



SUCCESS STORY FOR ENERGY & UTILITIES

Integrated Utility Company

When this utility company decided to bring accounts payable processes back in house, it needed an efficient, cost-effective way to manage invoices from tens of thousands of vendors. By introducing integrated, automated document capture and processing, driven by Kofax solutions, the company can process more than five million documents annually while keeping staffing levels almost flat.

Challenge

To keep essential electricity and water services flowing to customers, this utility company partners with more than 15,000 specialist vendors. The company wants to ensure that these vendors are paid in a timely, accurate manner, as it depends on them to help develop and maintain its vast infrastructure.

With such a large network of vendors, managing accounts payable was a complex task, as a spokesperson explains: "Each of our vendors typically uses a unique type of invoice, and many of them frequently revolve and change their invoices. This made it difficult for us to set up a structured way of processing invoices. The alternative was keying in the invoice data manually, but the sheer volume of work made this prohibitively expensive. As a result, we had decided to outsource accounts payable processes. Outsourcing was an efficient option, but we lacked a degree of visibility and control over the process."

A move to a new, centralized SAP ERP platform provided the utility with the opportunity to review and re-engineer a number of systems and processes. The company felt that the time was right to bring accounts payable processing back in house, and transform it into a streamlined, integrated function.



This integrated utility company provides electricity generation, transmission and distribution services to approximately 1 million retail customers, and delivers around 800,000 acre-feet of water annually.

Products in Use:

- ◆ Kofax Capture™
- ◆ Kofax Insight™
- ◆ Kofax Transformation™
- ◆ Kofax Analytics for Capture™

Focus: Invoice Processing

"Kofax solutions have been great in helping us deliver the information that our teams need to process payments, when and where they need it. As a result, our vendors stay happy and we can continue to deliver a high-quality service to our customers."

Spokesperson, integrated utility company

Solution

To make its vision of efficient in-house invoice processing a reality, the utility needed a way to turn huge volumes of unstructured data into accurate, useable information, and deliver it into core ERP and accounting systems. The company selected Kofax to support its accounts payable transformation, including Kofax Capture™, Kofax Transformation™ and Kofax Analytics for Capture™.

A spokesperson states: “The Kofax solutions have proven to be very powerful, especially when it comes to extracting and processing unstructured documents. We have established an automated workflow for invoice onboarding and capture across multiple channels. When the accounts team receives a new invoice, all the relevant data is automatically extracted and flows right through to our SAP ERP system. The entire process is incredibly quick and efficient, and the high degree of automation helps minimize the risk of error.”

The utility wanted to make sure that the new processes and systems were running at the highest levels of efficiency, as this would be key to processing invoices on time, while keeping costs down. By using Kofax Insight™ to monitor operations, the company can readily identify areas for improvement and keep invoicing on track.

A spokesperson explains: “With Insight we can understand how effective our extractions have been, how effective individual operators have been, and how long it takes to process different types of documents. This is something that we would have no way of tracking on our own, and it is really helping us to stay on top of the process and to keep people accountable.

“The new insight has enabled us to make adjustments to our ways of working to drive even greater efficiencies throughout the entire processing lifecycle. For instance, we have learned that certain people were not so good at certain tasks, and better at others, and we have been able to shift operators around to areas where they can deliver the most value. In this way, we can be sure to make the most of different people’s skills and knowledge.”

Results

Thanks to the Kofax solutions, the utility has been able to transform what was once a daunting prospect into a streamlined, structured way of working.

A spokesperson notes: “We avoided bringing invoice processing in house for many years because we felt that the sheer scale and complexity of our operations meant that it would be impossible to manage everything without going to significant expense and effort. Kofax solutions have completely changed that perception, they enable us to process documents with speed and precision, and cost-effectively.”

And as processing volumes have grown over the years, the utility has been able to take the increased workload in its stride, thanks to the high level of efficiency delivered by Kofax solutions.

A spokesperson comments: “Once other teams heard about what we were doing around invoicing, it became a springboard for so many other projects. We have been steadily expanding our use of the Kofax solutions, and they have proven to be more than capable of growing in lockstep with our needs. In the last five years, we have gone from processing around 30,000 document pages with Kofax to more than two million annually. And we have done this while keeping staffing levels almost entirely flat.”

A spokesperson concludes: “My objective is to support the business by delivering things when they want them, how they want them, and as quickly as possible. Kofax solutions have been great in helping us deliver the information that our teams need to process payments, when and where they need it. As a result, our vendors stay happy and we can continue to deliver a high-quality service to our customers.”

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