Applied Industrial Technologies powers 87% autonomous AP processing with AppZen's AI

THE PROBLEM

Legacy OCR limitations created AP bottlenecks and processing delays

Before AppZen, Applied Industrial Technologies manually processed over 500,000 invoices annually, 97% of them PO-backed. Limitations in their legacy OCR solution forced their AP staff of 12.5 full-time employees to waste valuable working hours extracting and validating header-level details their OCR missed. Their AP inbox was flooded with non-invoice documents, requiring 2 FTEs to review and parse through emails, causing even more delays in processing time. Even with staff working around the clock, it took them, on average, five days to get an invoice into the SAP system.

Once in SAP, their challenges compounded daily. They faced the daunting task of individually matching hundreds of line-level items between POs that weren't captured by their OCR. Foreign currencies and manual tax coding further increased processing times, putting them at constant risk of errors. With employee time squandered on tedious reviews, they decided to invest in a solution that would lighten the workload. Adam Lotycz, Director of Financial Planning and Analysis at Applied, said, "We didn't just want an OCR solution; we really wanted that AI strategy." This would give their AP team time to focus on vendor relationships and root cause analysis.

THE SOLUTION

Autonomous AP streamlined workflows with seamless SAP integration

Using AppZen Autonomous AP and its SAP-certified add-on for SAP ECC, they seamlessly connected to Applied Industrial Technologies' ECC environment to reimagine their entire AP landscape. They saw immediate ROI as AppZen's AI managed the heavy lifting. In the first month alone, they reached a 40% touchless rate, and invoices entered their ERP system in less than 10 minutes.

"That initial 40% really helped our team and allowed them to shift their focus toward working with suppliers on disputed items and reconciling statements."

Adam Lotycz,
Director of Financial Planning and Analysis at Applied Industrial Technologies

With AppZen matching header-level and individual line-level PO details with precision, a significant burden was lifted on their downstream VIM workflow solution. Accounts Payable manager Lynae Brunstetter shared, "Now the team [doesn't] have to correct the same mistake more than once. They're doing other tasks that are more value-added instead of repetitious." What once required extensive manual intervention now flowed smoothly through automated processes.

:38
Second average header & line-level processing time

87%
Fully autonomous processing

91%
Invoices processed in under 2 minutes

33%
Reduction in FTE headcount

About the company:
Applied Industrial Technologies is a premier industrial distributor with over 100 years of leadership in providing advanced motion, power, control, and automation solutions for critical industrial infrastructure.

Industry: Wholesale Trade

Employees: 5,000+

AppZen Products:
Autonomous AP, SAP-certified add-on for SAP ECC

Transformed AP processes with 87% automation and 50% productivity gains

The transformation of Applied Industrial Technologies' AP operations was remarkable. Invoices moved through their system in less than two days, with 87% requiring no human intervention. Despite a 25% increase in invoice volume, they needed only 8.5 of their original 12.5 FTEs to complete the work—a testament to the 50% productivity gains achieved through automation.

These achievements weren't just statistics—they represented a fundamental shift in how Applied Industrial Technologies managed their accounts payable operations. Their AP team evolved from data processors to strategic partners, focusing on vendor relationships and complex problem-solving rather than routine data entry and validation.

"Where advanced AI meets performance needs, it opens up new possibilities for workplace creativity."

Lynae Brunstetter,
Accounts Payable Manager at Applied Industrial Technologies

Their journey from manual processing to AI-driven automation became a blueprint for organizations looking to transform their AP operations. It demonstrated that companies could achieve significant efficiency gains with the right technology partner while improving accuracy and freeing their teams to focus on higher-value activities.

About AppZen

AppZen is the leader in autonomous spend-to-pay software. Its patented artificial intelligence accurately and efficiently processes information from thousands of data sources so that organizations can better understand enterprise spend at scale to make smarter business decisions. It seamlessly integrates with existing accounts payable, expense, and card workflows to read, understand, and make real-time decisions based on your unique spend profile, leading to faster processing times and fewer instances of fraud or wasteful spend. Global enterprises, including one-third of the Fortune 500, use AppZen's invoice, expense, and card transaction solutions to replace manual finance processes and accelerate the speed and agility of their businesses. To learn more, visit us at www.appzen.com.