

# Accounts Payable 2025: BIG Trends and Predictions

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## Executive Summary

As we step into 2025, the world of Accounts Payable (AP) is poised for a transformative year, driven by the accelerating forces of artificial intelligence (“AI”), advanced automation, and the growing recognition of AP’s potential to deliver measurable operational and financial impact. Since the pandemic began, AP has emerged as a strategic cornerstone for businesses looking to streamline operations, enhance cash flow management, and bolster profitability. AI-powered solutions are helping to redefine the function; the need for smarter cash management and stronger supplier relationships are also aiding the cause. In this new age, smart executives have identified AP as an area of investment and a lever for driving strategic value. This attention has empowered many AP teams to move beyond transactional tasks, embracing roles that directly influence financial performance and operational excellence.

This report explores the BIG trends shaping AP in 2025 and makes a series of equally BIG predictions that will help AP, P2P, and finance professionals understand the key issues this year and be better prepared for them in the year ahead.

# INTRODUCTION

Each year, Ardent Partners' senior analyst team gathers at its headquarters in Boston for a multi-day company strategy and planning meeting. While together, the team dedicates itself to reviewing the prior year's research and main findings. The analysts spend hours discussing key learnings from our different market research surveys, as well as the highlights from our briefings and advisory work with technology providers, consultants, and investors. The team also reviews its consulting projects, interviews, inquiries, and interactions with accounts payable ("AP"), finance, and procurement professionals we have had throughout the year.

This detailed review helps the team develop a list of big trends impacting AP today as well as a list of predictions for the industry in the year ahead. This report is the culmination of those efforts and is designed to help AP, P2P, and other finance and procurement leaders better prepare for 2025.

## THE BIG TRENDS IN AP

Ardent Partners has identified the following list of BIG Trends that will impact the AP profession in 2025.

### **BIG Trend #1 – Historic AI Adoption Rates**

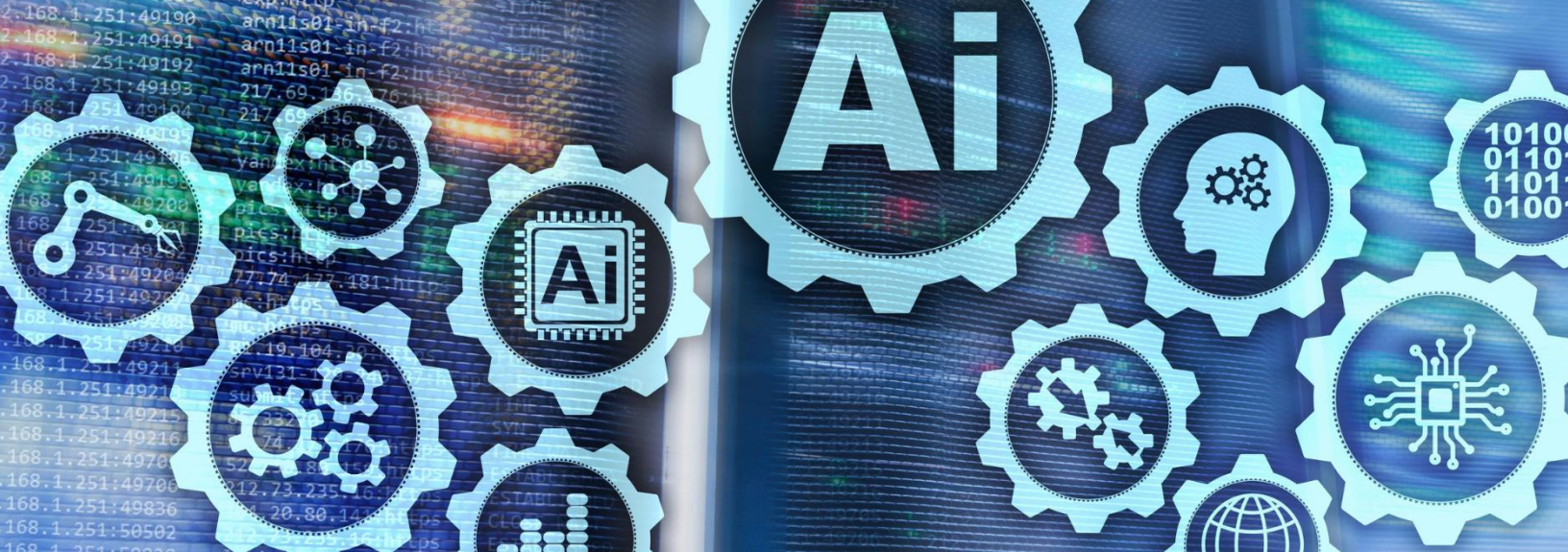
Ardent Partners' AP research indicated that 74% of all AP departments expected to be using AI in some capacity by the end of 2024. This is a historic rate for any type of enterprise technology. It is striking because AP departments are not early or fast technology adopters. If anything, AP departments have lagged other enterprise functions, even within finance. But AI is different.

Its rapid adoption has been achieved without new deployments or dedicated AI initiatives and massive resource investments. This is due to the accessibility of AI capabilities within current ePayables solutions relied upon by AP teams.

The upgrade cycle of ePayables solutions in 2024 delivered a wave of new and immediately available AI features. This organic adoption demonstrates the potential for AI to significantly impact AP operations. Additionally, the inherent suitability of AP processes (e.g., high volume of repetitive tasks and access to structured data) for AI automation allows teams broader use of AI than most other groups. Most notably because many AP teams have unknowingly used and benefited from AI-powered features — such as machine learning algorithms for invoice data extraction and matching within ePayables solutions. The opportunity now is for AP teams to take a more proactive and strategic approach to AI by developing technology proficiency and expertise.

### **BIG Trend #2 – Intense Focus on Technology, Driven by Sky-High Expectations for AI**

Seamless usage and historic impact are sky-high expectations for AI by AP/finance leaders, stemming from the profession's vast creation, usage, and management of data — all of which are ripe for AI-driven analysis that can expand automation levels and efficiency, streamline processing, and enhance decision-making. AI's potential to better automate tasks across the department, coupled with its ability to provide personalized guidance and insights to the occasional system users (like approvers and suppliers), fuels this enthusiasm. Specific applications — like automated data extraction



from invoices and anomaly detection for suspicious payments within accounts payable — further demonstrate AI’s transformative potential. Meanwhile, the promise of more efficient, transparent, and user-friendly systems has kept AI at the forefront of AP and P2P innovation. The expectations continue to drive investment in ePayables and a focus on optimizing AI’s usage.

### **BIG Trend #3 – Solution Providers Go All-In on AI**

The AI train is at the station. Refusing to be left behind, a majority of ePayables and enterprise software providers have gone “all-in” with their AI investments. ePayables providers are investing heavily in AI to remain competitive in the market against current rivals and avoid potential disruption by AI-native startups. There is a clear expectation of all AP organizations and new customers that deep integration of AI exists in provider platforms. Similarly, the need to deliver cutting-edge AI features in new product releases will be critical in preventing current customers from migrating to competitors with more advanced offerings. In time, maintaining market share and ensuring long-term relevance will be driven by more than a provider’s AI offerings; in 2025, however, nothing will be more important.

### **BIG Trend #4 – AP’s Wild West Approach to AI**

Industry-wide best practices for AI deployment are in their nascent stages, creating a wild west environment for AP. In their mad dash to optimize AI, some finance and AP leaders have taken a “move fast and break things” approach to their rollouts, relying primarily on their technology partners to identify the initial applications of AI and then quickly putting them into production. These teams are moving fast — so fast, in fact, that they may be unaware of the things they have broken. Meanwhile, several groups have become true AI “snail-blazers,” unable to launch the most basic AI capability without innumerable tests and retests by external consultants, internal IT departments, and centralized AI governance teams. Eventually, the standard AI rollout playbook will chart a course between these two extreme approaches.

### **BIG Trend #5 – The Cost of Capital Places More Focus on B2B Payments**

To combat inflation in 2022, the world’s central banks (led by the United States) began raising interest rates with unprecedented speed. Almost three years later, the resulting higher cost of capital rates has prompted finance teams to scrutinize their cash flow management strategies.

Their heightened focus on capital efficiency led to a more careful examination of B2B payment practices. By optimizing payment terms, negotiating discounts, and extending payment cycles where feasible, enterprises can preserve cash reserves and reduce interest expenses.

While payments only flow one way (from AP to the supplier), the supplier relationship is a literal two-way street. This means that smart AP/P2P teams are able to balance their own cash needs with those of their strategic suppliers to ensure smooth operations across the supply chain. Collaborating with suppliers to establish flexible payment terms can enhance cash flow predictability for both groups and strengthen business partnerships. By strategically managing vendor payments, AP teams can increase their impact and relevance by helping to mitigate the impact of higher interest rates and position themselves as an important group that can ensure long-term financial stability.

### **BIG Trend #6 – To Have and Have Not: A Poem and Trend about AP Teams in 2025**

*Two roads diverge in the AP industry,  
One paved with tech, the other, stuck in history.  
The "Haves" blaze forward, their future is bright,  
While "Have Nots" falter, their goals out of sight.*

*The "Haves" scan with the greatest of ease, their  
invoices gleam,  
AI-driven insights, a futuristic dream.  
Workflows hum over a symphony of data,  
Efficiency soars, a powerful new era.*

*Their dashboards glow with the [metrics that matter](#).*

*Costs decrease, exceptions dwindle and scatter.  
Fraud detection alerts from intelligent systems,  
A future of efficiency, a promising vision.*

*But down the dusty path, the "Have Nots" trudge,  
Their visibility, a murky, dank sludge.  
Mired in paper, approvals flow slowly,  
Inefficiency lingers, draining them wholly.*

*No AI guidance, too many hands in play,  
A lack of automation leads to executive dismay.  
Fraud undetected, a time bomb unseen,  
Without the right tools, they're stuck in poor routines.*

*In twenty-five, the AP gap will certainly grow,  
The "Haves" continue to lead, their successes overflow.*

*Yes, AI will help define the new [Best-in-Class](#),  
While the "Have Nots" will linger, still stuck in the past.*

### **BIG Trend #7 – Global Invoicing Complexity, Part 1**

The challenges managing AP processes for a global vendor base increase with the complex and divergent invoicing regulations that exist in different countries and jurisdictions. Governments are increasingly implementing electronic invoicing mandates to improve transparency and reduce tax evasion. Ardent Partners expects the proliferation of global invoicing regulations to

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**Ardent Partners research shows that 74%  
of all AP departments planned to be using AI-powered  
solutions by the end of 2024.**

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accelerate within more countries and regions over the next few years. The complexity of navigating varying tax laws, compliance requirements, and invoicing formats across different countries poses sizable challenges to AP teams managing global supply chains. These mandates differ widely in scope and technical specifications, presenting AP teams with a labyrinth of requirements.

To avoid statutory and financial penalties, AP teams must work to stay ahead using one or a blend of strategies. One strategy is to track invoicing regulations at the local level (i.e., geographies where the enterprise and its suppliers operate). The second strategy is to utilize a baseline ePayables solution that can help standardize and streamline global invoicing workflows. The third strategy is to find a partner that can help ensure invoice processing and payments meet country-specific standards while also maintaining accuracy and timeliness. This will be key to minimizing the risk of financial sanctions for noncompliance penalties.

## **BIG Trend #8 – Global Invoicing Complexity, Part 2: New Tariffs Make Life Tougher for AP**

Market experts anticipate that U.S. tariffs will become a significant economic factor in 2025, particularly with the incoming administration's plans to implement substantial tariff increases. President-elect Donald Trump has proposed a 60% increase on Chinese imports and a 25% tariff on imports from Canada and Mexico, aiming to overhaul the current U.S. tariff system. To many, it is unclear if the talk of tariffs is genuine or simply political rhetoric. What is clear is that if these or other tariffs are enacted, such measures would raise the average tariff rate on imported goods. Industries heavily reliant on imported materials, such as manufacturing, retail, and technology, will face increased production costs, which will impact consumer prices and possibly profit margins.

What is also clear is that new tariffs will make life more complex for AP teams as they navigate a much more intricate invoicing world, including:

**Calculating and recording tariffs:** Accurately calculating and recording tariff costs on invoices requires careful attention to detail and may necessitate system adjustments.

**Managing duty drawback claims:** Companies may need to file duty drawback claims to recover tariffs paid on imported goods that are subsequently exported or used in the manufacture of exported products.

**Reconciling discrepancies:** Discrepancies between invoice amounts and actual costs, including tariffs, may increase, requiring more thorough reconciliation processes.

### **BIG Trend #9 – Geopolitical Conflict Makes It Tougher ... For Everyone, Not Just AP**

For the first two decades of this millennium, the risks associated with moving supply offshore — such as increased lead times and holding costs, reduced quality control, and poorer supplier communication and visibility — were mitigated by the dramatic cost savings achievable by simply “lifting and shifting” production to low-cost locations. The businesses (most) that ignored the risks inherent in a global supply chain were left unprepared for major disruptions and paid the price during the COVID-19 pandemic.

Today, many global supply chains are being impacted by military conflict, including those in the Middle East and Eastern Europe (Russia/Ukraine). Meanwhile, the U.S. and China are battling, albeit in a non-military fashion. From an AP perspective, the trend towards more conflict and tension around the world presents several potentially sizable challenges, including payment disruptions, increased compliance risks, currency fluctuation risks, and greater fraud risk.

### **BIG Trend #10 – Another Rollercoaster Year Ahead**

It is said that in business “change is the only constant.” In 2025, fast and extreme change will become the norm, as rising market volatility is expected throughout 2025. It will be driven by several global factors like geopolitical instability (see *BIG Trend #9*), drastic policy changes (e.g., tariffs or sanctions), and the continued increase in supply chain disruptions. These and other factors will contribute to unpredictable shifts in specific markets and the overall economy. Adding to the volatility “bouillabaisse” will be economic uncertainties, such as inflationary pressures and interest rate changes, but particularly the threat of recession in key economies during the second half of 2025 — fostering even more instability. Companies will face even greater challenges in managing costs, forecasting demand, and navigating unpredictable market conditions.

A market characterized by extreme swings forces businesses to adapt quickly to stay competitive, and AP teams will continue to play a role in helping organizations manage financial risk and maintain operational stability. This type of market creates several unique challenges and opportunities for AP teams such as: unpredictable cash flow management, increased vendor management complexity, heightened risk of fraud and errors, supply chain disruptions, and fluctuating currency exchange rates.

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**AP has emerged as a strategic cornerstone for businesses looking to streamline operations, enhance cash flow management, and bolster profitability.**

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## **BIG Trend #11 – The War for Next-Gen AP Talent Heats Up**

As accounts payable becomes increasingly visible and critical in today's enterprises, having the right talent to elevate AP for the future is essential. Today's talent market is primarily "skills-driven," meaning that businesses are not just hiring for roles but also for specific skills and requirements that go beyond traditional prerequisites. AP joins other business functions in today's "war for talent" that continues to be waged post-pandemic.

AP leaders that want to maximize their efforts and help their organizations thrive in the volatile year ahead must develop and execute on a new staffing plan that leverages next-generation hiring strategies, such as skills-based hiring. Specifically, the identification of skills, both old and new, that will be critical to AP staff success is needed to ensure the team evolves as it advances through the rest of this decade. AP leaders will benefit from collaboration with groups like talent acquisition to better define the changing roles within the department and the best way to attract the best candidates.

AP must also lean into the strength of the extended workforce, which, according to Ardent Partners' research, comprises nearly 50% of the average company's total talent. In years past, Accounts Payable has long taken a "temporary staffing" view of the contingent workforce. However, with a more strategic approach, AP can transform its extended talent into a high-powered source of Best-in-Class skills. With a deep, highly skilled workforce, AP can pivot when it experiences market shifts, innovative technology developments like this wave of AI innovation, and other global payment trends.

## 2025 BIG Trends:

- (1) Historic AI Adoption Rates
- (2) Intense Focus on Technology, Driven by Sky-High Expectations for AI
- (3) Solution Providers Go All-In on AI
- (4) AP's Wild West Approach to AI
- (5) The Cost of Capital Places More Focus on B2B Payments
- (6) To Have and Have Not: A Poem and Trend about AP Teams in 2025
- (7) Global Invoicing Complexity, Part 1
- (8) Global Invoicing Complexity, Part 2: New Tariffs Make Life Tougher for AP
- (9) Geopolitical Conflict Makes It Tougher ... For Everyone, Not Just AP
- (10) Another Rollercoaster Year Ahead
- (11) The War for Next-Gen AP Talent Heats Up



## THE BIG PREDICTIONS FOR 2025

AI, AI, Oh! Last year's "AP 2024" report should have predicted that there would be many more predictions in this year's report about AI. In 2025, artificial intelligence will take hold within AP corridors and start to become a force multiplier for teams of all sizes in all regions. To fully realize the potential of AI, organizations must invest in robust automation solutions, empower their workforce with the necessary skills to harness AI's potential, and establish clear strategies and governance to address potential challenges.

### **Prediction #1 – AI's Impact on AP Efficiency in 2025: Real and Spectacular**

2025 will be a year of significant transformation for accounts payable teams, driven largely by the rapid advancement and adoption of AI. As AI capabilities continue to expand within core ePayables solutions, AP teams will have the opportunity to drive substantial efficiency gains across the full [ePayables Framework](#).

On the front end, AI-powered tools will streamline invoice receipt and processing, significantly

reducing manual effort and driving the industry average invoice processing time to a record low level. This increased efficiency will push front-end AP staffers into more strategic roles, focusing more on processing and approval management and invoice exception management. Simultaneously, AI-driven invoice matching and validation will lead to a continued decline in invoice exception rates, further enhancing the overall efficiency and accuracy of AP processes and improving supplier satisfaction rates.

While AI will push many aspects of AP to higher levels of efficiency, some challenges will remain. Approval bottlenecks will persist as organizations grapple with the complexities of implementing efficient and secure AI-powered approval workflows. While AI will untie some big workflow knots, systems will need time to learn the unique flows and requirements embedded within each company. Additionally, supplier onboarding processes, often involving manual data entry and verification, will lag other areas within AP as leaders gain system trust to fully drive this area.

While the impact will be felt in 2025, the evidence will manifest over the next few years with a big

# ARTIFICIAL INTELLIGENCE

increase in the number of AP teams fully automating their sub-processes. AP has the opportunity to be at the forefront of the digital enterprise.

## **Prediction #2 – AI FOMO Helps Accelerate Digital AP Transformations**

FOMO (the “fear of missing out”) will run rampant through executive suites in 2025. As the competitive landscape within each industry shifts and intensifies, the fear that AI-powered rivals are poised to gain a significant advantage in efficiency, accuracy, and cost savings (what Ardent is calling “AI FOMO”) will grip the enterprise executives who have been automation laggards. This fear will drive major investments in 2025 in enterprise software, in general, and in ePayables solutions, specifically.

The market will also begin to punish poor market performance that could have been improved by AI. Over the past two years, the penalty for missing quarterly or annual income targets has been steep. In 2025, those enterprises who miss their targets and have delayed automation initiatives will face intense external criticism for failing to reduce operational costs and improve

productivity. This criticism will roll downhill from executives to department heads and to AP leaders who missed budget goals because they failed to automate critical AP tasks, such as invoice processing, matching, and approval. Beyond efficiencies, any AP, finance, and procurement executives who experience impactful fraud yet failed to implement any new, AI-driven solutions that could have identified and/or mitigated fraud risk will be in hot water.

## **Prediction #3 – Expanded RFP Scope for ePayables Solutions**

In 2025, AP teams will significantly refine their approach to their RFPs, placing greater emphasis on AI capabilities. Expect new and expanded sections in formal RFPs for ePayables solutions to include detailed specifications for AI-powered features, such as:

- (1) Currently available AI use cases
- (2) Data quality and security
- (3) Performance metrics
- (4) Data requirements and model training specifications
- (5) Vendor expertise
- (6) AI Roadmap.



The evaluation process will also involve rigorous testing of AI capabilities through longer and more detailed vendor demonstrations as well as proof-of-concept projects that leverage internal AP/finance data. Overall, this shift will necessitate a deeper understanding of AI technologies and their potential applications within the AP function and a reliance on more third-party experts to guide the process. Visit [Payables Place](#) for recommendations on how to craft an ePayables RFP in the AI age.

#### **Prediction #4 – Inflation and Supplier Price Increases Ramp-Up in H2-2025**

In Q1 2025, the new U.S. presidential administration will impose targeted tariffs on several key imports or regions, citing national security concerns and the need to rebuild domestic industries as tariff justifications. These tariffs will be met with immediate backlash from businesses, consumer groups, and international trade partners, that will argue they are excessive, protectionist, and harmful to consumers by being highly inflationary.

Many corporations, facing increased input costs due to these tariffs, will leverage the situation as an opportunity to raise prices. They may argue that tariffs necessitate higher prices to maintain profitability, even if the actual increase in input

costs is less than the price hike. This “tariff-plus” pricing allows companies to improve profit margins while deflecting blame on external factors for price increases.

The lack of transparency in how companies are passing on tariff costs to consumers will make it difficult to determine the true impact of the tariffs on prices. Not surprisingly, unaffected corporations will take advantage of the confusion and increase their prices as well. The net result will be a broad-based increase in consumer inflation rates in the U.S. and the West roughly 3-to-6 months after the first tariffs are announced.

#### **Prediction #5 – The Cost of Capital Stays Higher Longer**

In 2025, the U.S. Federal Reserve will maintain its “higher for longer” stance on interest rates, driven by several critical economic factors. While inflation has moderated in recent months, it remains above the Fed’s 2% target, signaling that underlying inflationary pressures could persist. Ardent Partners expects that the Fed will need to keep interest rates elevated for much of 2025 to curb inflation effectively and avoid future spikes.

Of course, several risks could reignite inflationary pressures, including the introduction of tariffs and tight labor markets. The continued demand for workers that is pushing wages higher, coupled

with potential supply chain disruptions due to geopolitical events or unforeseen shocks, risk raising business input costs further. This prediction assumes that the current Fed Chair remains in place and retains his control.

### **Prediction #6 – Treasury and IT Incorporate Vendor Payment Data into Cash Management Dashboards**

In a high-interest rate environment, the timing of supplier/vendor payments impacts financial performance. For many years, Ardent Partners has argued that AP should have a dotted reporting line into Treasury (or the cash management function at smaller businesses) to fully optimize its supplier payment strategy. In 2025, Treasury leaders will work with IT to incorporate invoice and vendor payment data into cash management dashboards.

The combination of AP and Treasury data will be powerful. By incorporating invoice due dates, payment terms, early payment discounts, and historical payment patterns along with cash flow forecasts, interest rate data, and available liquidity, payments can be scheduled in a way that strengthens the company's financial position.

While payment scheduling can be partially automated using algorithms that consider factors like invoice due dates, discount opportunities, cash availability, and predicted cash inflows, human oversight will be needed to ensure alignment with business priorities. This improved cash flow visibility will enhance liquidity management, reduce borrowing costs, and improve profitability.

### **Prediction #7 – Many CFOs and Treasurers Contemplate Cryptocurrency**

Many business pundits and investors believe that the election of Donald Trump as the next U.S. president bodes extremely well for cryptocurrencies like Bitcoin, Ethereum, and Tether over the next four years. This is perhaps stating the obvious since Trump has promised to make the U.S. the “crypto capital of the planet” and to stockpile Bitcoin. What is less obvious is the potential impact these promises will have on global corporations. Earlier this decade, a few corporations like MicroStrategy (Ticker: MSTR), Block (Ticker: SQ), and Mass Mutual made treasury investments in Bitcoin. As a result of its investment, MicroStrategy has seen its market capitalization soar and now refers to itself as a “Bitcoin treasury company.”

Cryptocurrency is not without its fair share of controversy and skeptics, but the very strong indication that the United States treasury will soon invest in cryptocurrency further legitimizes it as an investment vehicle. Accordingly, in 2025, many CFOs and treasurers will begin to investigate crypto as a potential asset to invest their cash and begin making smaller investments in the asset. Some, however, will take larger, more aggressive bets. As more finance executives gain experience and comfort investing in crypto, the path to using it to eventually pay vendors expands greatly, particularly if the currencies stabilize over the next few years. B2B payment professionals should watch this space!

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## **Prediction #8 – Pressure on Back Office Operations in Eastern Europe Will Begin to Build This Year**

Businesses with operations in Eastern Europe may be impacted by the outcome of the Ukraine-Russia war. Putin's invasion of Ukraine has been slowed significantly by the financial and military support provided to Ukraine by the U.S. and other NATO countries. Based upon its prior statements and actions, the returning Trump administration appears unlikely to maintain its current level of support for Ukraine. Trump has also been a loud critic of the NATO and the U.S. role in it.

Putin's interest in expanding Russian borders does not end with Ukraine. Russian progress — if not outright victory in Ukraine — would place significant pressure on bordering nations like Belarus, the Baltic states (Estonia, Latvia, and Lithuania), and even Poland in the near term. This threat would significantly impact Western corporations that have back-office operations in these countries.

For example, political instability could result in disruptions to employee safety, data centers, and supply chains. Security concerns could escalate, with increased threats of cyberattacks, espionage, and sabotage targeting sensitive back-office operations handling customer data, financial records, and intellectual property. The need for enhanced security measures, such as bolstered cybersecurity and physical protections, would drive up operational expenses.

Talent retention and attraction could also suffer, as safety concerns deter skilled workers, leading to brain drain as employees migrate to safer regions. A talent shortfall could disrupt operations,

especially in sectors reliant on specialized skills in technology and finance. Executives with operations either owned or outsourced in this region should put resilience plans in place immediately.

## **Prediction #9 – Robust AI Governance Secures Sensitive Data and Establishes Stakeholder Trust**

The “Wild West” approach to AI and the inherent “black box” nature of how artificial intelligence functions means placing smart, sensible, and in some cases, very tight controls around its usage. With this understanding, finance and IT leaders can introduce clearly defined approaches to AI usage across the entire business. Within AP, there will be many areas in need of these rules.

One example of AI governance in AP involves fraud detection. AI-powered systems analyze transaction data to identify anomalies indicative of fraudulent activity, such as unusual spending patterns or suspicious payments. Robust governance for this application necessitates laying out clear guidelines for data privacy, establishing protocols for handling and investigating fraud alerts, and ensuring human oversight to avoid false positives. Due to challenges of AI models “keeping up” with fraudsters (see *Prediction #12 below*), regular model reviews will be needed to maintain their accuracy and effectiveness.

Predictive analytics for cash flow forecasting is another area where AI governance will be essential. AI models can analyze historical orders, invoices, and payment data as well as market trends and interest rates to predict future cash



flow, enabling smarter B2B payment decisions. Effective governance in this context requires ensuring the accuracy and reliability of the data used to train the AI model.

Furthermore, it is important to maintain transparency into and reasoning behind the model's predictions. Regular monitoring and validation are necessary to ensure the continued accuracy of the forecasts and to adjust the model as needed based on actual results and changes to cash management priorities.

Finally, automated invoice processing, powered by AI, automates the extraction of data from invoices, necessitating robust governance. Securing sensitive invoice data throughout the receipt and processing processes as well as banking data during the payment process is essential. Also paramount is implementing quality control measures to verify the accuracy of the data extracted by the AI system. Establishing stakeholder trust in the new technology means providing assurance that existing audit trails that track all processing and payment activity are maintained.

## **Prediction #10 – A Series of AI “Malfunctions” Will Create a Wave of Panic and Calls for Regulation**

In 1983, *WarGames*, an American techno-thriller film, introduces audiences to many new technology concepts, including computer hacking, IT security, and early-stage AI decision-making. In the movie, false data and AI simulations bring the U.S. to the brink of thermonuclear war, before it is averted by a plucky high school student (played by Matthew Broderick).

In 2025, several costly AI “malfunctions” will capture the headlines and send global businesses, consumers, and investors into a deep-set panic. The malfunctions will not be catastrophic, “end of times” types of events, but rather patently obvious mistakes with detrimental and ill-effects for a subset of users or stakeholders. Nonetheless, the market's response to them will be drastic, causing a major plunge in technology stocks and the overall market. These malfunctions will serve as a clear reminder that powerful AI capabilities need to be monitored, managed, and audited regularly. In the immediate aftermath of these events, politicians around the world will begin drafting legislation around AI usage controls and penalties for its misuse.

## Prediction #11 – “Fake” Data: The Fool’s Gold for AI Users

Many say that an AI model is only as strong as the data it relies on to function. In 2025, the huge potential upside in sales, valuations, and personal wealth from selling AI-powered solutions will convince some enterprise software solution providers that the use of fake data to train and drive the models used by their customers is justified. Over time, discrepancies will emerge between the model’s predictions and their customers’ actual outcomes. Audits will reveal that the training data provided to the AI was either manipulated or fabricated. The fake data will lead AI to generate inaccurate predictions and flawed strategies, impacting users’ performance.

The exposed providers will pay a big price in sales, company valuations, and potential legal liabilities. Providers’ clients and stakeholders will lose trust in their ability to operate and manage effectively, with impacted companies forced to enact a temporary freeze on their AI use. This will cause delays in operations and force teams to revert to manual or legacy decision-making processes. If any highly regulated industries are impacted, regulators will launch investigations into the breach, potentially resulting in fines, sanctions, or mandatory operational overhauls.

Ardent Partners does not expect this issue to hit the AP sector directly. However, these unique instances of fake data will remind everyone working in finance that the source, quality, and legality (in usage) of data used in AI applications is critical and must be validated frequently.

## Prediction #12 – Alien vs. Predator: AI-powered Fraud vs. AI-powered Protection

Ardent Partners’ 2023 research showed that fraud attempts targeting the procure-to-pay process (and invoicing and payments specifically) hit an all-time high. If the global pandemic emboldened fraudsters, the use of AI-powered fraud tools has empowered them fully. Just as “the Alien” evolved to counter “the Predator’s” advanced weaponry in that cinematic classic, *Alien vs. Predator*, sophisticated AI-powered fraud detection solutions are now locked in a constant arms race against increasingly cunning AI-powered fraudsters. Fraudsters are conventionally adaptive and relentless, constantly evolving their tactics to exploit vulnerabilities in traditional security measures. They can now leverage AI to generate convincing deepfakes, manipulate data, and orchestrate elaborate phishing schemes with unprecedented sophistication.

In response, finance departments will continue to deploy their own arsenal of AI-powered defenses. Machine learning algorithms are trained to detect anomalies in transaction patterns, identify suspicious invoices, and flag potentially fraudulent activities. Natural Language Processing (NLP) algorithms are being used to analyze communications between trading partners to identify subtle cues that may indicate a fraudulent attempt. These AI-powered sentinels, like the Predator, are constantly learning and adapting, refining their detection capabilities to stay ahead of the ever-evolving threats. For AP teams, winning a battle will not end fraud attempts — there will be many sequels. Everything from fraud to geopolitical instability can create opportunities for fraudsters to exploit weaknesses in payment systems and manipulate financial transactions.

## **Prediction #13 – AP Leaders Begin Developing New Staffing Models and Hiring for New Skillsets**

The deployment of an AI-powered AP automation solution has the potential to fundamentally transform the department's staffing needs. Accordingly, in 2025, HR and finance leaders will begin to collaborate on the development of new staffing models for AP departments and look to develop or recruit new skillsets to align with the drivers of a modern operation (and the use of a skills-based approach to hiring). While the volume of manual processing tasks will decrease, the need for roles focused on oversight, strategic analysis, and technology management will increase. The new staffing model should emphasize adaptability, technical proficiency, and value-added capabilities.

**Staffing Model Overview** — The adoption of an AI-powered ePayables solutions will dramatically reduce the need for transactional roles focused on manual data entry, invoice processing, and reconciliations. With automation handling up to 80% of routine tasks within the next few years, the AP team will shift towards roles emphasizing oversight, analysis, and strategic input.

As manual operations diminish, the department's structure will evolve to support system efficiency and ensure the team's alignment with broader organizational goals. This transition will require fewer generalists and more specialized professionals capable of managing exceptions, analyzing data, and maintaining compliance.

**New Roles and Skillsets** — The reimagined AP department will prioritize positions that complement the ePayables system's capabilities. AI and automation specialists will be critical to managing, optimizing, and troubleshooting the

deployed solution, requiring expertise in AI, machine learning, and process automation.

AP data analysts will leverage insights generated by AI to identify trends, improve vendor relations, and inform B2B payment strategies, demanding more advanced analytical and financial modeling skills. Exception management specialists will focus on resolving flagged cases, such as payment discrepancies or fraud detection, necessitating strong problem-solving abilities and AP process expertise.

Furthermore, compliance officers will ensure adherence to regulatory requirements and mitigate risks, while vendor relationship managers (who may report into procurement) will concentrate on enhancing partnerships and addressing payment-related issues.

A short-term need for change management experts will also arise to guide the transition, address employee resistance, and train the workforce on new processes.

## **Prediction #14 – As AI's Impact Expands, AP Becomes a True Career Launching Pad**

In 2025, a greater number of professionals that began their careers in AP will advance into more strategic roles. This is the inevitable result of a multi-year gain in strategic momentum, the advancement of technology adoption across the industry (including experience in driving a digital transformation), and the broad-based understanding of an AP operation's huge potential impact on cash management. The rise of AI within AP departments will propel the careers of many AP staffers.

AP professionals who effectively leverage AI technologies will gain valuable skills in data management and financial analysis and decision-

making. These skills will be highly prized across various departments within the enterprise, opening doors to career paths within finance and beyond.

Talented AP professionals who develop a broader understanding of the business and its financial operations, while simultaneously strengthening their general AP and AI-related skills, will find success in other roles. This shift will position AP as a launching pad for sharp professionals seeking to advance their careers beyond traditional AP roles.

Within the AP realm, AI has the potential to channel an entirely new level of innovation that will enable both AP professionals and their leaders to transform the tactical and strategic activities of the function (such as invoice receipt and processing, as well as B2B payment scheduling and working capital optimization), while also tapping into a currently underutilized repository of AP information, data, and insights.

## Conclusion

In 2025, the AP landscape will continue to shift rapidly, driven by technological advancements, economic uncertainties, geopolitical tensions, and the threat of new trade wars. AI will emerge as a force-multiplier, revolutionizing invoice processing, B2B payments, and fraud detection, while making the entire AP operation more intelligent.

Since the start of the decade, AP teams have shown their value by ensuring stability and operating efficiently. As the industry moves forward, it is becoming clear to more and more executives that a robust AP operation can be a strategic powerhouse capable of driving bottom-line performance and optimizing overall business operations. The year ahead will help cement this new perception of AP.

## 2025 Predictions:

- (1) AI's Impact on AP Efficiency in 2025: Real and Spectacular
- (2) AI FOMO Helps Accelerate Digital AP Transformations
- (3) Expanded RFP Scope for ePayables Solutions
- (4) Inflation and Supplier Price Increases Ramp-Up in H2-2025
- (5) The Cost of Capital Stays Higher Longer
- (6) Treasury and IT Incorporate Vendor Payment Data into Cash Management Dashboards
- (7) Many CFOs and Treasurers Contemplate Cryptocurrency
- (8) Pressure on Back Office Operations in Eastern Europe Will Begin to Build
- (9) Robust AI Governance Secures Sensitive Data and Establishes Stakeholder Trust
- (10) A Series of AI "Malfunctions" Will Create a Wave of Panic and Calls for Regulation
- (11) "Fake" Data: The Fool's Gold for AI Users
- (12) Alien vs. Predator: AI-powered Fraud vs. AI-powered Protection
- (13) AP Leaders Begin Developing New Staffing Models and Hiring for New Skillsets
- (14) As AI's Impact Expands, AP Becomes a True Career Launching Pad



## About the Author:

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With 25 years in the industry and 15 years leading the charge at Ardent Partners, Andrew Bartolini is a globally recognized expert in accounts payable, B2B payments, sourcing, procurement, and supply management.

As the Chief Research Officer at Ardent Partners, Andrew oversees all research and client programs including the annual State of the Market and Metrics that Matter eBook Series', Technology Advisor Reports, Ardent's monthly webinar series, as well as its in-person and virtual CPO Rising Summits.

Andrew is also the publisher of CPO Rising, the news and research site for Chief Procurement Officers and other procurement leaders ([www.cporising.com](http://www.cporising.com)) and Payables Place, a site dedicated to Accounts Payable technology, news, and research ([www.payablesplace.com](http://www.payablesplace.com)).

Advisor to corporate executives and leading solution providers alike, Andrew is a sought-after presenter, having lectured and presented more than 575 times in nine different countries. Over the past decade, Andrew has benchmarked thousands of enterprises across all facets of their sourcing, procurement, supply management, and accounts payable operations, and his research has been part of the Supply Chain Management curriculum at several U.S. universities.

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He actively covers the technology marketplace as well as trends in sourcing, procurement, supply management, and accounts payable, and has been published or quoted in leading business publications including *The Wall Street Journal*, *Business Week*, *Investor's Business Daily*, *Forbes*, and *Fortune*, as well as the major trade publications focused on accounts payable and supply management.

Prior to becoming an industry analyst, Andrew developed, packaged, deployed, and used supply management solutions on behalf of enterprises in the Global 2000 while working for several prominent spend management solution providers. Additionally, his experience in strategic sourcing (where he managed sourcing projects totaling more than \$500 million in aggregate client spend), business process transformation, and software implementation provides a "real-world" context for his research and writing).

Andrew's post-MBA work started in management consulting and investment banking where he structured, managed, and advised on large capital market transactions. Andrew began his professional career running a homeless family shelter in Los Angeles. He welcomes your comments at [abartolini@ardentpartners.com](mailto:abartolini@ardentpartners.com) or 617.752.1620.

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