KOFAX

Orange France Telecom

In 2006, Orange France Telecom Group launched a major project to transform its finance department and enable "sales to cash," "procure to pay" and accounting process optimization. For this, the group decided to industrialize business processes through the implementation of an accounting shared service center built on a repository unified with the main management repository.

The foundation of this project is the implementation of a single ERP for all subsidiaries. Oracle eBusiness suite was chosen. It was then necessary to improve the effectiveness of financial processes by automating them.

France Telecom selected Kofax MarkView® for AP to automate the processing of supplier invoices.

The CSP (shared services center dedicated to accounting), part of the finance information service of France Telecom Group, is an entity with over 750 staff managing accounting for the French subsidiaries. It is organized into eight sites across the country, each specializing in a specific process (amortizations, suppliers, business clients, public clients, etc.). It provides accounting operations for thirty subsidiaries with the two most important being Orange and France Telecom. The CSP manages the transactional activities in the ERP but also includes activities with high added value, such as closing accounts, which requires knowledge of IFRS standards or taxation. It requires financial information as soon as possible, to present management with a D+5 EBITDA and optimal visibility at any time. It uses a single source of reliable information.

Within the CSP, accounts payable, (which includes nearly 200 accountants), works with nearly 12,000 people who submit purchase requests and 200 order processing staff who check order compliance before transmitting to providers.

orange™

Orange France Telecom is a French telecommunications company. It employs nearly 172,000 people, including 105,000 in France, and serves nearly 226 million customers worldwide.

Products in Use:
◆ Kofax MarkView® for AP

Focus: Accounts Payable

> *"Automation using Kofax MarkView® for AP provides reduced processing costs, improved financial visibility for the Group and increased team effectiveness by focusing on accounting tasks with higher added value."*
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> **Djamel Benallal**, Finance Director Solutions Group, Orange

Challenge

Orange France Telecom Group wanted to address three major issues:

◆ Increase processing effectiveness by automating tedious and error-prone manual tasks and allow accounts payable teams to focus on tasks with high added value.

◆ Enable better financial visibility with quality information. Not only day-to-day but especially during monthly and annual closing periods to provide the CFO with reliable information as quickly as possible.

◆ Overcome a sizeable retirement wave without resorting to new hires while improving both processing speed and quality of life for employees.

Solution

The automation of processes associated with the dematerialization of accounting records increases the notion of services and quality of information, while overcoming the natural decrease of the workforce. It is essential since accounts payable is managed on two separate sites: The Rouen office manages the back-office (scans, records) and Marseille manages the front office (closings, complaints, etc.).

The financial information system must therefore receive information as soon as possible to ensure proper functioning of the closing process: stop auxiliaries at D-4, operating results and monthly statements at D+2 and using a single repository from end to end with simultaneous production of accounts using IFRS standards (International Financial Reporting).

Capture and Workflow

Kofax solutions capture information at the source of business processes, automate processes to reduce human intervention and repetitive tasks and work with the company's existing IT infrastructure. France Telecom uses Kofax solutions to automate processing of 450,000 invoices which were previously handled manually.

The complete and transparent processing cycle ensures that mail merged in batches is scanned and sent for data extraction and validation. Invoices are analyzed, interpreted, and validated by a video coder who captures and makes corrections. Capture processing enables scan, retrieval, validation and visibility of invoices in Oracle eBusiness Suite in just one or two days after their arrival in the CSP.

Invoices are exported to MarkView workflows, which integrates them within accounts payable according to procedures related to the characteristics of the imaged documents. Actors in the workflow are directly alerted of a pending action: email notification and/or the presence of a line in their work box. The MarkView workflow follows invoices from scan to payment. It is also an exchange tool between employees to be used primarily for bills that are not identified as "good to pay."

Results

From this solution a new organization of the Shared Services Center emerged: from the development of the workstation to the creation of new occupations and reduction of low value-added tasks.

Creating mixed tasks for video coding and processing invoices created a more satisfying and interesting job for CSP accountants.

For France Telecom, automating accounting processes represents significant benefits throughout the supply chain. Invoice traceability from end to end is now possible and allows for faster response to suppliers and internal partners on the status of the processing of invoices. Registration productivity has improved by 40 percent with a significant impact on the visibility of accounts. Invoices are now controlled by maturity settlement.

In quantitative terms, the key accounts payable figures are indicative of the benefits. The cost of processing invoices manually was cut almost in half.

Read more stories of success from our global customers at kofax.com

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