Digitisation of the Last Mile

Vendor Invoice Processing

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excelerateds2p

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Agenda

- Introductions
- Why IIE?
- Solution Overview
- Demonstration
- Deployment
- Q&A

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Presenters

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APAC

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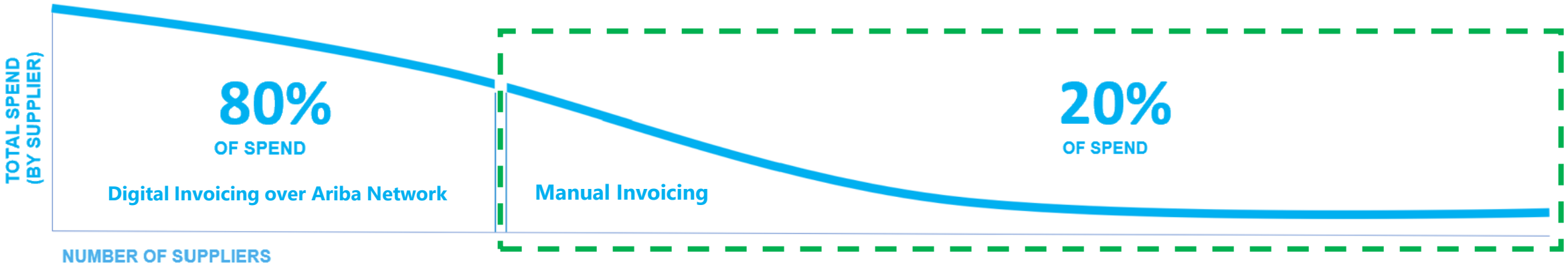
Why IIE?

The Challenge
and
IIE's Benefits

The Challenge:
How do we digitise invoicing for ALL suppliers?

The power of the SAP Business Network is undeniable…



However, not all suppliers will choose to transact over the Network. ☹

IIE provides an additional channel for invoice ingestion for the long "tail" of suppliers.

Give ALL your suppliers an easy way to submit invoices digitally!
With IIE, you can:

- ✓ Give ALL your suppliers an easy-to-use option for sending invoices
- ✓ Complement your preferred Network Enablement strategy
- ✓ Eliminate the need to manually key in invoices

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Use Cases and Business Benefits

1. *Are you wasting time and money manually entering invoices into your AP system?*
2. *Are you consistently paying suppliers late?*
3. *Are your invoice reconciliation cycle times too long?*
4. *Are you struggling to enable your suppliers on a Network?*
5. *Do you want all your invoices to be processed in one place?*

Reduce your manual invoice processing

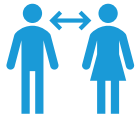
✓ No paper or portal submissions required, as suppliers simply email invoices

Control and simplify invoice handling

✓ Never lose an invoice and gain quick benefits from e-invoicing to standardize your process

Touchless invoice posting capability

✓ Powerful automation means more accurate and faster entry of invoices



Fast benefits for you and your suppliers

✓ Easy for suppliers, with reduced effort and cost for your supplier onboarding

Simple and fast deployment

✓ The app can be up and running within 48 hours

Global Investment Fund deliver significant invoice processing efficiencies through Intelligent Invoice Express (IIE)

Achieving Touchless Invoice Processing Capability

This Global Investment Fund provides world class investment solutions and retirement expertise to institutions, individuals and their advisers.

Founded and headquartered in Boston, Massachusetts, they are responsible for total client **assets of £516.9 billion** from over 2.52 million clients across Asia Pacific, Europe, the Middle East, South America and Canada. The fund operations in Ireland were established in 1996 as the European offshore development centre for global operations and now employs over 1,000 people with offices in Dublin and Galway.

Realising that they needed a solution that would automate their supplier invoices data entry processes, they approached excelerateds2p about the Intelligent Invoice Express application to help them improve speed of processing, compliance and control over pdf invoices submitted by email.

Non-network Invoices Business Challenges

Despite having the majority of their strategic suppliers registered and submitting electronic invoices via the Ariba Network, they still had a significant tail-end of low invoice suppliers that continued to submit their invoices via email.

Challenges created by this included:

- Valuable AP resource tied up manually entering invoice data into the SAP Ariba Invoicing solution
- Missed invoices and invoicing errors caused by human error at the point of input
- Reduced audit capability due to the number of invoices being processed manually
- Processing bottlenecks creating unnecessary invoice delays

The Solution – Automate Accounts Payable Processing with IIE

Intelligent Invoice Express enables you to receive supplier invoices quickly and efficiently via email. The incoming pdf invoices are immediately registered for verification and validation prior to processing in your invoice system. The relevant invoice data is then extracted and passed electronically into Accounts Payable with the original invoice attached, helping to promote touchless invoice processing.

How it worked for the Global Investment Fund

Intelligent Invoice Express sought to support suppliers who were not registered on the Ariba Network (circa 2,000), enabling them to automate the invoice process for the 'long tail' of suppliers who typically worked outside their formal workflows, and submitting the digitized invoices seamlessly into SAP Ariba Invoice Management.

The processing workflow introduced through Intelligent Invoice Express:

- Suppliers continue to email invoices, but now to a new dedicated inbox
- IIE collects the supplied pdf and indexes the invoice
- An extraction service, using advanced OCR Technology, digitizes the invoices, without the limitation of having to use templates, returning a detailed cXML document
- The cXML file is enriched with additional automation e.g. line item matching
- Electronic invoice data is formatted and uploaded into the AP system for processing / matching, along with the original attachment

Better Business Outcomes

Following an initial 6 week POC whereby we assessed the types and structures of invoices received, IIE was subsequently configured and deployed in 4 weeks. Business benefits already achieved include:

- Over 1,500 PDF invoices per week, captured and automatically processed and submitted via IIE within the first 3 months of implementation
- Processing time of invoices reduced by 75%, from 4 minutes to 1 minute
- 25% of processing headcount able to be redeployed to more strategic tasks
- Invoice data capture accuracy improved to over 95%
- Full compliance audits now taking place on 100% of invoices and that will reduce to "random and spot checks" which will deliver further cost savings

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Solution Overview

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How Does IIE Work?

Supplier **emails invoice** (PDF) to designated inbox

IIE **uses Machine Learning (ML) to** extract invoice data

IIE **enriches with additional information** from SAP ERP or Ariba Invoicing

Electronic **invoice data seamlessly flows into any ERP or invoice management system** for processing/matching posting with original attachment

Standard **exception processing and/or workflow within existing AP system** to enable ready to pay invoice

Carbon copy of Invoice as applicable for Ariba Network

IIE Core Concepts

Capture

Any supplier on or off Network
Dedicated eMail Inbox

Formats supported
- **Image PDF**
- Readable PDF
- Office
- EDI
- cXML (e.g., eInvoice)

OCR extraction
- **Country localization**
- Configurable field definitions

Prepare

Improve data accuracy
- **Configurable rules**
- **Resolve Supplier** to ERP Vendor
- Use PO for line-item identification

Improve process efficiency
- **Tax code determination**
- **Non-PO invoice coding**

Optimise

Zero Intervention strategy
Assisted machine learning

Initial Optimization
- Process high volume supplier invoices prior to go-live
- Included in the setup costs

Ongoing Optimization
- **Reporting** to identify areas for improved automation

Park / Post

Send the item to the recipient system

Ariba Invoicing
- Post
- Posted with notifications*

SAP ERP (ECC / S/4)

*Subject configuration options:
- Post
- Intervention required
- Hold / Park

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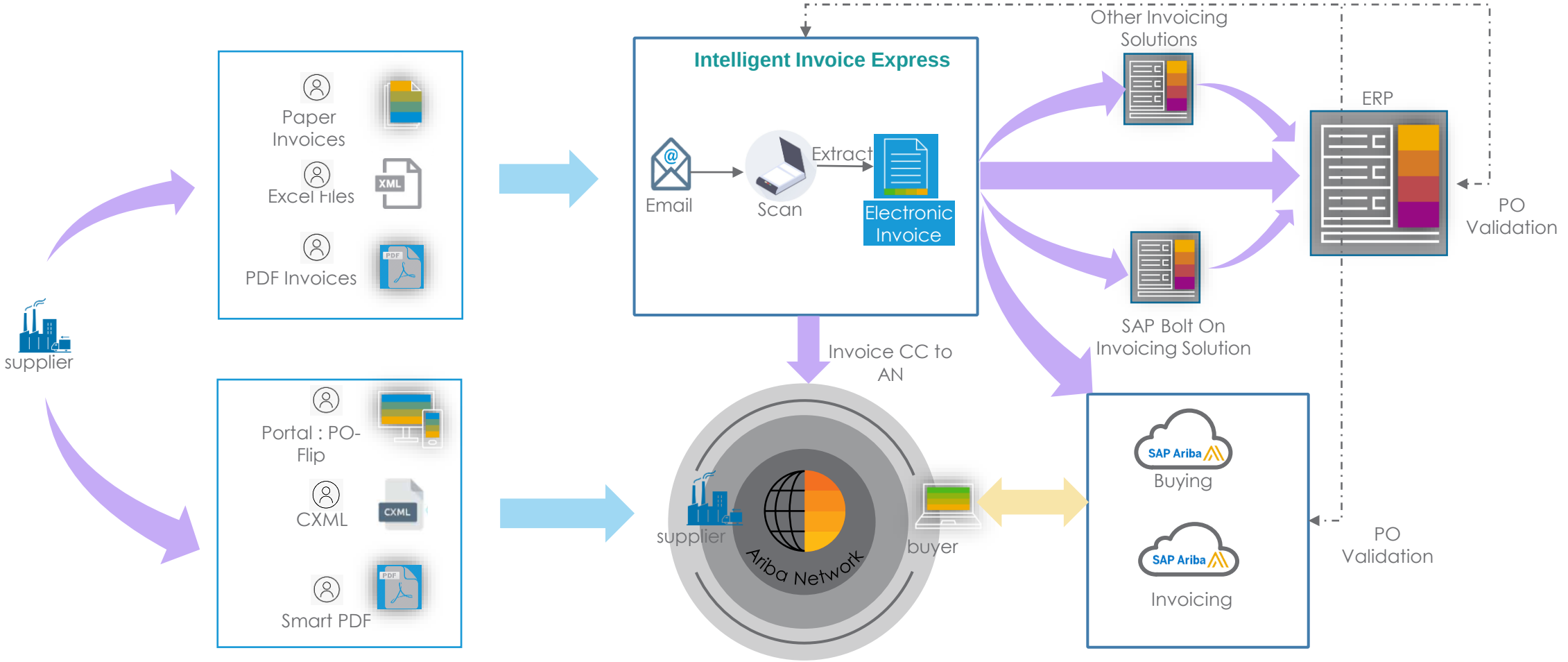
IIE Data Flow in Parallel with SAP Business Network and/or Others



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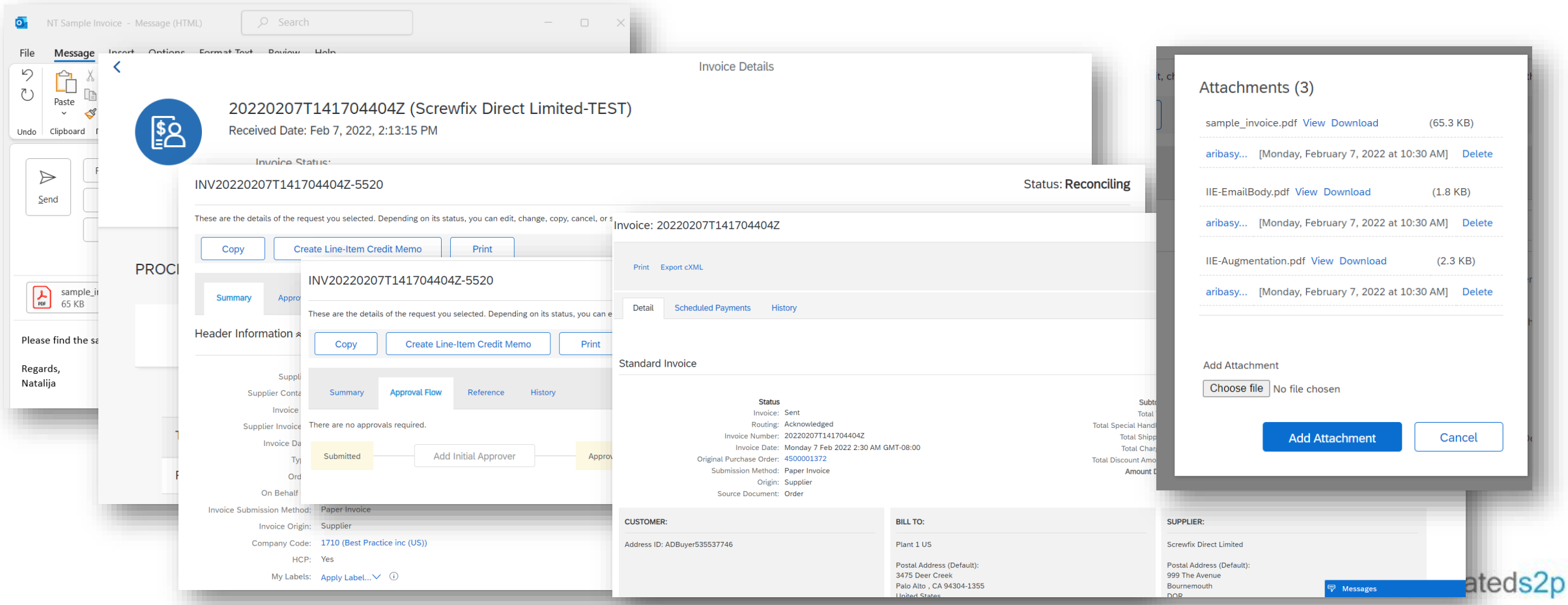
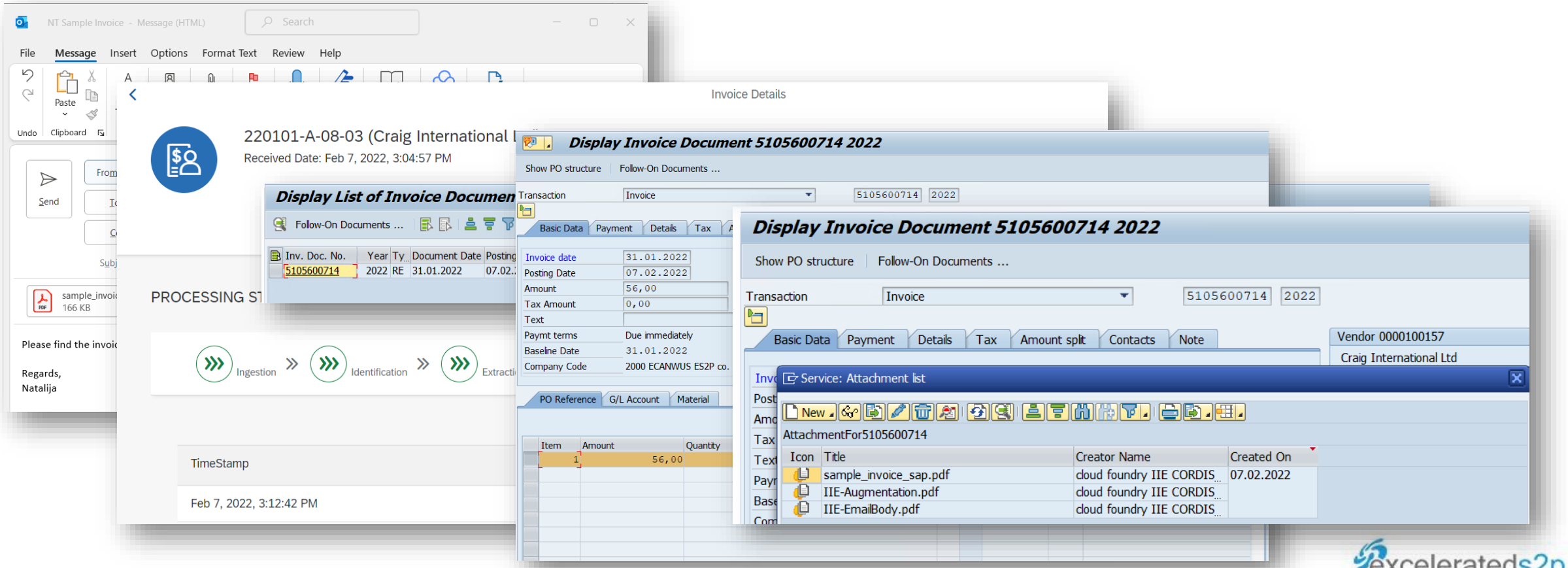
IIE in Action (Ariba Invoicing)

Supplier sends the invoice to an email address → IIE confirms receipt → Confirmation in Ariba of Data Extraction → Leverage existing invoice workflow



IIE in Action (SAP ERP)

Supplier sends the invoice to an email address → Receipt and acknowledgement from IIE → Confirmation of Data Extraction → Initiate workflow



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Demonstration

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Demo: Three Simple Scenarios

1. **Typical PO Invoice** – flowing straight through to SAP Ariba Invoicing

2. **Invoice with Issues** – how IIE helps address these scenarios

3. **Non-PO Invoice** – flowing straight through to SAP ECC

Deployment

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Sample Deployment Timeline

Sprint 0
1-2 weeks

PREP

Planning

Resourcing

Realm readiness

Setup pre-requisites

Prepare to open firewall

Customer Level of Effort

Low

Customer downloads the application from the SAP App Center

Customer Level of Effort

Low

Sprint 1
2-4 weeks

SETUP

Enable test instance & connect invoice system

Open firewall

Confirm suppliers

Complete unit testing

Customer Level of Effort

Low

Sprint 2
2-4 weeks

OPTIMISE

Realm readiness

Draft comms for suppliers

Optimise with real supplier invoices

Complete end-to-end checks

Customer Level of Effort

High

Go Live

Enable production

Hypercare support

Customer Level of Effort

Med

RUN
Ongoing

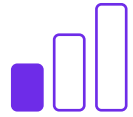
RUN

Send instruction email to suppliers

Receive invoices from suppliers

Ongoing optimization

Customer Level of Effort



Low

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Key Deployment Activities

Preparation

- Ariba API portal enabled
- Ariba Buyer Network ID & Ariba Invoicing network feature enabled
- Client email account setup for excelerateds2p server
- Ariba P2P and Buyer Network access for excelerateds2p to Test Realm

Setting up integration

- ERP → IIE master data extraction
- ERP → IIE PO extraction
- IIE → ERP invoice loading
- ERP → IIE matching statistics for input to optimization

Setting up IIE

- Pre-tuning of supplier invoice recognition
- Pre-loading of rules to drive better invoice recognition
- Setting up tax code determination & non-PO coding
- Identify default Supplier ID to catch invoices with no supplier found

Optimise

- Select list suppliers for pre-go live optimization* & process example invoice documents/data
- Business and validation rules applied to incoming documents/data to identify additional data to capture

**Standard approach: Top 10 in scope suppliers by volume*

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Q&A

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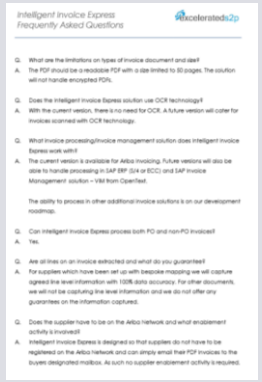
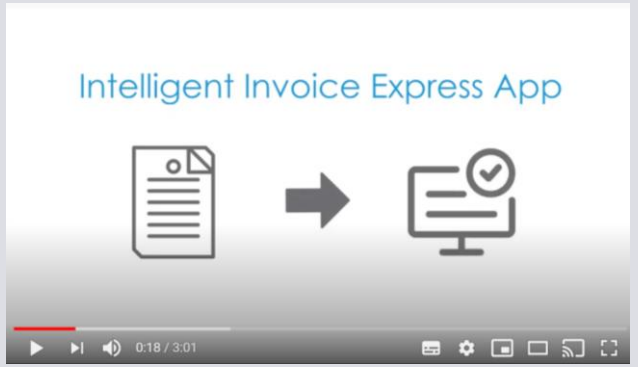
Additional Materials

Factsheet



FAQ's



Overview Video

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Some of our Other Apps!

Intelligent Invoice Express (IIE)

Digitizes and posts non electronic invoices to SAP AP systems and the Ariba Network

Intelligent Content Capture

Undertake both catalog and non-catalog searches simultaneously within Guided Buying

Personally Identifiable Information Protection (PIIP)

An extra layer of protection through data encryption to PII records in SLP

Visual Budget Checker

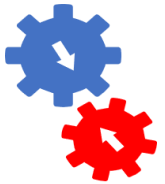
Provides departmental users a real-time budget check at point of ordering within Guided Buying

Category Management Dashboard

A dynamic analytical dashboard combining SAP Ariba and SAP ERP data

Lightweight Inventory Manager

An inventory management solution integrated with Guided Buying when SAP IM is too complex



A2O Connect

Pre-built seamless integration between SAP Ariba modules and Oracle ERP

Full details and demo videos available on our website: www.excelerateds2p.com/innovation

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