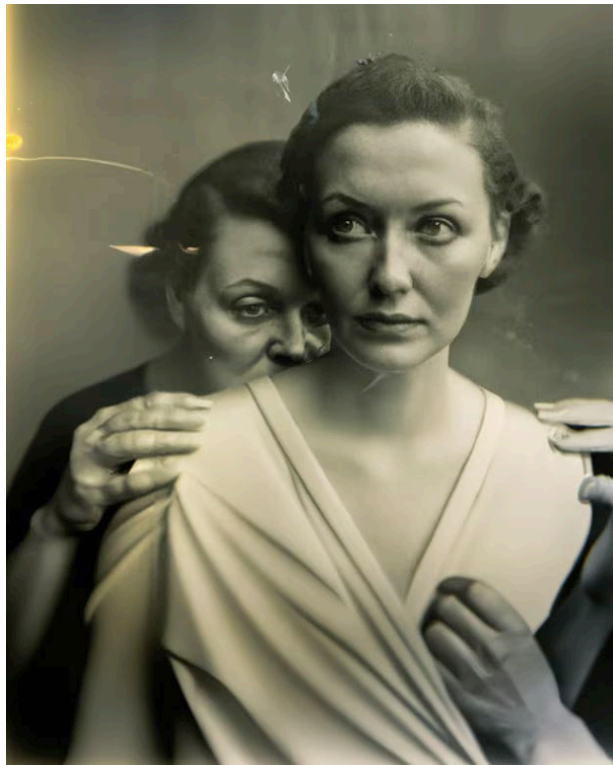# **Decoding** AI

Maximizing its Impact on Your Financial Operations
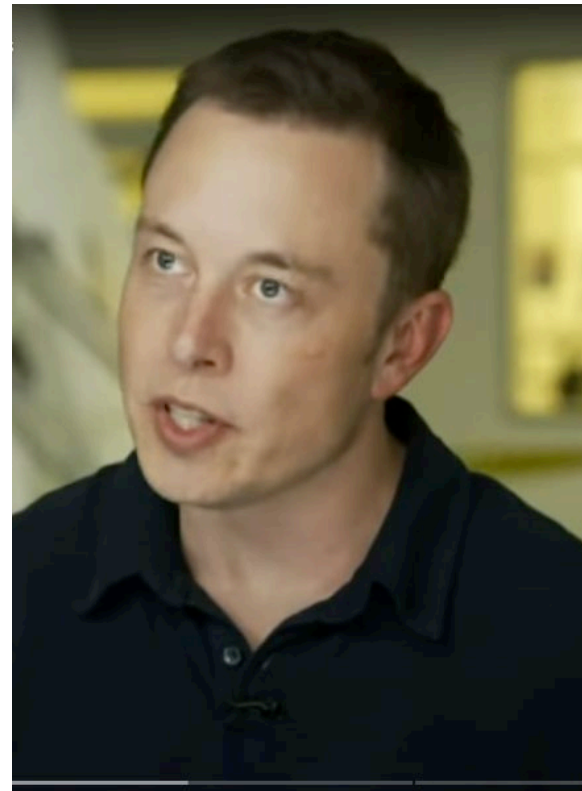
AI is advancing rapidly

Boris Eldagsen wins Sony world photography award – image created with Midjourney
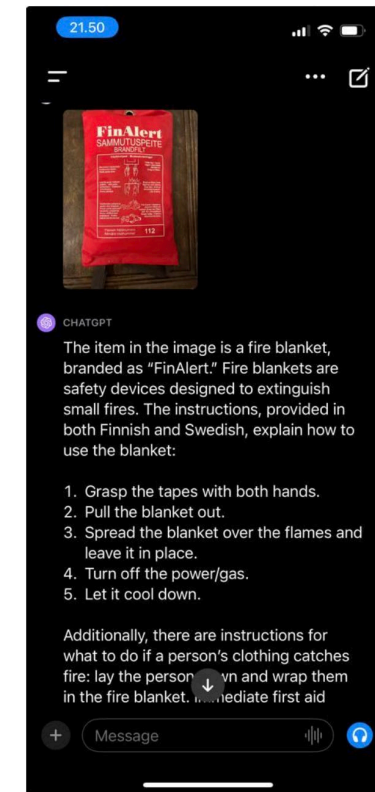

📷 Boris Eldagsen's award-winning picture.

Deepfake crypto scam featuring "Elon Musk" to target unsuspecting investors
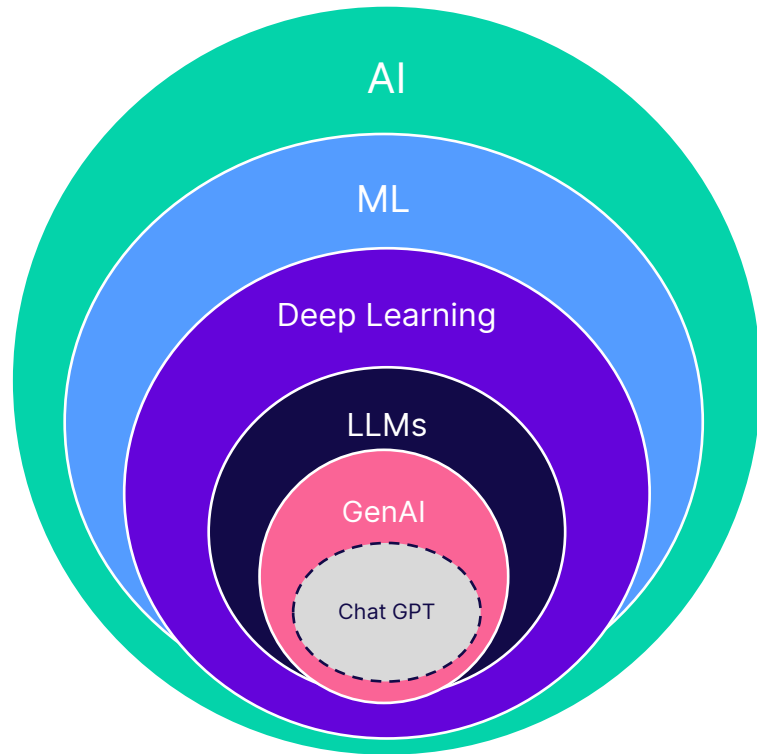

ChatGPT image recognition. Identifying object as fire blanket and giving user instructions in English

basware   Now it all just happens™

Artificial Intelligence & Machine Learning

AI & ML

AI
ML
Deep Learning
LLMs
GenAI
Chat GPT

- **Artificial intelligence** leverages computers to mimic the problem-solving & decision-making of the human mind.

- **Machine Learning** is a sub field of AI that uses computers to learn and adapt without following explicit instructions

- **Deep Learning** is a sub-set of ML using neural networks & vast amounts of training data to make predictions / generate responses

- **Large Language Models** are large data models used for natural language generation

- **Generative AI** is a sub-set of Deep Learning specialising in generating content (Text, Video, Images etc).

- **ChatGPT** is based off the GPT models and is tailored to respond to human questioning in a chat bot manner.

Application of AI along the AP cycle

Invoice Ingestion		Invoice Processing				Reporting	
Invoice data Extraction	Invoice data validation	Flexible matching	Spend plans	Automated coding	Exception Handling	Dash-boards	Actionable Insights

basware Now it all just happens™

Application of AI along the AP cycle

	Invoice Ingestion		Invoice Processing				Data and Insights	
	Invoice data Extraction	**Invoice data validation**	**Flexible matching**	**Spend plans**	**Automated coding**	**Exception Handling**	**Dashboards**	**Actionable Insights**
Automation Technology	Azure AI Vision Text extraction Deep Learning Machine Learning	Neural Networks (Deep Learning) with supervised training data	Rule based	Rule based	Machine Learning	Rule based	Statistical Patterns Heuristic method Machine Learning	Statistical Patterns Heuristic method Machine Learning
Use Case	Extraction of invoice data from machine readable and image PDF documents	Automatic validation of invoice data	Automation of invoice approval based on already approved POs	Preapproved recurring spend with schedules and tolerances	Automatic coding of non-PO invoices on multi-dimensions like cost centers, GL accounts, tax code	Automatic invoice deviation routing for PO and non-PO invoices	Spend prediction and late payment prediction	Data-driven recommendations to improve your processes
Automation Rate	Up to 92% and increasing	Up to 92% and increasing	Up to 98% for PO-based invoices	Up to 95% for recurring invoices	90% correctly predicted dimensions	Automatic invoice routing for > 90% of your invoices	Improved automation by providing transparency	Improved automation by providing insights
Customer Control		Confidence level thresholds trigger customer validation	Rules defined and configured with the customer	Rules defined and configured with the customer	User validation of all proposals, automation based on confidence level thresholds	Spend control based on authorization levels	Uses only customer specific historical data	Uses only customer specific historical data

basware — Now it all just happens™

Deep learning in SmartPDF provides rapid & accurate invoice data from PDFs

What it does	How to use	Value for your team

Accuracy

- Uses deep learning, text extraction & Azure AI Vision to transform PDFs into true e-invoices, trained with over 20 million invoices from thousands of companies globally
- Captures both machine-readable and image invoices

Control

- One-stop solution for 100% PDF capture
- No supplier registration needed; just share your business unit email for onboarding suppliers

Maximum data quality

- Up to 92% of PDF invoices validated with 100% accuracy
- Teach the AI to automate exceptions and boost automation levels

basware   Now it all just happens™

Machine learning in SmartCoding speeds up non-PO invoice coding

What it does	How to use	Value for your team

Efficiency

- SmartCoding proposes coding for non-PO invoices using historical data and machine learning
- TOP 5 proposals and confidence indicators guide users to make the best and most efficient decisions

Take control

- AP teams have control over how and when SmartCoding is used
- It offers consistent coding guidance across multiple dimensions like cost centers, GL accounts, tax code

Increased data quality

- Over 90% correctly predicted dimensions, making it easy for all users to faster code non-PO invoices correctly
- Up to 2€ per non-PO invoice on average saved

basware   Now it all just happens™

Statistical patterns and ML in Basware Insights provide actionable advice

What it does	How to use	Value for your team

Virtual business advisor

- Basware Insights uses statistical patterns and machine learning (ML) for an intuitive data experience with highly interactive dashboards and data-driven recommendations

- It shortens the time to insights and lowers the barrier to adopting analytics

Optimize efficiency

- Allows AP clerks to easily detect and rectify inefficient and unproductive processes

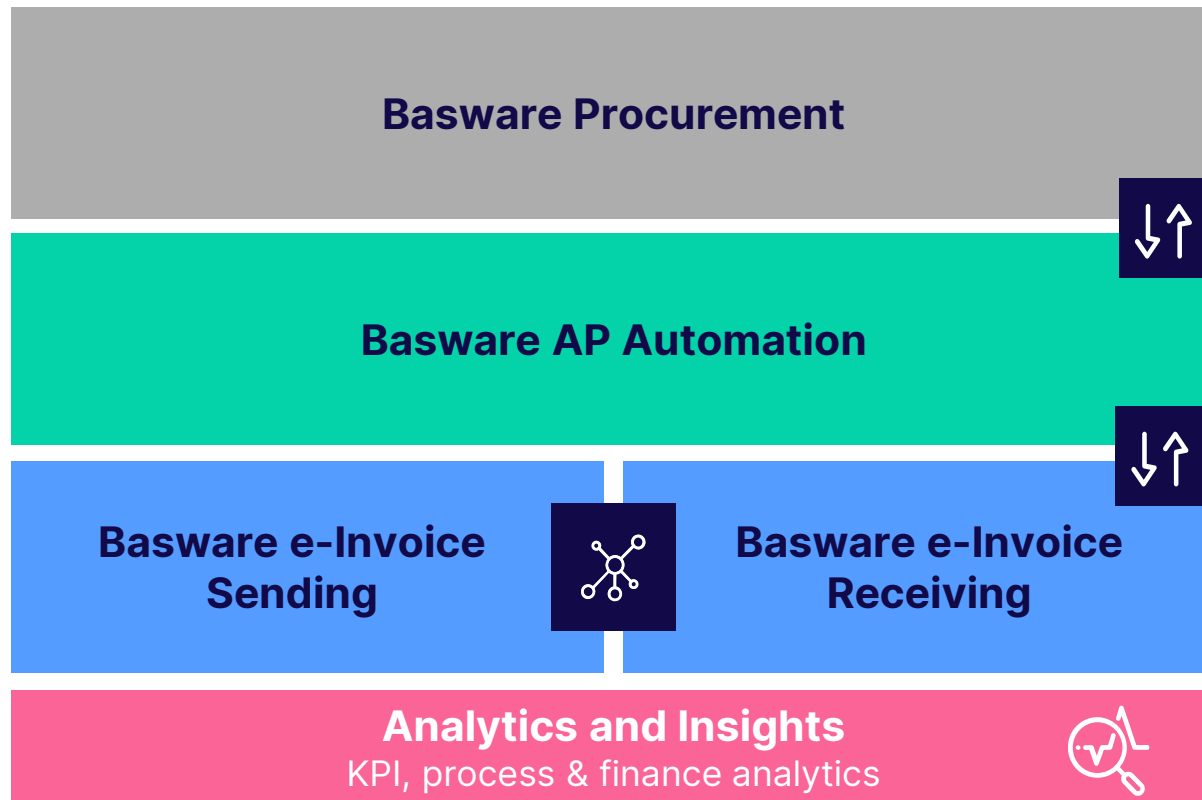- Shift from descriptive to prescriptive analytics

Simplify complexity

- Turn your AP Clerks into AP Analysts to spend time on the value-adding activities

- Establish a data-driven culture built by trust in the data

Long term roadmap themes

Basware Procurement

Basware AP Automation

Basware e-Invoice Sending

Basware e-Invoice Receiving

Analytics and Insights
KPI, process & finance analytics

- AI-enabled, data-driven automation
- AI copilots for user assistance and supplier communication
- Deep and embedded insights on fraud, ESG, vendors, spend, contract compliance, cashflow, currency & tax
- Global support for compliance. Investigating tax reporting.
- Omnichannel solution with global coverage for invoice sending
- Foster digital transactions for superior data quality – also at line level, processing speed, visibility, and agility

basware   Now it all just happens™

Thank you

basware

Now it all just happens™