

KOFAX

Bottling company launches new self-service web portal for quicker, easier supplier invoicing

This bottling company introduced a new supplier portal, built on Kofax software, that empowers suppliers to submit and view invoices themselves. The company has more than doubled AP team productivity, reduced headcount by more than 50 percent, and gives suppliers unprecedented insight into invoicing.

CHALLENGE

Every year, the accounts payable (AP) team at this bottling company processes more than 200,000 invoices for more than 1,000 third-party vendors. The business relies on AP to process its vendor invoices rapidly and accurately—putting huge pressure on the team to deliver higher value services year after year.

It was this drive for continuous improvement that led the company to establish a shared services center, which consolidated systems and processes for more than 20 different accounting and finance departments in a single location. To underpin AP functions at the new shared services entity, the company chose ReadSoft Process Director from Kofax to provide a comprehensive control center for all invoices entering its core SAP ERP system.

Moving to a shared services model and introducing ReadSoft solutions for AP processing allowed the bottling company to standardize processes and deliver more consistent, high-quality service to the business—all while unlocking valuable efficiencies and cost-savings.

However, the company recognized that there was still room for improvement, especially when it came to up-front invoice capture and processing.



This company is engaged in the bottling and distribution of soft drinks, water, juices and energy drinks.

PRODUCTS IN USE

Kofax ReadSoft Process Director™
Kofax ReadSoft Supplier Portal for SAP
Kofax Readsoft Process Director Web Portal™

FOCUS

AP and Invoice Automation

SUCCESS STORY FOR ACCOUNTS PAYABLE

The company's Procure to Pay Process Manager explained, "We must adhere to strict regulations that require us to retain hard copies of all invoicing documentation. So although we had successfully automated parts of the AP workflow, we still had a dedicated team of people whose sole responsibility was to manually scan all the paper invoices we received, and then validate the information before it was sent to our SAP ERP system for payment.

"When you consider that we handle more than 20,000 invoices a month, you can imagine the sheer amount of time and effort that we dedicated to processing these documents. We knew there had to be a better way. We set out to find a solution that could help us lift the burden of manual invoice processing and data entry from our teams, while maintaining regulatory compliance."



SOLUTION

The bottling company arrived at an elegant solution—introducing a self-service web portal to empower suppliers to submit and view invoices themselves.

The spokesperson commented, "Our supplier portal helped us achieve two goals at the same time. Firstly, we were releasing our team from the burden of manually capturing and validating invoices—they would just have to archive the original vendor invoice for compliance purposes. And secondly, we were giving suppliers a way to check on the status of their invoices in real time—a capability that they never had before."

The company harnessed ReadSoft Supplier Portal for SAP to enable the new approach. Today, more than 1,000 vendors take advantage of the supplier portal to submit and view their invoices. When a supplier uploads an invoice to the portal, the Kofax software automatically extracts key content, including the purchase order (PO) number, vendor code, tax amount, and more, and then pre-populates the electronic invoice. The supplier simply has to enter the individual items and amounts before submitting the electronic invoice for payment.

Suppliers can also use the portal to gain instant insight into the status of all their invoices, which helps them stay informed as items move through every stage in the invoicing lifecycle.

"Since moving to the shared services model, standardizing the processes and using solutions from Kofax to automate manual processes, we have reduced overall headcount in AP. We can confidently say that our new approach is helping us to run a more productive and profitable business."

Procure to Pay Process Manager,
Bottling company

In addition, the bottling company has deployed a corresponding Readsoft Process Director Web Portal for its internal teams, offering them a comprehensive view of all payment requests that are not submitted directly by vendors in the supplier portal, as well as newly automated workflows for handling exceptions.

The spokesperson explained, "Previously, if there was an issue or discrepancy with an invoice, a member of the AP team would have to email the owner of that invoice, asking them to correct the discrepancy or provide the missing information we needed to complete processing. The teams often exchanged several emails to resolve the issue, and they needed to log all milestones—including when the issue was raised, when the invoice owner responded, when we reprocessed the invoice—in a separate spreadsheet that we used for exception tracking.

"Today, we've set up an automated workflow in ReadSoft that allows us to raise and resolve issues within the web portal. If an exception crops up, the system will send an alert to the invoice owner, who can then resolve the matter directly within the portal. And as the system already tracks all activities linked to a particular invoice item, there's no need for staff to log their actions in a separate spreadsheet. This is saving a great deal of time and effort for our team, and faster resolution of exceptions and issues helps us keep invoices moving through the system quickly."



RESULTS

The new approach helps AP Team staff to work faster—driving down costs and improving the efficiency of the AP division.

“In the past, waiting for paper invoices to arrive by postal mail created delays, and there was always a risk that items could get lost, causing further lags in the process,” confirmed the spokesperson. “Today, it takes just minutes for suppliers to submit invoices electronically via our portal. And as we no longer require the original paper files in such a time-sensitive manner, and can start processing using the electronic invoice, many of our suppliers have started bundling these documents and delivering them in batches—saving them money on shipping costs.

“What’s more, while we used to have a team of 12 people solely dedicated to the task of scanning, validating and archiving paper invoices, we have cut this down to just five people—a more than 50 percent reduction in headcount. Today, this team simply handles the validation and archiving of original invoices for tax regulatory purposes.”

In fact, productivity is up and headcount is down across the entire AP team. The spokesperson continued, “Our productivity in AP has more than doubled. Prior to introducing the new ReadSoft solutions, we were processing more than 5,000 invoices annually per FTE [full-time equivalent]; today, we are processing more than 12,000 invoices per FTE. Similarly, we’ve increased our invoicing volumes as the entire process is 20% faster and more streamlined. Previously, we were processing around 20,000 invoices a month, and now we are getting through as many as 30,000 invoices every month.

“Better still, we’ve taken on this increase in workload

while dramatically reducing our headcount, simply because our processes are so much more efficient. Since moving to the shared services model, standardizing the processes and using solutions from Kofax to automate manual processes, we have reduced overall headcount in AP. We can confidently say that our new approach is helping us to run a more productive and profitable business.”

Introducing the supplier portal has helped the company to reduce volume of e-mail inquiries by 70% to its support team and strengthen supplier relationships by providing up-to-the-minute insight into invoices.

The spokesperson noted, “Before, we were receiving more than 3,000 emails a month from our suppliers, asking questions such as: ‘Have you received our invoice?’, ‘When can we expect to be paid?’, and: ‘What is the status of this invoice?’ Since introducing the supplier portal, we have reduced this figure to less than 1,000 inquiries a month—and most of them pertain to transactions that are not managed in the portal, such as historic invoices that were submitted many years ago. This has freed up a considerable amount of time for our support team.”

They concluded, “Now that our suppliers have this instant visibility into the status of their invoices, they have much more confidence in the process. In this way, we are adding greater value across the business—strengthening relationships with key suppliers and delivering the responsive back-office services that franchises need to keep their day-to-day operations flowing smoothly.”

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