OpenText™ Vendor Invoice Management *for SAP® Solutions*

Accelerate invoice processing, exceptions, and approvals

With OpenText Vendor Invoice Management *for SAP Solutions* (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, 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 emails.

Invoice processing generally follows the 80/20 rule—eighty percent of procurement billing may be processed without a problem. The remaining twenty percent creates problems or exceptions that require eighty percent of the invoice management resources to resolve. In addition, other roles, such as buyers or receivers, typically spend significant time processing resolutions, thereby increasing the cost of the invoice. Examples of invoice problems include, but are not limited to, invoice disputes; invoices submitted without purchase orders (PO); insufficient or incorrect 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 excessive manual effort for internal resources and the supplier involved. Many AP departments operate in a continual state of backlog. One of the most labor-intensive manual processing steps is keying data from paper invoices or images extracted from emails into SAP ERP. Other manual processing and resolution efforts involve time-consuming historical research, communication with the supplier, 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 suppliers and buyers experience a range of disincentives and disadvantages.

SUMMARY

OpenText™ 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 on all levels.

BENEFITS

- *Accelerate invoice processing through rapid invoice data capture and automated invoice routing*
- *Increase ROI by reducing invoice cycle times and eliminating late fees*
- *Improve productivity through automation and an intelligent robotics solution*
- *Ensure compliance through defined business processes and a documented audit trail*
- *Deploy solution rapidly with a defined scope and predictable costs*

"Our invoice processing operations went from 100 percent paperbased to 100 percent non-paperbased 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

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. The integrated self-service user interface for suppliers and employees eliminates time-consuming reaction to invoice and payment status queries. OpenText™ Invoice Capture Center *for SAP® Solutions* (ICC) fully integrates invoice data capture into the process. This significantly reduces the time required for invoice processing, streamlining AP management processes by handling complex business rules and invoices with minimum human interaction and maximum control.

Increase ROI and save money

Reducing AP invoice cycle times and eliminating late fees can result in significant savings, better supplier relationships, and greater supplier discounts. Ensuring that invoices are processed timely enables a procurement department to negotiate additional early payment discounts. Significant reduction in cost per transaction (CPT), improved cash management through AP liability reporting capabilities, and virtually eliminated data entry labor costs through automatic data capture using OCR and rapid data entry all combine to ensure significant savings.

Reduce cycle times

The business rules identify invoice exceptions automatically and directly route them at the right time to the role that has the knowledge and authorization to resolve the dispute. 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.

Increase productivity

Purchasers and suppliers 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; and VIM always displays the relevant details and proposes preconfigured actions to solve an invoice problem such as directly posting a goods receipt—the number of clicks is minimized and simple things are just simple. The ability to manage the invoice process from metadata ingestion to prompt postings enables VIM to move from a simple robotics solution to an "intelligent" robotics solution.

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 SAP 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 suppliers. SAP systems are leveraged to support higher volumes without adding extra resources.

Built for SAP S/4HANA

VIM complements the new and simplified concepts found in S/4HANA with world-class invoice automation. This is the first time that users are able to run complex, transactional processes exclusively in the modern SAP Fiori user experience. The ability to process transactional and analytical tasks in the same environment powers real-time dashboards showing root causes for excessive costs and delayed payments. Process details and corrective actions are directly reflected in the data displayed. The SAP Premium Qualification process for VIM and ICC ensures full compatibility with this environment.
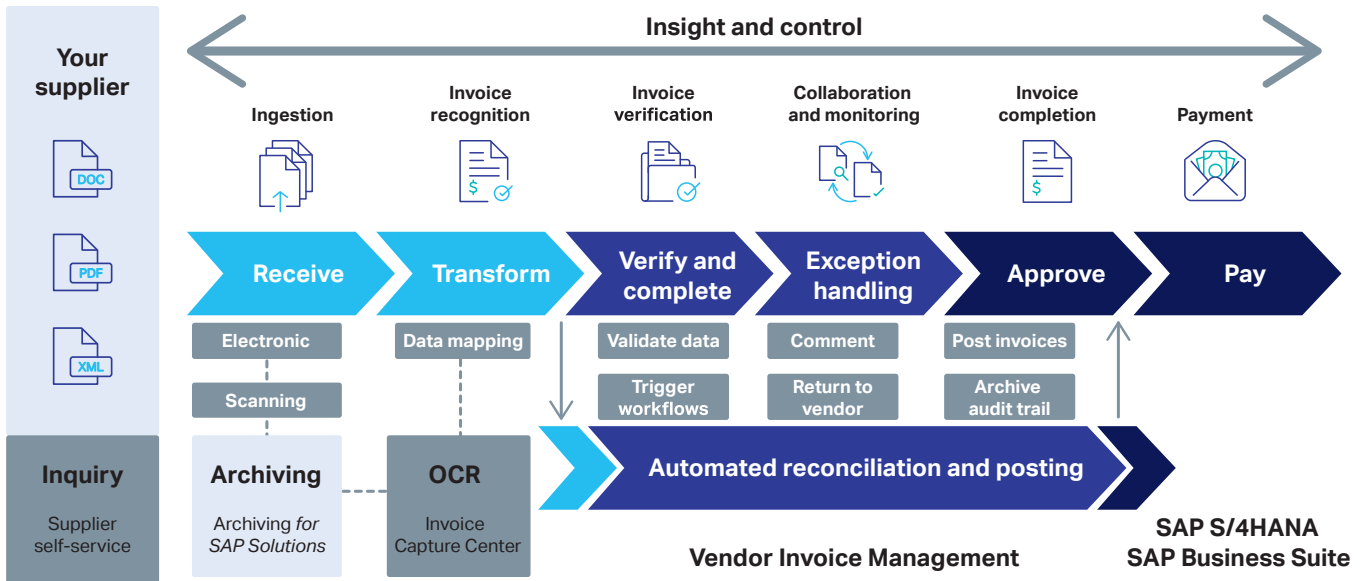
Digital, integrated, and automated invoice processing

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 meet internal control on financial reporting regulations like in Sarbanes-Oxley section 404. This level of compliance reduces risk while maintaining efficiency: 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. Trend analytics can reveal a supplier that issues incomplete or inaccurate invoices. The integrated trend visualization proves the effectiveness of process changes and fosters continuous process optimization.

Rapid deployment

Many IT projects fail due to underestimating effort, 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.

Vendor Invoice Management features

Automate invoice data extraction with OCR

The 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 invoice posting, exception 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, priorities, and predefined timelines.

Generate reports

Use built-in reports and data models based on company code, business unit, supplier, exception type, liability, and more. Capture predefined exception details to produce cause and effect process diagrams. Leverage VIM data in S/4HANA embedded analytics or SAP NetWeaver Business Warehouse (BW) to turn insights into action.

Drill down to invoice information

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

Enter invoices from any source

Enter invoices from any location and via any input channel in any format directly into the ERP system. As a result, invoices are received cost-efficiently and are immediately visible. This gives line managers greater control over budgets, allows suppliers to track invoice status, and simplifies invoice management.

Classify invoices automatically

Classify problem invoices automatically 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 suppliers of payment exceptions to speed issue resolution.

Make all invoices electronic

Include invoices in electronic form, whether emailed, scanned, faxed, delivered via XML or IDoc, or entered by the supplier 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, SAP Fiori-based applications allow invoice approving on smartphones, tablets, or desktops from everywhere. Approvers also have web-based access to information about all invoices they process, including the detailed invoice history and prior approver comments.

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

Delegate tasks, and initiate and respond to questions and issues on problem invoices without leaving the preferred work environment. All questions and comments are recorded in the audit trail. The collaboration is available during the process and after the invoice is posted.

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