has the potential to cause CAM companies to look for other areas to trim costs.

Automation can help these organizations maximize efficiency, especially in finance and accounting. AP automation helps streamline workflows, enabling faster, more accurate invoice processing while helping reduce paper, postage, and labor costs. Faster processing can also unlock early payment discounts, boosting savings.

Beyond cost reductions, automation can provide valuable data insights, enhancing cash flow management and supplier negotiations. Built-in security features help mitigate fraud risks. And automation frees staff for strategic tasks, helping improve job satisfaction and talent retention.

Read on to learn 10 unexpected ways AP automation can bring cost-saving benefits to help your CAM company operate more efficiently in 2025.



Determining the ROI of implementing an AP automation solution involves comparing the tangible and intangible benefits against the costs.



Key Takeaways

Having automated systems reduces labor cost per invoice by up to 70%.⁶

Companies using high levels of automation can reduce processing cost per invoice by \$7.01.⁷

Companies using AP automation can process payments 14+ days faster.⁸

Seventy-five percent of AP departments that use an automated solution to process and/or pay invoices believe it has helped prevent payment fraud losses.⁹

Fifty-five percent of community association professionals said that leveraging technology to improve efficiency was a key aspect of their revenue generation strategy.¹⁰



“Time is probably the biggest thing that we lack in this business. To have some back [because of AP automation] is great.”

– Christine Connery,
Community Association
Manager, Property
Management Systems, Inc.¹¹

Labor is the most expensive aspect of AP operations. Having automated systems reduces labor cost per invoice by up to 70%.⁶



01

Do More with Less

Manual processing involves labor-intensive tasks that require time and resources, leading to higher operational costs. By automating these processes, CAM businesses can reduce the hours spent on AP tasks, lowering labor-related expenses.

AP automation will not eliminate the jobs of your AP team, but it will usually help you scale without adding headcount and free up time for your existing team. Team members can process invoices and payments faster and spend less time on repetitive tasks like invoice matching.



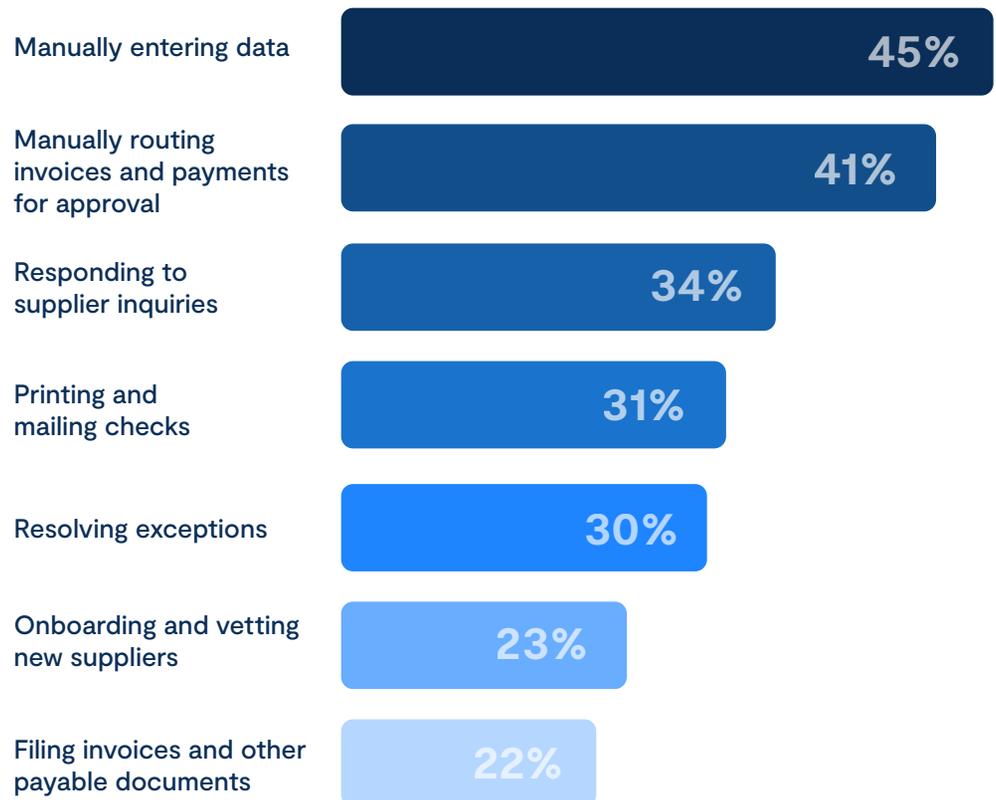
Manual AP tasks like data entry, invoice matching, and chasing approvals are repetitive and time-consuming. Automating these processes allows employees to focus on more strategic and rewarding activities, which can boost morale while lowering turnover rates and recruitment costs.

02

Increase Employee Satisfaction

One of the most significant advantages of AP automation software is increased employee satisfaction, reduced burnout, and more flexibility for remote work. Our 2024 AP Career Satisfaction Report conducted with the Institute of Finance & Management (IOFM) found that automating AP leads to higher job satisfaction and improved work-life balance.¹²

Which of the following tasks would you most like to eliminate from your workday?



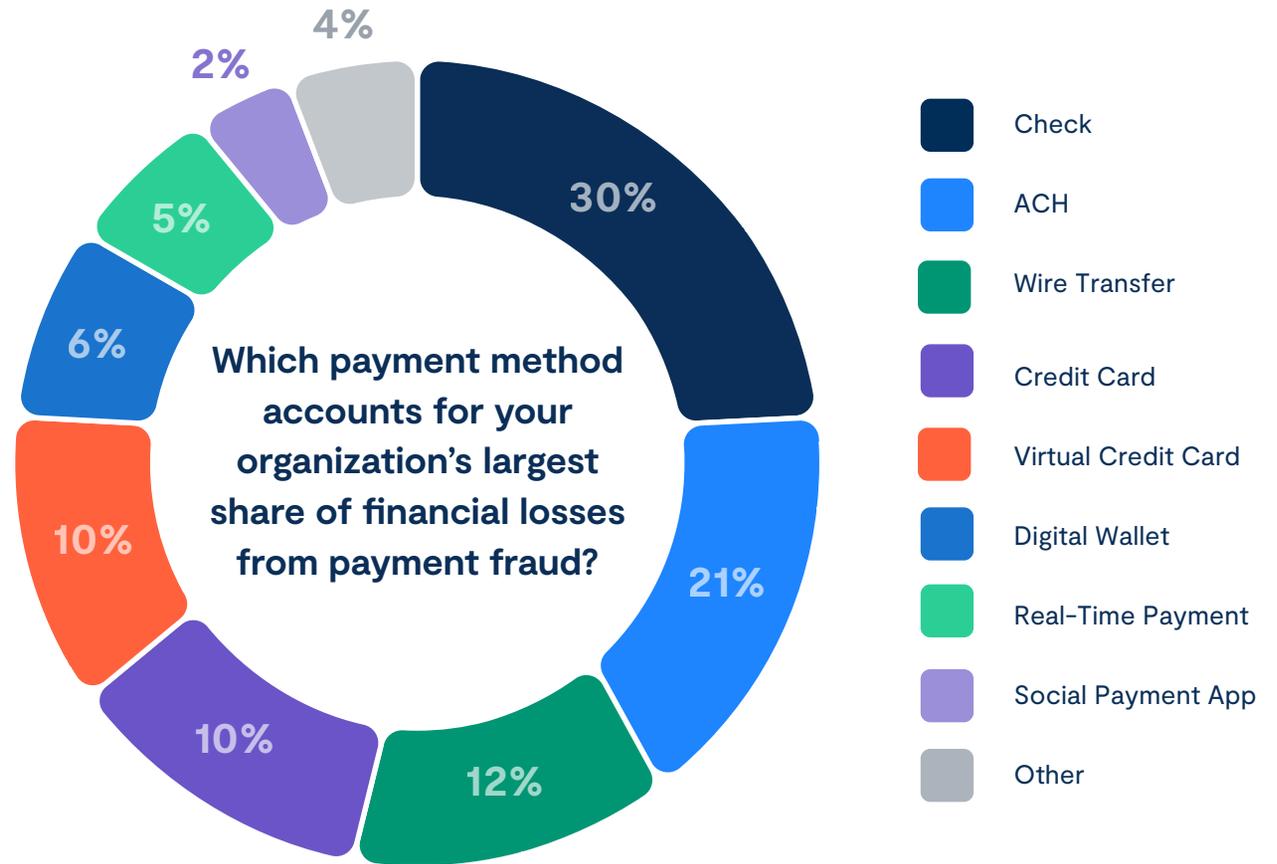
Source: IOFM 2024 AP Career Satisfaction Survey¹²

03

Mitigate Fraud Risks

Dealing with payment fraud can be time-consuming and expensive. Using less-secure AP processes can lead to financial loss and reputational damage for CAM companies.

Some AP automation systems can detect potentially fraudulent invoices with AI to help bolster financial security and mitigate associated costs.



Source: IOFM B2B Payment Fraud Survey⁹

Seventy-five percent of AP departments that use an automated solution to process and/or pay invoices believe the solution has **helped prevent payment fraud losses.**⁹



Leveraging automation tools with embedded business intelligence solutions helps inform decision-making and ease reporting.



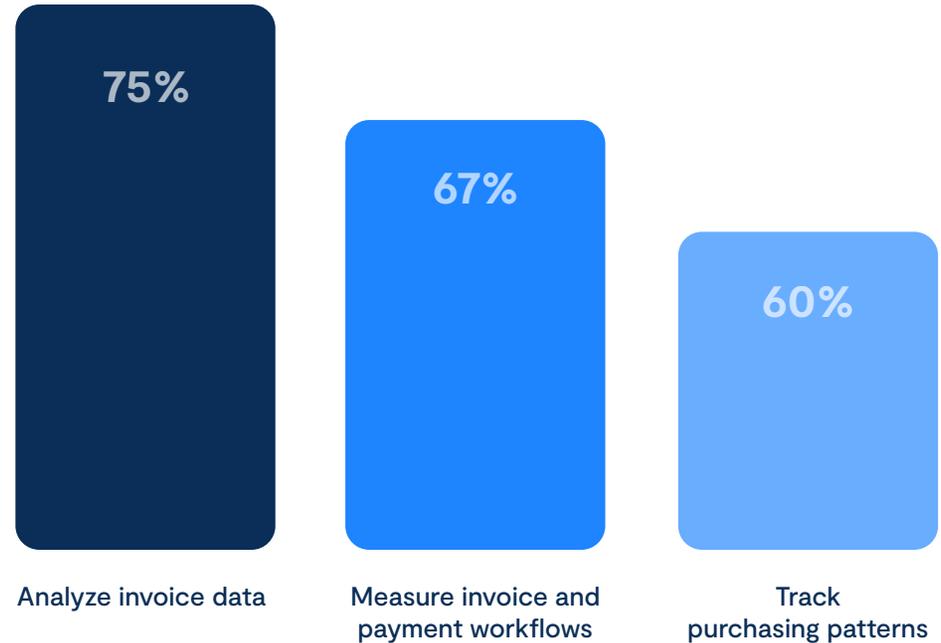
04

Improve Decision-Making with Data and Business Intelligence

AP automation can provide timely visibility into financial data, allowing companies to monitor cash flow, track spending, and identify money-saving opportunities, including volume discounts and rebates.

These systems can employ AI to identify trends and other financial insights to inform decision-making. They also simplify and promote accuracy in reporting.

How is your accounts payable team using data analytics?



Source: AvidXchange 2024 Trends Survey¹³

“While OCR represents a significant step forward, it is not the final destination. It must be implemented alongside complementary technologies like [robotic process automation] and AI-driven analytics to unlock its full potential. For organizations willing to invest in these technologies, the benefits are clear.”

– PYMNTS,
September 13, 2024¹⁵



05

Enhance Accuracy

Manual processes naturally involve some level of human error. Fixing those issues takes time. Additionally, errors may result in duplicate payments or late fees, which have associated expenses.

AP automation helps minimize errors by automating data capture and validation using technologies like OCR and machine learning, which help check that invoice information is correctly recorded, and accuracy is constantly improving.

Up to **3%** of what companies spend annually on services and suppliers is **duplicative or incorrectly calculated.**¹⁴



“Rising prices – particularly skyrocketing insurance costs – are placing a strain on associations’ finances. In addition, many associations are dealing with low reserves.”

- The 2024 Community Association Management Industry Report¹⁰

06 Lower Operational Costs



Paper-based AP processes involve hard costs like paper, ink, envelopes, check stock, and postage in addition to potential file storage fees. It may also involve the cost to purchase and maintain equipment like printers and scanners.

AP automation reduces the need for paper and related expenses, cutting down on hard costs.

Processing Cost Per Invoice

Companies Using High Levels of Automation

\$1.77

Companies Using Limited or No Automation

\$8.78

Source: “Special Report: The True Costs of Paper-Based Invoice Processing and Disbursements,” IOFM⁷

07 Avoid Missing Discounts

Some suppliers offer early payment or volume discounts that companies with manual AP processes may be missing.

Since automated AP is generally faster, it helps companies score discount opportunities while reducing late payments and the associated fees, which can ultimately improve AP automation ROI.

08 Minimize Audit and Compliance-Related Expenses

Traditional AP systems may make it difficult for teams to locate requested records in an audit, leading to wasted work hours. Additionally, non-compliance with regulations like a failure to maintain records or misreporting payments can result in fines and operational disruptions.

AP automation software can create automatic audit trails and store all invoices, payments, and related documents in a centralized, digital repository, making it easy to retrieve documents at the click of a button, saving time and resources.



“Teams will rely more than ever on association management software to automate repetitive processes, allowing them to focus their time on growth and customer service as they scale up their business.”

– HOA Resources, The 2024 Community Association Management Industry Report¹⁰



When it comes to vendors, HOA boards want three things from their community association management company:

- Have a list of trustworthy vendors at the ready
- Negotiate the best price for projects
- Follow up to check the work quality¹⁰

09 Strengthen Vendor Relationships

AP automation can foster stronger vendor relationships. Automated systems can promote timely payments, reducing delays that can strain partner trust. Prompt payments can not only improve collaboration but may also lead to better contract terms, discounts, or prioritized service.

Is supplier collaboration part of your finance business strategy?



- 52%** Yes, it's a key part of our strategy
- 25%** Yes, it's somewhat included in our strategy
- 10%** No, but we are considering it
- 5%** No, it's not part of our strategy
- 8%** Unsure

Source: AvidXchange 2025 Trends Survey¹⁶

Average length of payment processing



Source: "No Time for Delay, Shaving 16 Days from Accounts Payable with Automation," PYMNTS⁸

Fifty-five percent of community association professionals said that **leveraging technology** to improve their company's **efficiency** was a key aspect of their revenue generation strategy for 2024.¹⁰

10

Reduce Processing Time

AP automation can significantly reduce processing time for invoices and payments. Traditional methods, such as printing and mailing paper checks, can be time-consuming and labor-intensive for your team. These manual processes often lead to delays and inefficiencies.

With AP automation, electronic payment methods like virtual credit cards (VCCs) streamline the payment process and often offer lower processing fees. These methods can require fewer work hours from your team, allowing them to focus on more strategic tasks.





“Without AvidXchange, I’d be stamping invoices and running them around, and I’m sure they wouldn’t get paid for days. Now, they’ll be paid in just a couple of hours.”

– Morgan Hay, AP Clerk,
Henderson Association
Management¹⁷

Conclusion

The CAM industry is in a transformational period. Rising costs – particularly for insurance and construction materials – are squeezing budgets, making financial efficiency more critical than ever. At the same time, a talent shortage continues to challenge management companies, forcing teams to do more with less while maintaining high service standards. Adding to this complexity is the increasing demand for association management services, as more communities seek professional oversight to ensure financial health and operational success.

In this environment, AP automation is likely no longer a convenience – it’s a necessity. By eliminating time-consuming manual processes, AP automation helps management companies optimize cash flow, reduce errors, and improve vendor relationships, all while freeing up valuable time for staff to take on higher-value tasks. The result? A move towards greater financial transparency, more efficient operations, and an enhanced ability to serve communities effectively.



As the industry continues to adapt to economic pressures and evolving expectations, automation can help management companies position themselves for long-term growth, preparing to meet rising demand while navigating cost challenges.

Now is the time to invest in AP automation and build a more resilient, scalable, and service-driven approach to managing finances within CAM companies.

Endnotes

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About AvidXchange®

AvidXchange is a leading provider of accounts payable (“AP”) automation software and payment solutions for middle market businesses and their suppliers. AvidXchange’s software-as-a-service-based, end-to-end software and payment platform digitizes and automates the AP workflows for more than 8,500 businesses and it has made payments to more than 1,350,000 supplier customers of its buyers over the past five years. To learn more about how AvidXchange is transforming the way companies pay their bills, visit www.AvidXchange.com.

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