

# OpenText Vendor Invoice Management *for SAP® Solutions*

Accelerate invoice processing, exceptions, and approvals

**O**penText Vendor Invoice Management *for SAP® Solutions* (VIM) streamlines accounts payable (AP) operations for SAP customers. VIM optimizes and simplifies the process of receiving, managing, monitoring and routing invoices and related documentation.

With VIM, invoices are processed more efficiently and quickly. The right people collaborate through a secure, easy to use interface to resolve problems, obtain invoice status, check purchase order numbers, and approve invoices and more. The optional optical character recognition software (OCR) uses the most advanced document and character recognition capabilities available and virtually eliminates human intervention in the invoice capture stage for invoices received as paper or attached to e-mails.

Invoice processing generally follows the 80/20 rule—eighty percent of procurement billing may be processed without a problem. The other twenty percent creates problems or exceptions that require eighty percent of the invoice management resources to resolve. Examples of invoice problems include invoice disputes; invoices submitted without purchase orders (PO); insufficient approvals; cost center errors; duplicates; discrepancies in quantity, price, or date; freight mismatch; special tax conditions; and PO allocation errors. All of these conditions lead to invoice management problems that require time and resources to remedy.

For most companies, invoice processing requires too much manual effort, causing a drain on resources internally and for the vendor involved. One of the most labor-intensive manual processing steps is the keying of data from paper invoices into SAP ERP. Other manual processing and resolution efforts involve time-consuming historical research, communication with the vendor, process documentation, requests for additional information from multiple parties, manual routing, and the labor-intensive process of monitoring and providing update reports on the status of unpaid invoices. AP specialists can spend most of their time addressing these problems, while vendors and buyers experience a wide range of disincentives and disadvantages.

## Minimize invoice processing time, optimize efficiency

VIM reduces the time required to process invoices, through rapid invoice data capture and automated invoice routing based on business rules and roles. OpenText Invoice Capture Center *for SAP Solutions* (ICC) fully integrates invoice data capture into the process. The combined solution of VIM and ICC enables you to significantly reduce

***“Our invoice processing operations went from 100 percent paper-based to 100 percent non-paper-based and we were able to reduce our total staff from thirteen FTEs to only five. We’ve decreased invoice processing costs by over 50 percent, driven mainly by headcount reduction, but also due to instituting a more automated process that reduces errors.”***

FARRAH GOLDBERG,  
GENERAL ACCOUNTING MANAGER,  
BUMBLE BEE FOODS

the time required for invoice processing, streamlining your AP management processes by handling complex business rules and invoices with minimum human interaction and maximum control.

### Increase ROI and save money

Your most significant potential for savings is in the reduction of AP invoice cycle times and the elimination of late fees, which results in greater vendor discounts. Significant reduction in cost per transaction (CPT), improved cash management through AP liability reporting capabilities, and virtually eliminated data entry labor costs through data capture using OCR and rapid data entry all combine to ensure significant savings across your AP department.

### Reduced cycle times

Invoice exceptions are identified automatically and directly routed to the right specialists. Users find their new assignments automatically in their inbox with an optional reminder. No time is lost in case of planned or unplanned absences: substitutes and team members can transparently work on the user's behalf. The ability to collaborate globally and on mobile devices further eliminates idle times.

### Increased productivity

Purchasers and vendors can focus efforts on activities that are productive—research, manual keying, problem querying, and manual routing are eliminated; duplicate invoices are detected as early in the process as possible; VIM always displays the relevant details and proposes preconfigured actions to solve an invoice problem such as by directly posting a goods receipt. That way the number of clicks is minimized and simple things are just simple.

### Lower costs

Companies can take advantage of discounts for on-time or early payment; receive invoices electronically and leverage economies of scale through shared business services and standardized processes. Investments into SAP ERP are preserved and leveraged to provide additional services at minimal expense.

### Scalable foundation

When integrated with existing enterprise applications such as SAP Supplier Relationship Management (SRM), SAP

Shared Service Framework Finance or the Ariba Network, VIM provides a foundation for secure and scalable growth. Companies can grow their business, providing high levels of internal and external service to AP specialists, employees and vendors. SAP systems are leveraged to support higher volumes without the need for adding extra resources.

This even more applies when running the entire business in real time with SAP Business Suite powered by SAP HANA. VIM and ICC add the required level of detail to power real time dashboards showing root causes for delayed payments. Corrective actions are directly reflected in the data displayed. The SAP Premium Qualification process for VIM and ICC ensures full compatibility with this environment.

### Compliant and optimized operations

With VIM, all invoices pass a defined and documented set of business rules. The actions a user can take to solve the problem are tied to specific user roles. This guarantees a strict segregation of duties. Auditors have full access to this detailed invoice processing history at any time because all steps taken are documented in the audit trail. These features are prerequisites to fraud prevention and to meet internal control on financial reporting regulations like in Sarbanes-Oxley section 404.

This level of compliance reduces risk and is still efficient: The same data is used for detailed reporting allowing quick analysis of processing bottlenecks like excessive idle times, number of touches or time required to process an invoice problem. The integrated trend visualization proves the effectiveness of process changes and fosters continuous process optimization.

### Rapid deployment

Many IT projects fail due to effort underestimation, moving targets and deficits in change management. VIM and ICC are preconfigured solutions with a well-defined implementation strategy. SAP, OpenText and certified partners provide implementation services based on a SAP Rapid Deployment Solution (RDS). With a defined scope and predictable cost, there are no surprises.

***“With the implementation of Vendor Invoice Management for SAP Solutions, we gained economies of scale and efficiencies that allowed us to reduce the number of FTEs in Accounts Payable by approximately 20-25%.”***

DANIEL L. METZ,  
SENIOR MANAGER, BUSINESS SYSTEMS,  
W.W. GRAINGER, INC.

### Vendor Invoice Management Features

#### Automate invoice data extraction with OCR

The OpenText Invoice Capture Center (ICC) option extracts the vast majority of invoice data quickly, reliably, and automatically based on a knowledge base of thousands of invoice samples from all over the world.

#### Manage the review and approval process

VIM offers controlled and automated exceptions handling, aging, escalation, and reporting, resulting in reduced cost per transaction.

#### Leverage designated workflows

VIM provides predefined workflows with robust and extensible baseline functionality, shortening your implementation time, and reducing deployment costs.

#### Automate invoice routing and sorting

Designate workflow steps to sort and route invoices based on user roles, authorization rules, and predefined timelines.

#### Generate reports

Use built-in reports based on company code, business unit, exception type, liability, and more. Capture predefined exception data with which you can produce cause and effect process diagrams. Leverage VIM data delivered to SAP NetWeaver Business Warehouse (BW) to build custom reports.

**Drill down to invoice information**

Access applications, content, and history using an intuitive, graphical dashboard with buttons that drill down into the original invoice image, purchase order, goods receipt, and invoice information.

**Enter invoices from any location**

Enter invoices from any location and via any input channel directly into the ERP system. As a result, invoices are received cost-efficiently and are visible as early as possible. This gives line managers greater control over budgets and simplifies invoice management.

**Classify invoices automatically**

Classify problem invoices automatically for further action as blocked, parked or held. Classification determines next steps in the processing cycle and various degrees of escalation notices are sent.

**Route invoices**

Depending on classification, invoice exceptions are routed according to established business rules and policies. The workflow configuration determines where invoices are routed and what approvals or next steps are required.

**Monitor status and notification**

Monitor where invoices stand in the reconciliation process and notify vendors of payment exceptions to speed issue resolution.

**Make all invoices electronic**

Include invoices in electronic form, whether e-mailed, scanned, faxed, delivered via XML or IDoc, or entered by the vendor using an online self-service portal. The optional OCR (ICC) automatically extracts invoice header and line items where necessary. VIM optionally creates images for pure e-invoices.

**Approve invoices from everywhere**

The modern, HTML5 – based approval application allows approving invoices on smartphones, tablets or desktops from everywhere. Approvers also have web based access to information about all invoices they processed, including the detailed invoice history.

**Resolve disputes**

When dealing with invoice disputes, AP personnel can use VIM to request additional information, receive status of orders, send notification of cancelled invoices, and collaborate with other staff.

**Collaborate**

Initiate and respond to questions and issues related to problem invoices without leaving the application. All questions and comments are recorded in the audit trail. ■

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