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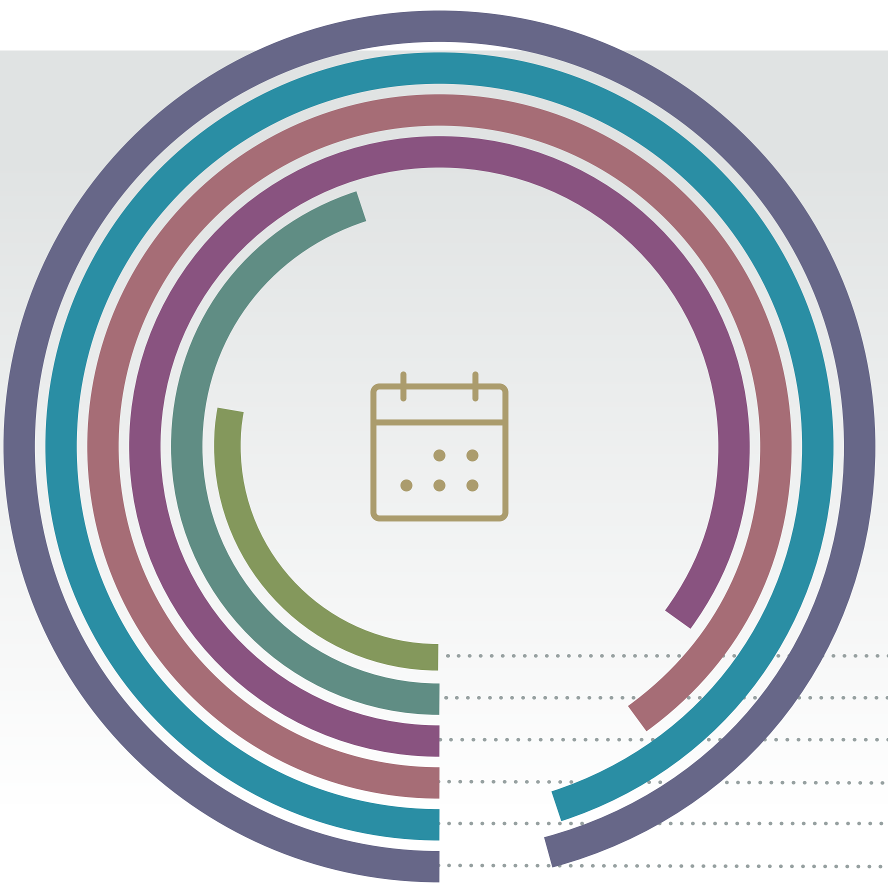
MEDIUS FINANCIAL CENSUS 2026

# Late Payments: Automation's broken promise.

Finance departments say they're happy with their AP tech—so why do a third of their invoices go out late?



**28%** of finance teams **call the burnout impact "significant or severe".**

**45%** say 21–40% of **their invoices are paid late** in a typical month.

**85%** report some level of AP automation—yet **late payments remain widespread.**

**90%** **say they're satisfied** with their current AP technology.

**95%** say **they're satisfied with how long it currently takes to pay a supplier**—despite the late payment reality.

**96%** say managing late payments has **contributed to AP team stress or burnout.**

85% of finance teams have automated AP—yet 96% say late payments are still driving team burnout.

## Why *are* payments late?

| | |
|---|---|
| Internal approval bottlenecks. | 23% |
| Insufficient cash flow management. | 21% |
| Disputed invoices or data mismatches. | 21% |
| Under-resourced AP teams. | 18% |
| Poor visibility on upcoming deadlines. | 16% |

## What are suppliers doing about it?

**45%** are imposing stricter payment terms upfront.

**43%** are ending client relationships.

**42%** are reducing service quality or speed.

**42%** are escalating to formal dispute or legal action.

Average late payment penalties are **$23,808 per year.**

Teams spend an average of **7.7 hours per week** chasing approvals and resolving disputes.

## There's a better way to spend your time.

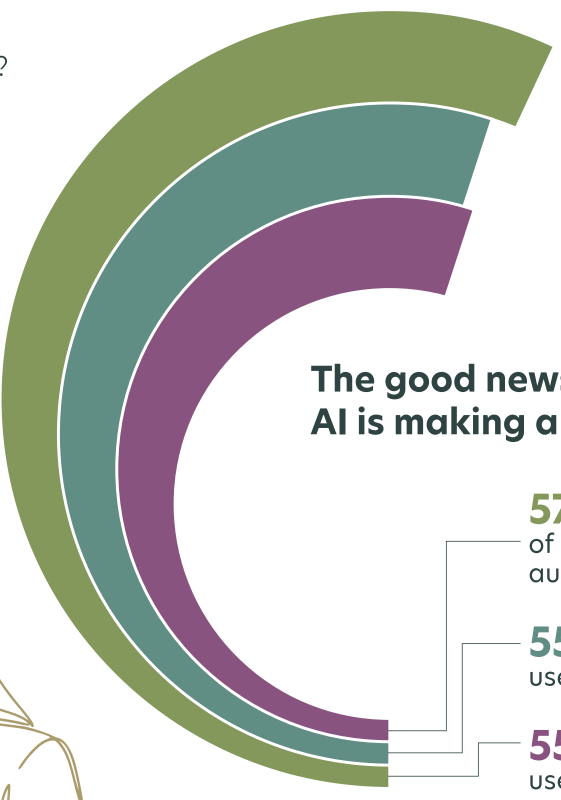
If organizations could free up time currently spent managing late payments, they'd reinvest it in:

| | |
|---|---|
| Tech upgrades and digital transformation. | 45% |
| Strategic financial planning and forecasting. | 45% |
| Supplier relationship development. | 43% |
| Hiring and retaining finance talent. | 40% |

## But there are barriers in the way.

What's stopping companies from using AI to speed the process?

| | |
|---|---|
| **Complexity:** too many systems in place. | 22% |
| **Competing priorities:** other digital projects take precedence. | 21% |
| **Awareness:** uncertainty about what solutions are available. | 19% |
| **Budget:** there's no funding allocated. | 19% |
| **People:** lack of internal champions or executive buy-in. | 17% |

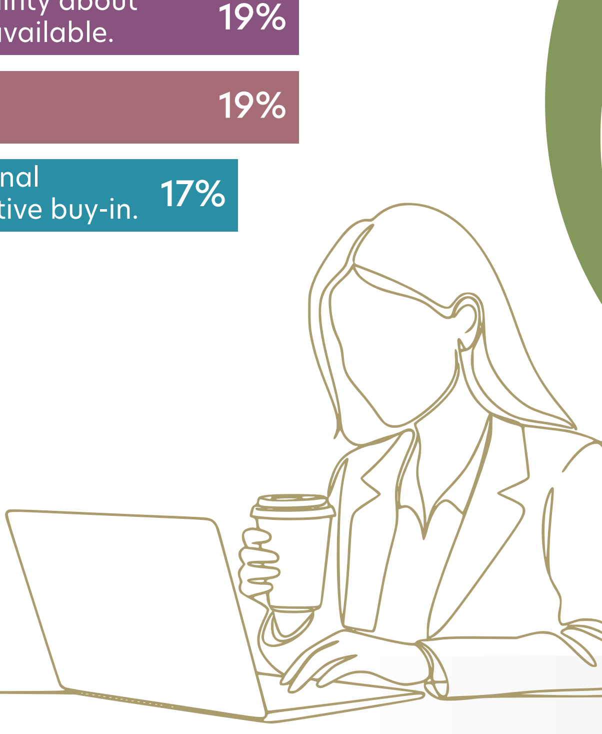


## The good news: AI is making a difference.

**57%** of finance teams use AI to automate approvals.

**55%** use it to flag at-risk invoices.

**55%** use it to forecast cash flow



The AP perception gap is real. Organizations believe their automation is working—but their suppliers and their own AP teams tell a very different story.

**Read the full 2026 Census report: An Accounting of Financial Professionals to learn more.**

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