

Maximizing SAP Business One with AP Automation

With the right AP software, SAP Business One transforms how companies manage payables.



SAP Business One is a critical tool for tracking finance and accounting. It functions as a crucial system of record that collects, stores, controls, and monitors essential business data.

And accounts payable (AP) is the foundation for a positive vendor experience.

Although SAP Business One can track purchase orders and invoices from suppliers, it does not assist with the payment process. These steps are time-consuming and labor-intensive. They also create opportunities for errors that are costly both financially and legally.



Table of Contents

- The Soul-Crushing Demands of Payables
- Global Pain Points
- Exposure to Risk
- Implementation-Shy
- Transforming Payables
- Confidently Future-Proofing
- Additional Resources
- What Tipalti Can Do For You



The Soul-Crushing Demands of Payables

According to 2025 industry benchmarking [data from IOFM](#), inefficient AP processes are costing finance teams \$8.78 per invoice. This financial drain is the direct result of teams manually bridging critical operational hurdles:

Complexity

- Maintaining multiple banking/payment rails
- Dealing with unique payables requirements
- Diverse supplier population
- Global/cross-border factors—payment rails, regulatory compliance, FATCA rules, OFAC SDN
- Fraud controls and PO matching protocols
- Multiple-entity/multiple-subsidiary structures

Inefficiency

- Collection and data entry of invoice details
- Manual interface with bank systems/ payment processors
- Supplier onboarding and communicating
- Disconnected point tools (OCR, invoice/PO matching, workflow, tax, payments, etc.)
- Manual chasing down of PO, invoice, and payment approvals
- Payment data reconciliation

These are all areas where SAP Business One cannot protect the company. As a result, businesses handle payables by hiring additional headcount, which can be a costly venture.



Global Pain Points

Deloitte notes that while \$37 trillion in cross-border B2B payments are processed annually, they are often complex, expensive, and time-consuming, with 70% of businesses reporting delays of up to 10 days.

The most significant issues to cross-border payments and global payables operations are:

- Collecting the proper payables information during supplier onboarding, including tax details, payment details, and communication information
- Reducing the risks and costs of sending checks and wire transfers (AFP reported that wire transfers are in the top spot as the most vulnerable payment type, while 63% of organizations faced check fraud in 2024)
- Addressing separate tracks for different banks and payment methods
- Managing different processes for domestic and international entities
- Ensuring payees are legally paid (e.g., OFAC SDN, EU, HMC)

Increasing the payables workload often requires adding AP headcount. Yet higher error rates occur due to added complexities.



Exposure to Risk

To reduce costs, companies often hire inexperienced staff to perform AP tasks, which include collecting supplier-payment information, keying in and matching invoices, collecting tax documents, mailing checks, or paying through a bank portal. These tasks accumulate several complexities when an audit is around the corner.

Finance teams must prepare for:

- Meeting FATCA tax regulations in the face of increasing IRS audit activity (e.g., non-compliance with Form 8938, which is used to report foreign assets, carries a 40% penalty on tax understatements linked to those assets)
- Gaps in financial controls and PO/invoice/payment approvals within and across subsidiaries
- Poor data hygiene leading to late or duplicate payments
- Exposure of bank accounts to check and wire fraud

Any time someone has access to sensitive supplier information and company funds, the organization is exposed.



Implementation-Shy

Implementing new technology is stressful and chaotic. Organizations miss out on strategic ventures that transform their payables.

For example:

- Becoming cost-neutral or revenue-generating
- Building a scalable operation that handles the growth of the business
- Expanding across international boundaries
- Consolidating back-office processes across multiple entities
- Negotiating longer payment terms (Net X)
- Focusing on "hard finance" vs. "payment runs"



Transforming Payables

A successful payables transformation requires:

- Adopting a strategic payables directive
- Modernizing payables technology

As the organization grows, a strategic payables directive prioritizes the payables function. This involves establishing longer payment terms without sacrificing supplier relations, ensuring corporate compliance across all entities, and taking a lean operational approach to support ongoing international expansion. This tactic requires a culture shift in finance, recognizing that payables is a crucial enabler of strategic finance.

With the right strategy applied, leaders turn to automation to elevate the finance operation and guide the business forward.



Confidently Future-Proofing

From a payables perspective, conquering the last mile of SAP Business One takes a holistic, future-focused approach. The payables function is composed of many different, independent processes. Rather than continuing to piece them all together—only to replace them later—finance operations improve with self-contained systems that work together.

Payables departments must have an integrated philosophy that encompasses the following:

- Intelligent supplier onboarding
- Identity and tax data collection and validation
- Supplier payment/bank account detail collection and validation
- Invoice and purchase order management
- Global payment remittance
- Payment reconciliation
- Supplier communications



Additional Resources

It takes real commitment to achieve strategic excellence. Here are some additional resources that can inform your journey:

White Paper The Holy Grail of Accounts Payable

IOFM How End-to-End AP Automation Drives Efficiency and Business Growth





What Tipalti Can Do for You

Tipalti complements SAP Business One's payables processes with a holistic automation solution that eliminates most of the manual effort. We provide a global solution that streamlines your entire AP workflow, from supplier management, procurement and invoice management to tax compliance, card spend, global remittance, and payables reconciliation.

[Schedule a Demo →](#)

