

Case Study:

Automated Invoice Processing – Hype or a must?

For most accounts payable departments, manual data entry involves hidden costs and inefficient procedures. By inputting billing information and undertaking manual invoice checking, staff are losing valuable time that could be spent on their core tasks. This lost time means higher wage bills. Because invoice processing often involves more than one department, the resulting loss of productivity and associated indirect costs may go unnoticed in the majority of cases, but they add up nevertheless. Not at Livit AG. The real estate company has found a smart solution for the optimisation of the entire process.



Speeding up document processing by means of an automated document management solution ensures the faster transfer of data into the relevant target systems. For volumes of 10,000 or more supplier invoices per year, it is no longer a question of whether a company should switch to an automated invoice processing solution, but how? Yet the process doesn't end there. Although automating the flow of invoices massively reduces the time and costs per invoice, it is only by outsourcing certain stages in the process that the full savings potential can be realised.

Proven success

Here is one example. In order to simplify the processing of a volume of supplier invoices that is steadily increasing as the company grows,

Swiss real estate specialist Livit AG has chosen to introduce an electronic vendor invoice processing and archiving solution. Not only has Swiss IT services provider Arcplace AG automated Livit's paper-based invoice processing within its accounts payable department, it also takes care of individual stages in the process on a service basis.

For Livit, Arcplace dimensioned and configured this solution for the digitisation of all paper invoices and their integration into an approval workflow as well as the legal archiving of the invoices.

The overall automated invoice processing operation can be divided into three basic stages: invoice receipt, processing and archiving.

Invoice receipt

Firstly, the paper-based documents are scanned in. Not only does the scanning process produce perfect images for the purpose of electronic archiving, it also extracts the relevant data for subsequent storage and onward processing. During validation, the extracted data are compared with the master data from the ERP system. In addition to paper bills, it is also possible to process e-invoices and invoices in PDF format.

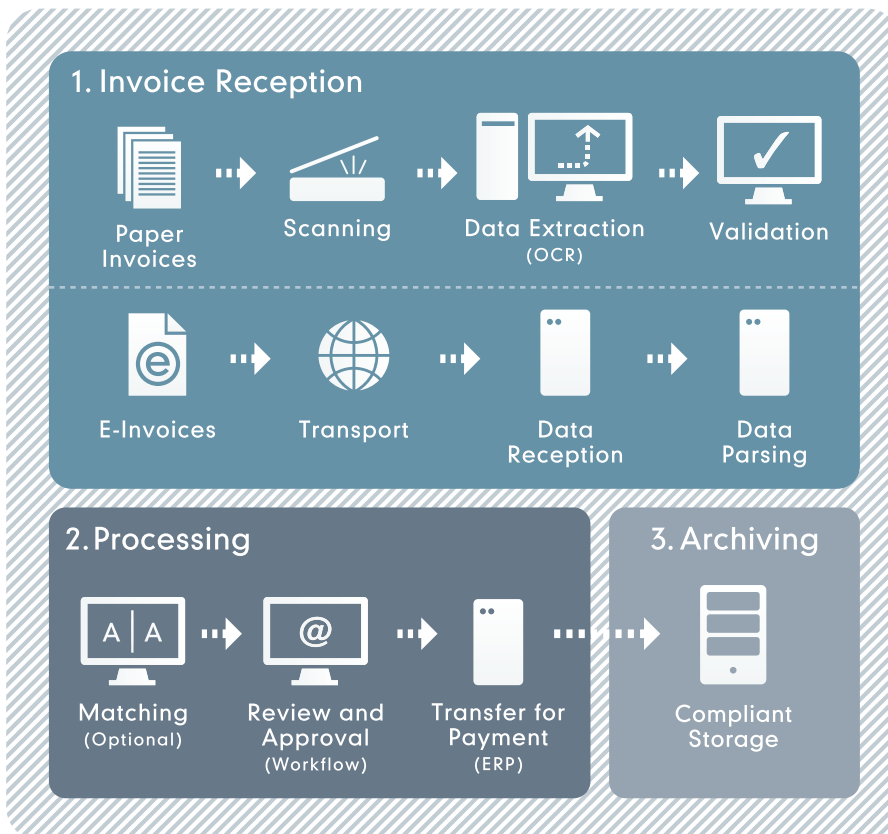
Processing

During the actual processing phase, the invoices pass through an electronic workflow system that replicates the Livit approval hierarchies and invoice flows. After being electronically checked and approved, the invoices are transferred for payment and digitally archived.

Archiving

Finally, the invoices are deposited in the electronic archive, securely and in accordance with legal requirements. Here, every invoice is stored within a uniform structure and in unalterable form. An authorisation system defines who has what rights with regard to invoice access and how long the invoices have to be archived.

Since implementation, Livit's accounts payable department has been receiving the scanned invoices and extracted data daily via a secure connection and feeding them into its



Livit's entire invoice processing operation can be automated thanks to the invoice automation solution from Arcplace.

internal workflow. In a preceding stage, the supplier invoices are received daily by post at the Arcplace Scanning Center and scanned in using high-performance Scanning infrastructure.

The digitisation of invoice processing

For the digitisation of the paper invoices, Arcplace opted for OCR for AnyDoc® from AnyDoc Software GmbH. This is professional standard software that can extract the relevant data from almost any document

and process typewriting, handwriting, barcodes, OMR and check boxes. OCR for AnyDoc® is already helping thousands of companies throughout the world to reduce their data processing costs on an ongoing basis. As companies develop, so too do their data entry needs. The software is flexible enough to adapt at any time to these new wishes and requirements.

Thanks to OCR for AnyDoc®, and with the help of freely definable business rules and existing databases, the

extracted data can be checked automatically to a large extent. At the end of the process, the extracted data and documents are immediately fed into the vendor workflow and then passed on to the electronic archive. With OCR for AnyDoc®, Arcplace has the ideal scanning software for the efficient and secure scanning of paper invoices.

What's right for your company?

It's clear that the market trend in the area of supplier invoice processing is increasingly moving in the direction of electronic processing with the partial outsourcing of non-core activities. The processing of a supplier invoice in paper form costs a company at least CHF 20. Digitising the invoice reduces the cost to just a few francs. If, in addition to this, individual steps in the invoice processing solution are outsourced, return on the investment ROI is achieved even more quickly. Together, Arcplace and AnyDoc Software offer comprehensive solutions for the scanning, workflow and archiving of supplier invoices, either in-house or as a service (outsourcing or cloud solutions). From this portfolio, Livit has opted for a hybrid solution (scanning at Arcplace, in-house workflow and archiving).

Ultimately, it is for each individual company to decide which sub-processes are handled in-house and which are outsourced. But in order to make the processing of supplier invoices more efficient and cost-effective, there is no getting around automated invoice processing.

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