Global manufacturing company digitizes invoice processing with OpenText

Celestica enhances its accounts payable with OpenText Suite for SAP®

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Rebecca Schriver
VP of IT
Celestica
Celestica is a leader in design, manufacturing and supply chain solutions for the world’s most innovative companies. It brings expertise and insight from the drawing board to full-scale production and after-market services. Headquartered in Canada, Celestica is a global operation with 27,000 employees in 29 locations across 14 countries. The company’s solutions span a range of industries, including aerospace and defense, communications, enterprise, healthcare, industrial, semiconductor capital equipment and smart energy.

Celestica prides itself on the commitment of its employees who go above and beyond to serve its customers. In the face of fiercely competitive markets, however, Celestica must also operate in a lean and efficient manner. Using OpenText™ Vendor Invoice Management for SAP® Solutions and OpenText™ Invoice Capture Center for SAP® Solutions, Celestica automated its accounts payable (AP) processes to achieve critical gains in efficiency and productivity.

Celestica continuously seeks opportunities to manage costs. Rebecca Schriver, VP of IT, explained, “We have to be very lean, and we have to be very efficient. We are always trying to gain efficiency and take cost out.” One area of Celestica’s operations that presented an opportunity for such gains was the AP process, which had manual invoice entry and workflows. The role of accounts payable is vital to the company—Celestica’s accounts payable team processes more than 1 million invoices per year in over 12 different languages.

“We were doing a lot of manual invoice entry, and there was a lot of manual workflow processing around approving invoices,” explained Schriver. To further complicate matters, Celestica had challenges integrating its invoice management processes with its SAP business platform.

Streamlined, digital invoice processing

Automation and process improvement were key requirements, but the company also needed a solution that would integrate with its SAP system. In the end, Celestica partnered with OpenText to deploy OpenText Vendor Invoice Management (VIM) for SAP Solutions, a solution that streamlines accounts payable operations for SAP customers by automating and simplifying the process of receiving, managing, monitoring and routing invoices.

Schriver explained Celestica’s choice: “OpenText VIM provided an opportunity for automation and efficiency gains. OpenText has been in the market longer than some of its competitors, and we felt that the solution was more robust and fit more with our existing landscape. Plus, we are an SAP-run company; the OpenText partnership with SAP was a key factor in our decision.”

Celestica later added OpenText Invoice Capture Center (ICC) for SAP Solutions, an OCR tool that uses the most advanced document and character recognition capabilities available to turn invoices into machine-readable information. The deep integration with SAP fully automates data extraction and eliminates manual keying. “The OCR component was really critical for us because it allowed us to automate and decrease manual entry, which provided a huge benefit,” said Schriver.

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Increased AP productivity

The new OpenText VIM solution has transformed Celestica’s AP operations, resulting in faster invoice processing and approval times. “From a process efficiency standpoint, what we have seen is a 20 percent reduction in our overall cycle time. We’ve seen a 20 percent reduction in duplicates and a 50 percent reduction in approval cycles,” said Schriver.

With the combined solution of OpenText VIM and ICC, the labor-intensive manual entry of invoices has become a thing of the past. Fully integrated with SAP, the invoice capture and management solution has accelerated invoice processing and reduced the potential for errors caused by manual data entry.

Unnecessary delays in the invoice approval process have also been eliminated via the new solution’s automated invoice routing based on business rules and roles. “The biggest response from users has been around the workflow for invoice approvals which is now clear on what to do and where to approve. Users easily know when they have something to approve, and will know when it’s approved and completed,” said Schriver.

With invoice management processes automated, Celestica’s AP team no longer spends time on manual data entry, manual routing and dealing with problem invoices. Now, the team can focus on activities that are more productive. “With OpenText VIM, we’re able to manage the increase in invoice processing more efficiently,” noted Schriver.

End-to-end visibility

Furthermore, Celestica reaps the benefits of complete, real-time visibility into the status of invoices, which has greatly simplified the process of tracking invoices and locating potential delays in the process. “With OpenText VIM, we know where invoices may be stuck throughout the process because we have visibility to that now,” said Schriver.

This visibility has also enhanced the company’s ability to respond to audit requests because documentation is now readily available. Schriver explained, “As a publicly traded company, we have both internal and external audits. The AP team will tell you that we save a lot of time by being able to very quickly find invoices and documentation to respond to audit requests.”

Positioning for the future

Continually seeking greater efficiencies and process improvements, Celestica is exploring new digital transformation opportunities with OpenText and SAP, including SAP’s S/4HANA digital business suite and OpenText’s Enterprise Content Management suite. “As Celestica looks forward to defining its digital strategy and modernizing its platform, OpenText and SAP continue to be our strategic partners in that transformation,” concluded Schriver.

About OpenText

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