



# Solving business challenges of 2024 with automation

How to leverage automation to build resilience in 2024 and beyond







# Staying resilient in the face of economic headwinds

## TOP SMALL BUSINESS CHALLENGES OF 2024

1. Inflation
2. Labor shortages
3. Preventing fraud

Small and midsize businesses have proven their resilience over the past few years, surviving the pandemic, the resulting employee shortage, and the more recent launch into a high-inflation environment that few businesses had prepared for.

One of the key strategies to survive these challenges was digital transformation. According to a recent Harvard Business Review article on the [resilience of small businesses](#), both small and large businesses accelerated their digital transformation, automating for greater operational efficiency.

These adaptations that helped businesses survive the pandemic can continue to strengthen them throughout the coming year. In this guide, we'll look at the top 3 challenges businesses are up against in 2024—inflation, labor shortages, and preventing fraud—and explore how financial automation can help.



# The case for automation

Before we dig into the top 3 business challenges, let's review what we mean by "digital transformation" and "automation" in the world of finance. Simply put, more and more businesses are shifting from manual tasks to digital solutions, from physical papers to the cloud.

Why? Because automation reduces costs and the time of doing business, reduces errors caused by manual processes, and provides real-time information that's available from anywhere at any time. Whether to pay a vendor or file an expense report, businesses are making investments in technology to simplify and optimize business operations.

## The benefits of finance automation

Finance automation, in particular, is proving invaluable. Cash flow is the lifeblood of any business—and yet properly managing cash flow is the biggest challenge businesses face. In order to pay salaries, purchase supplies, make investments into future growth—and more!—it's essential to clearly understand the flow of money, and have the ability to make adjustments for short or long-term disruptions.

When you automate your finances, you don't just save time. You have greater visibility into your cash flow so you can make better, more informed decisions. This clarity will help your business overcome current macroeconomic challenges, as well as the micro challenges that come with running an efficient business.

So how can finance automation help with the 3 key business challenges? Read on!

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CHALLENGE 1

# The rise of inflation

Inflation remains a major concern, especially as businesses try to access credit to stay afloat. According to Goldman Sachs, [70% of small business owners](#) reported difficulty in securing business credit in September 2023, which is up from 61% in April. This dramatic increase shows that businesses are still under an immense amount of pressure to maintain their cash flow and buying power while also keeping business running as usual.

## How can finance automation help with inflation?

Obviously automating your finances isn't a magical cure to make inflation suddenly recede. But what automation can do is help small and medium businesses reduce costs, better manage resources, and gain better cash flow visibility and control.

INFLATION MANAGEMENT STRATEGIES

HOW AUTOMATION HELPS

**Reduce costs**

Automating repetitive manual tasks like having AI “read” invoices to create bills saves on headcount.

**Better manage resources**

With automation streamlining tasks like payment approvals, your team can use freed up time to focus on important value-add tasks that are core to your company’s mission.

**Cash flow visibility**

Many businesses struggle to track money in and out. Implementing automation for AP, AR, and expense management gives you full transparency.

**Cash flow control**

With full visibility into cash flow, you can make better, more-informed decisions to help overcome inflation challenges.

“BILL provides insight into where the organization is with AP and AR. Thanks to BILL, all of the information is now at our fingertips.”

Mount V. Allen III  
CVE, Director of Operations at SFJAZZ

# Labor shortages

The tight labor market was a major problem in 2023, and it's likely to continue hampering hiring in the year to come. In October 2023, [43% of all business owners](#) reported job openings they could not fill in the current period, only slightly better than [49% in August of 2022](#). This means that while the situation is slowly improving, the onus is still on businesses to find ways to attract and retain employees—beyond the usual competitive salary, benefits, and perks.

## How can finance automation help with labor shortages?

Automation both eliminates the need to increase headcount and ensures greater job satisfaction and productivity for existing team members.

LABOR MANAGEMENT STRATEGIES

HOW AUTOMATION HELPS

**Less open roles to fill**

Rather than having to exponentially grow your team as your business grows, automating repetitive AP processes enables your business to scale—without additional hires.

**More time for high-value tasks**

Alleviating the burden of manual tasks frees up your employees to focus on more strategic work that can have a bigger impact on your business.

**Better work-life balance**

Delegating rote tasks (like bill creation) to automation enables employees to reclaim lost time.

**Increases employee satisfaction**

Removing the frustration of time-consuming, manual tasks helps reduce turnover and keeps employees engaged.

“We run thousands of transactions every month, all with a back-office staff of only 7 accountants. Without BILL, we couldn’t do it.”

Kristopher Houchin  
Controller, Arizona Auto Parts



# Increased fraud attempts

Turnover and lack of talent are ongoing challenges for small businesses—challenges that can lead to larger gaps in security protocols. [A recent Gartner study](#) predicts that by 2025, lack of talent or human failure will be responsible for over half of significant cyber incidents.

## How can finance automation help prevent fraud?

Enforcing existing security protocols—and ensuring humans can’t bypass them—will help companies protect themselves against fraud in 2024 and beyond.

FRAUD PREVENTION STRATEGIES

HOW AUTOMATION HELPS

**Enforcing security protocols**

In a manual process, employees can be tempted to bypass security protocols when things get busy. An automated process will prevent employees from sending payments without the proper approvals and safeguards.

**Preventing Business Email Compromise (BEC)**

BEC is one of the most common forms of fraud against businesses. With AP automation, employees cannot change banking information for vendors or send payments without approvals, limiting the effectiveness of BEC attempts.

**Single sign-on and two-factor authentication**

One of the biggest benefits of technology is the ability to add an additional layer of security to your systems. Protocols like single sign-on and two-factor authentication help ensure only authorized users can enter your systems.

**Enhancing your approvals process**

For maximum security, you need to ensure that the right approvers are signing off on each invoice and that your workflows contain separation of duties so that the same person does not approve and make payments. You can easily customize your workflows within your AP automation software to ensure compliance with these best practices.

**Gaining visibility into and control over corporate card expenses**

Using virtual cards with pre-determined funding for each department, project, vendor, or employee, along with reporting software (like BILL Spend & Expense), gives you more visibility into spend, more control over budgets, and the ability to limit your fraud exposure.\*

\*Card issued by Cross River Bank, Member FDIC. Credit lines are not guaranteed and will be determined upon application approval.



# Position your business for future success with financial automation

The challenges that arose from the pandemic will continue to create ripples for small businesses well into 2024, but automation can help businesses weather the impact. It continues to be essential for small and midsize businesses to take advantage of technology to help ease the burdens of inflation, labor shortages, and security concerns—and all the other obstacles that can impede success.

[Harvard Business Review](#) touts that an investment in automation “helps business leaders focus on increasing efficiency, improving results, and delivering value.” And, in the face of the rising economic challenges, it has shifted from a useful benefit to a “must-have.”

Automation is continuing to make an impact on more and more businesses. The [2023 McKinsey survey on automation](#) showed “55 percent of respondents reporting that their organizations have adopted AI.” With more than half of businesses already reaping the benefits of AI, those remaining should pivot to integrate AI-enabled solutions before they fall behind.

Businesses that invest in finance automation not only reap the benefits of more time, greater efficiency, and better cash flow management—they’re also better positioned to overcome whatever business challenges may come their way, today and tomorrow.





See how BILL can help your small business overcome key challenges—in 2024 and beyond!

BOOK A DEMO

“BILL is our one-stop shop to get payables done quickly ... and it frees our minds to focus on the million other tasks we have.”

Hunter Thompson  
Chief Operating Officer, Golden Ratio

## About BILL

BILL (NYSE: BILL) is a leader in financial automation software for small and midsize businesses (SMBs). We are dedicated to automating the future of finance so businesses can flourish. Hundreds of thousands of businesses trust BILL solutions to manage financial workflows, including payables, receivables, and spend and expense management. With BILL, businesses are connected to a network of millions of members, so they can pay or get paid faster. Through our automated solutions, we help SMBs simplify and control their finances, so they can confidently manage their businesses, and succeed on their terms. For more information, visit [bill.com](https://bill.com).

