highradius

Agentic AI in Accounts Receivable Software: The Future of Autonomous Finance



Introduction:

Why AI is Transforming Accounts Receivable (AR)

Managing Accounts Receivable (AR) is a complex process that involves credit assessment, collections, dispute resolution, and cash application. Traditional AR operations require extensive manual effort, leading to inefficiencies, delays, and revenue leakage. Agentic AI is revolutionizing AR by automating these processes, enabling businesses to accelerate cash flow and improve financial performance.

What is Agentic AI?

Agentic AI refers to a system where multiple AI-powered agents work autonomously or in coordination to perform specific tasks within a financial workflow. These agents leverage machine learning (ML), robotic process automation (RPA), and large language models (LLMs) to optimize AR operations.

Key Benefits of Agentic AI in AR

01 **Increased Automation:** Reduced manual tasks across collections, credit, and cash application.

02 **Faster Payments:** Automates invoice processing and customer follow-ups to accelerate cash flow.

03 **Improved Accuracy:** AI-driven decision-making minimizes errors in credit approvals and payment matching.

04 **Enhanced Customer Experience:** Intelligent, personalized communication improves customer engagement.

AI Agents in Accounts Receivable Software



3.1 AI-Driven Credit Management

- **Credit Risk Scoring & Decisioning:** AI-driven evaluation of credit applications and real-time risk scoring to automate approvals.
- **Credit Agency Integration:** Automated credit report gathering and scoring from third-party agencies.
- **Financial Data Extraction:** AI-enabled capture of financial statements and credit risk indicators.



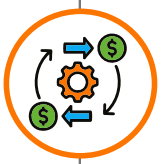
3.2 Intelligent Collections Management

- **AI-Prioritized Worklists:** Predict delinquency and rank collections tasks based on customer payment risk.
- **Smart Outbound & Inbound Calls:** AI-driven call transcription, talking points, and automated follow-ups.
- **AI-powered email Management:** Categorize emails, summarize long threads, and auto-generate responses.



3.3 AI-Powered Dispute Resolution & Deductions

- **Dispute Validity Prediction:** AI forecasts whether a deduction is valid, reducing manual research.
- **Portal & Email Claim Extraction:** Automates retrieval of claim data from portals and emails.
- **AI-Driven Claim Resolution:** Automatically classifies claims, maps reason codes, and suggests actions.



3.3 Autonomous Cash Application

- **Automated Payment Matching:** AI-driven invoice-to-payment reconciliation with 90%+ accuracy.
- **Multi-Reference Matching:** AI processes partial payments and multiple invoice references.
- **Auto-Resolution of Unmatched Payments:** Machine learning predicts invoice matches and adjusts payments.



3.3 AI-Optimized EIPP & Digital Payments

- **AP Portal Invoice Upload & Tracking:** Automates submission of invoices to over 20+ AP portals.
- **Intelligent E-Invoicing Compliance:** AI ensures global e-invoicing compliance and validation.
- **AI-Powered Payment Reminders:** Personalized reminders based on customer payment behavior.

Real-World Use Cases: How Agentic AI Enhances AR Processes



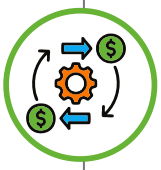
4.1 AI in Credit Decisioning & Risk Management

- Predictive analytics to assess a customer's creditworthiness in real time.
- Dynamic credit limit adjustments based on changing financial conditions.
- AI-generated risk mitigation strategies to reduce bad debt.



4.2 Smart Collections Workflows

- AI-driven segmentation of high-risk and low-risk accounts.
- Automated multi-channel follow-ups via email, calls, and SMS.
- AI-generated scripts for personalized customer communication.



4.3 Intelligent Dispute Resolution

- Automated classification of deduction claims.
- Smart workflows that escalate disputes based on severity and historical trends.
- AI-generated recommendations for proactive dispute prevention.



4.4 Autonomous Cash Application & Payment Matching

- AI-based extraction and reconciliation of remittance data from emails and PDFs.
- Automated handling of payment exceptions with intelligent matching algorithms.
- Predictive analysis of payment behavior to optimize forecasting.



4.5 Personalized Digital Payments & EIPP

- AI-driven invoice presentment with customized payment plans.
- Smart suggestions for early payment discounts and late fee adjustments.
- AI-powered fraud detection to prevent unauthorized transactions.

The Business Impact of Agentic AI in AR

5.1 Reduced DSO (Days Sales Outstanding)

AI-driven collections enable faster follow-ups and quicker payment cycles, streamlining the overall receivables process. Additionally, predictive risk assessments help identify potential payment issues early, significantly reducing the likelihood of overdue invoices.

5.2 Higher Operational Efficiency

Automated workflows minimize the need for manual intervention, allowing teams to focus on higher-value tasks. At the same time, AI-powered insights provide greater visibility into operations, enabling more effective resource allocation and overall process optimization.

5.3 Improved Cash Flow & Forecasting

AI enhances real-time visibility into accounts receivable trends, allowing finance teams to stay ahead of potential cash flow challenges. With predictive analytics, teams can make more informed decisions and strategically optimize cash reserves to support business continuity and growth.

5.4 Enhanced Customer Satisfaction

Personalized, AI-driven communication fosters more meaningful and efficient customer interactions, strengthening relationships and trust. Additionally, faster dispute resolution powered by AI minimizes payment delays and reduces the volume of unresolved issues, leading to a smoother and more satisfying customer experience.

The HighRadius Impact

Staples used AI to prioritize collection efforts based on customer payment patterns and risk levels. By automating follow-ups and creating tailored collection strategies, Staples reduced DSO by 20%, ensuring steady cash flow in a highly competitive retail environment.

Future of Agentic AI in Accounts Receivable

6.1 Fully Autonomous AR Processing

AI enables end-to-end automation across collections, credit approvals, and dispute handling, significantly reducing the need for human oversight. With automated decision intelligence, finance leaders gain timely, data-driven insights that support faster, more accurate decision-making across the AR function.

6.2 AI-Powered Predictive Analytics

Automated workflows minimize the need for manual intervention, allowing teams to focus on higher-value tasks. At the same time, AI-powered insights provide greater visibility into operations, enabling more effective resource allocation and overall process optimization.

6.3 Blockchain & Smart Contracts for AR

AI-driven risk scoring empowers finance teams to implement proactive credit and collections strategies by identifying potential issues before they escalate. Automated recommendations further enhance AR performance by guiding actions that optimize outcomes and reduce revenue leakage.

6.4 AI-Driven CFO Dashboards & Insights

AI-powered dashboards provide real-time visibility into AR performance, coupled with intelligent recommendations to support strategic decision-making. Predictive cash flow forecasting further empowers CFOs with forward-looking insights, enabling more accurate financial planning and improved control over working capital.

The HighRadius Impact

Danone automated 98% of its cash application processes using HighRadius' AI-driven solutions. By eliminating manual intervention, the company freed up 75% of their team's bandwidth, enabling them to focus on business-critical activities and scaling operations effectively.

Conclusion:

How to Implement Agentic AI in AR Operations

- Assess current AR challenges and identify automation opportunities.
- Select AI-driven AR software that integrates with ERP and accounting systems.
- Develop a phased AI implementation strategy to maximize ROI.

Evaluating AI-Powered AR Solutions

When choosing an AI-driven AR platform, finance leaders should consider:

- Automated classification of deduction claims.
- Smart workflows that escalate disputes based on severity and historical trends.
- AI-generated recommendations for proactive dispute prevention.

By leveraging Agentic AI in Accounts Receivable, businesses can achieve greater automation, faster cash flow, and a more efficient finance operation, paving the way for the future of autonomous finance.

Now is the time to act.

AI is changing accounts receivables. Are you ready to change with it?

REQUEST A DEMO





About HighRadius

HighRadius offers cloud-based **Autonomous Software** for the Office of the CFO. More than 850 of the world's leading companies have transformed their Order to Cash, Treasury & Risk, Record to Report, B2B Payments and Accounts Payable processes with HighRadius. Our customers include 3M, Unilever, Anheuser-Busch InBev, Sanofi, Kellogg Company, Danone, Hershey's and many more.

Autonomous software is data-driven software that continuously morphs its behavior to the ever-changing underlying domain transactional data. It brings modern digital transformation capabilities like artificial intelligence, robotic process automation, natural language processing, and connected workspaces as out-of-the-box features for the finance & accounting domain.

Before the availability of autonomous software, finance stakeholders had to pick between a digital replacement of a paper-based solution or build & maintain custom RPA/AI-based tools in-house. In contrast, HighRadius' Autonomous platform combines the best of both worlds to deliver measurable business outcomes such as DSO reduction, working capital optimization, bad-debt reduction, reduced month-end close timelines, and improved productivity in under six months.

Click here to see Autonomous Software in action.

Corporate Headquarters
HighRadius Corporation 2107 CityWest Blvd, Suite 1100, Houston, TX 77042 (281) 968-4473 (281) 404-9002

India
HighRadius Technologies Pvt. Ltd., 1st Floor, Building No: 12C, Mindspace, Hitech City, Madhapur, Hyderabad, Telangana, PIN-500081

Amsterdam
EDGE Workspaces Olympic Fred. Roeskestraat 100, 1076 EE Amsterdam, Netherlands
+31 (20) 8885054

London
HighRadius UK Limited
15 Alfred Place,
London,
WC1E 7EB
+44 (0) 203 997 9400

France
HighRadius France
32 rue de Trevise
75009, Paris
France