



Accounting Operations Benchmarks (SMBs)

AR/AP Process Automation & Accounting Operations

| Process Metric | Benchmark Value/Range | Unit | Notes/Typical Practice |
|-------------------------------------|-----------------------|------------------------|--|
| Invoice Processing Time (AP) | 2-4 | Business days | Highly automated sectors reach 1-3 days; complex/project-based up to 5 days |
| Cost to Process One Invoice (AP) | USD 2.80-USD 5.00 | Dollars per invoice | Standardized sectors at the low end; regulated or custom at high end |
| Touchless Processing Rate (AP) | 78-90% | Percentage | Most companies achieve >80% with automation; less in compliance-heavy fields |
| Days Sales Outstanding (DSO) | 40-70 | Days | Manufacturing, automation, and B2B sector average DSO spans 40-70 days |
| Cash Application Cycle Time (AR) | 1-2 | Days | Real-time EDI/ACH in best cases; manual project allocation can delay to 3+ |
| Invoice Exception Rate (AP) | 4-8% | Percentage of invoices | Exception rates under 5% with AP validation; rises with manual controls |
| Collection Effectiveness Index (AR) | 100-115 | Index (100 = baseline) | Higher in transactional sectors; lower in large, consulting/project-based |

Accounting Staff Benchmarks

| Revenue Band (USD) | Median Finance FTEs | FTEs per USD 10 M Revenue | Notes |
|--------------------|---------------------|---------------------------|--|
| 5–15 M | 2.5–3.5 | 2.8–3.2 | More manual industries on high end; automation reduces headcount |
| 15–30 M | 4–5.5 | 2.0–2.8 | Scale and automation drive efficiency gains |
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Guidance:

- For SMBs in this revenue range, typical AR/AP automation can reduce per-invoice processing cost by 60–75% and cut staff time by 20–30% compared to manual operations.
- Target 2.5–3 FTE per \$10 million revenue for full-cycle accounting and finance, optimizing further with effective automation adoption.

These composite benchmarks reflect the prevailing averages across building materials, construction, chemicals, equipment, environmental, automation, metals, energy, real estate, pharma, medical devices, and related US B2B manufacturing and industrial fields in the \$5–30M segment. Individual sector or business-model deviations should be assessed against this baseline to drive internal process improvements and strategic automation investment.

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