



SUCCESS STORY FOR ACCOUNTS PAYABLE

Global Telecommunications Provider

This telecommunications provider moves to a fully digital mailroom, and harnessed Kofax Kapow to power fast, accurate electronic invoice processing. The new approach supercharged productivity by up to 400%, helping them pay bills faster and reduce late payment penalties.

Challenge

Paying bills is hardly the most enjoyable task, but it's one that just has to be done—whether you're a private individual or a big business. For this telecommunications provider, getting the bills paid on time is a top priority. But with hundreds of suppliers and partners—including demanding utilities companies and government agencies—to reimburse, staying on top of accounts payable (AP) workload posed a tough challenge.

The company's Director of Accounts Payable Shared Services, explained, "We receive upwards of 1,000 pieces of mail every day in AP, most of it invoice-related. In the past, people had to open and sort through all of those items, then pass the invoices on to another team for validation. Finally, staff would have to manually key the invoice data into our finance systems so that the bills could be processed and paid.

"It typically took us 14 days on average to process a single bill. As many of our suppliers have 20- or 25-day payment terms, any delay meant that we would incur a 2% and 3% late fee on a large portion of bills."

He continued: "What's more, some suppliers will cut off services if payments fail to reach them in time. If the electricity or water were to get cut off at one of our offices, the consequences would be severe: our staff would be unable to do their jobs and our customers could be left without service. We couldn't afford for inefficient manual processes to hold us back from getting bills paid in a timely manner, and so we set out to streamline AP operations."



This global telecommunications provider operates a large broadcasting and cable television network, and offers internet and telephone services.

Products in Use:

- ◆ Kofax Kapow™
- ◆ Kofax Capture™
- ◆ Kofax Transformation™

Focus:

- ◆ Automating Manual Finance Tasks (RPA for FPA)
- ◆ Accounts Payable Automation
- ◆ Robotic Process Automation
- ◆ Digital Transformation

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Accounts Payable Shared Services Director,
Global telecommunications provider

Solution

Enhancing vendor invoicing

As a first step, this telecommunications provider implemented Kofax Capture and Kofax Transformation solutions to automatically extract (OCR) key information from vendor invoices and integrate the newly digitized content with its back-end finance systems.

“We achieved remarkable efficiency gains by moving from manual data entry to Optical Character Recognition [OCR] processing with Kofax software,” recalled the AP Shared Services Director. “Productivity per person rose by approximately 200%, and we were able to reduce the number of FTEs involved in processing invoices by 50%. As we were handling invoices faster and more accurately, we were able to shorten time-to-payment as well—reducing the risk of late penalties and disruption to services.”

Enhancing document capture and processing was just the first step on a wide-reaching digital transformation journey. The company plans to create a fully digital mailroom, and recently introduced Kofax Kapow software to enable this objective.

Turning to robotic process automation

A powerful and leading robotic process automation platform, Kofax Kapow provides this company with a fast and efficient way of automating a wide range of repetitive task and processing information from a multitude of applications and data sources, where software robots to interact with application, trigger responses, and communicate with systems and employees.

Kapow is the catalyst to move from paper to electronic billing, enabling the telecommunications provider to take advantage of online bill payment facilities offered by a number of government agencies and utilities companies. Using Kapow, the company has built dozens of robots that automatically retrieve invoices from online portals and deliver the information to finance systems, ready for processing and payment.

The AP Shared Services Director said, “We evaluated several robotic process automation solutions and we felt that Kofax Kapow best matched our requirements. There were a few smaller-scale products that just weren’t robust enough for our needs; they felt more like a set of components that had been strung together rather than a fully established solution. We also considered some professional service-based solutions from larger-scale outfits, but these providers wanted to come in and configure their tools for us, which meant that we would have very little control over the development and maintenance of the software ourselves.

“One of the things that I really value about the All Star team is how they have gone above and beyond to understand our business and our requirements, and work with us to deliver solutions that get us where we want to go. Their level of commitment to us as an organization has been very solid.”

Accounts Payable Shared Services Director,
Global telecommunications provider

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Today, the company uses Kapow to retrieve around 9,000 invoices a month from 30 vendor websites and developed a dedicated Kapow robot for each of these vendor sites.

The AP Shared Services Director explained, “The Kapow robots go out to the web and bring back all the invoices automatically. The software then inserts the data into an interface table, where it goes through a series of checks and validations to make sure it’s all correct and complete. Once the invoice data is validated, it runs right into our finance system. It’s a completely digitized, touchless process, and it’s much faster and more accurate than scanning paper invoices.”

The teleco provider continues to use Kofax Capture and Kofax Transformation to help process its paper-based invoices—but its ultimate goal is to eliminate paper billing entirely, and completely transform the entire process to digital, powered by Kapow.

“We are steadily expanding our web data extraction work, and ultimately plan to cover more than 100 vendor sites, using Kapow to retrieve more than 15,000 invoices every month,” noted the AP Shared Services Director. “Use of Kapow is really taking off, and we expect to achieve a full return on investment within a year of our original implementation.”

Results

Extending the benefits

This teleco provider sets its sights for robotic process automation much higher than just the AP department. The company is gradually working to extend Kapow to other areas of the business, including its customer service division. Here, it has developed a Kapow robot that reviews open support cases, then categorizes them and assigns them to teams—saving staff valuable time and effort.

The AP Shared Services Director stated, “We receive hundreds of support cases every day via email. In the past, a staff member would have to read through all of these emails, determine what the issue was, and route the case to the appropriate customer service team or individual agent. Today, we’ve developed a Kapow robot that uses pre-determined business rules to categorize support cases and route them to the relevant team for resolution. Now that we have Kapow handling this work up-front, our customer service agents no longer have to waste time reviewing emails and can focus on addressing the support cases, which is helping us to deliver more responsive customer service.”

Impressive results

With the introduction of Kapow, the company is well on the way to achieving its goal of a fully digital mailroom, helping AP teams work more productively and driving down costs.

“With the addition of Kapow, we have digitized close to 95% of AP operations, and we are on track to go fully electronic by the end of 2017,” said the AP Shared Services Director. “The increased digitization and automation has delivered another big boost to efficiency—we estimate that productivity per person has increased by as much as 400% with Kapow. We have been able to reallocate three FTEs from invoice processing to other areas, and we currently run with a team of just five people, which is helping us to keep operating costs low.”

Thanks to the efficiency gains delivered by Kapow, the teleco provider has been able to dramatically reduce invoice processing times. As a result, the company can make sure it pays invoices within term, keeping suppliers satisfied and reducing the number of late payment penalties.

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The AP Shared Services Director confirmed, “Whereas in the past it took us an average of 14 days or more to process an invoice, we can now turn around invoices in just a day or two. Similarly, we have accelerated check cashing by an average of eight to nine days. This has considerably reduced instances of late payments, helping us to avoid hundreds of thousands of dollars in penalties and to keep operations running smoothly around the clock.”

He concluded, “This is just the beginning for us—we have big digital transformation plans, and I see Kapow as a great enabler for where we want to take the company in terms of digitizing and automating processes. We’ve been breaking new ground with this solution and we look forward to extending the benefits to more of the business in the future.”

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