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Katrinn Hamann, AP Automation Expert – PwC Germany
Martin Casserdahl, Director, Head of P2P Presales and Consulting – OpusCapita

AP automation

Succeed in transforming the Purchase-to-Pay process

Finance Digital Day – 21st March, Hellerup



Today's speakers



Thomas Siersbæk

Thomas is Director at PwC and has worked with back-office optimization including outsourcing/offshoring, operating model development, procurement, supply chain and process automation for more than 20 years.



Katrin Hamann

Katrin is Senior Manager at PwC in the Management Consulting - Finance division with more than 13 years of consulting experience in the field of Purchase-to-Pay.



Martin Casserdahl

Martin is Head of Presales at OpusCapita, with more than 15 years of experience in different roles in the field of Purchase-to-Pay.

Our agenda for today:

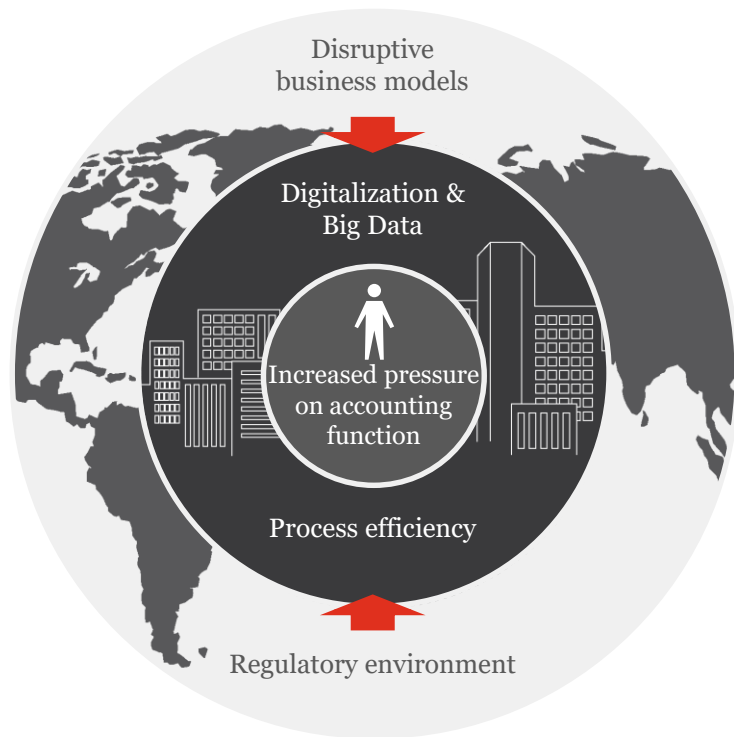
01

Concept elements for a Best Practice P2P process

02

Case study for an automatized P2P process

The environment in which companies operate is changing fundamentally...



...within the P2P-process massive automation potentials are not utilized



"We've implemented many IT tools, but there's no sustainable benefit."



"The many process variants and the heterogeneous system landscape make the processes complex and the data difficult to compare."



"The provider has promised us a lot of automation - but invoice processing in particular still ties up a lot of resources."



"The reporting capabilities of our software are outdated - our Excel-based KPI reports only provide a glimpse into the past."

An optimized P2P process of the future acts upon 12 business imperatives



Establish end-to-end P2P process ownership (globally)



Eliminate paper handling



Develop employees towards performance drivers



Consider usage of SaaS/ cloud solutions



Minimize non-PO invoices



Steer the continuous improvement process by efficient KPIs



Align your P2P vision with the digital strategy



Find most suitable service provider (internally and externally)



Increase tool usability through holistic end-to-end look-and-feel



Enable straight-through-processing with RPA elements



Implement a master data steward



Shift work to vendors

Standardization of activities & a harmonized system landscape lead to a world-class P2P-process



Purchase request

Purchase order ratio
Before: 55 %
Achieved: 80 %

“

By creating a procurement guideline and intensive employee training and monitoring we increased the *purchase order ratio*



Purchase order processing

Automatically generated purchase orders
Before: 52 %
Achieved: 75 %

“

Using eProcurement tools we increased the *automation rate* up to 75 %



Invoice processing

Zero-touch rate
Before: 0 %
Achieved: 80 %

“

By implementing electronic invoices, RPA and master data quality the *zero-touch rate* raised to 80 %



Payment execution

Discount realization rate
Before: 5%
Achieved: 99%

“

Through an automatized warning system and quick invoice processing a *discount realization rate* of 99 % was achieved

Key figures

Measures

Posting Goods Receipt

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Concept elements for a Best Practice P2P process

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Case study for an automatized P2P process

Emphasize 3 imperatives



Establish end-to-end P2P process ownership (globally)

2.



Eliminate paper handling



Develop employees towards performance drivers



Consider usage of SaaS/ cloud solutions

1.



Minimize non-PO invoices



Steer the continuous improvement process by efficient KPIs



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3.

Shift work to vendors

Minimize non-PO invoices

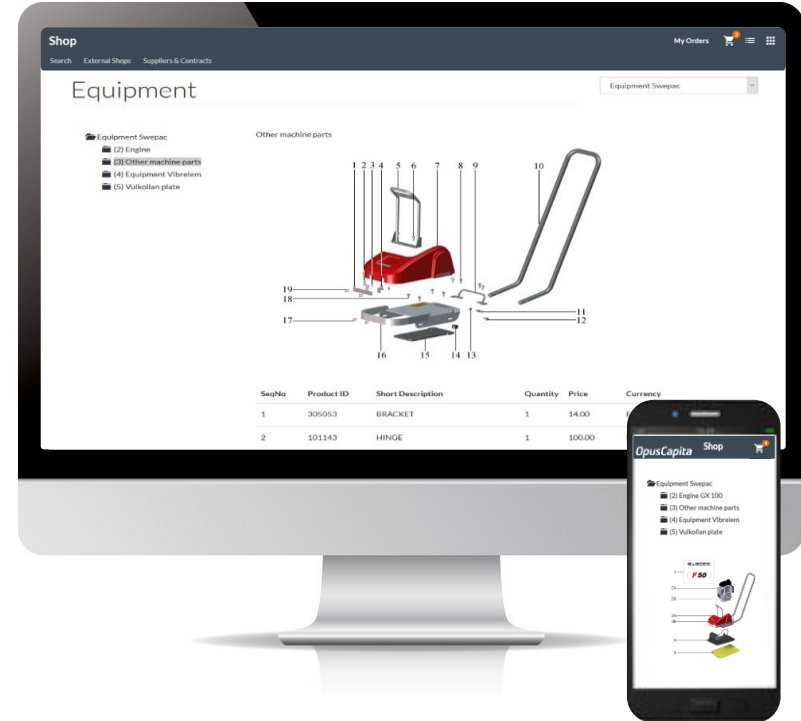
- Capture spend in complex categories

Why

- Purchase orders are the enablers for 3-way match and AP automation
- Contract compliance – savings, payment terms, eInvoice

Our approach

- Manage complex catalogs and bills of materials
- Supplier collaboration for Spot Buy
- Mobility to enable ease of use
- Capture services with forms and Service Entry Sheet reporting



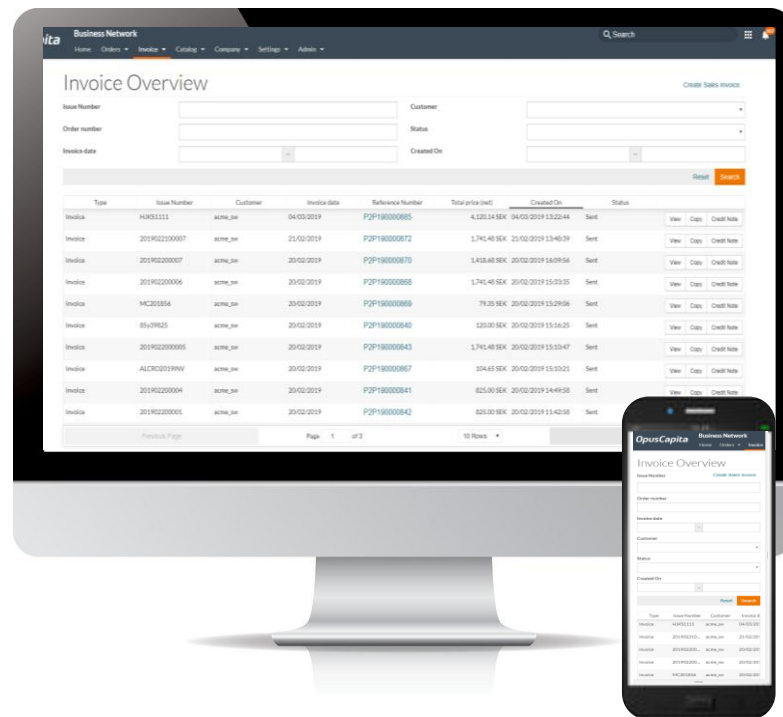
Eliminate paper handling – Multiple e-channels

Why

- eInvoice – lower transaction costs
- Faster
- Better invoice data quality

Our approach

- Multiple invoice receiving methods
 - eInvoice – direct
 - eInvoice – Interoperability Network
 - eInvoice – PEPPOL
 - PDF extraction
 - Supplier Portal – PO Flip



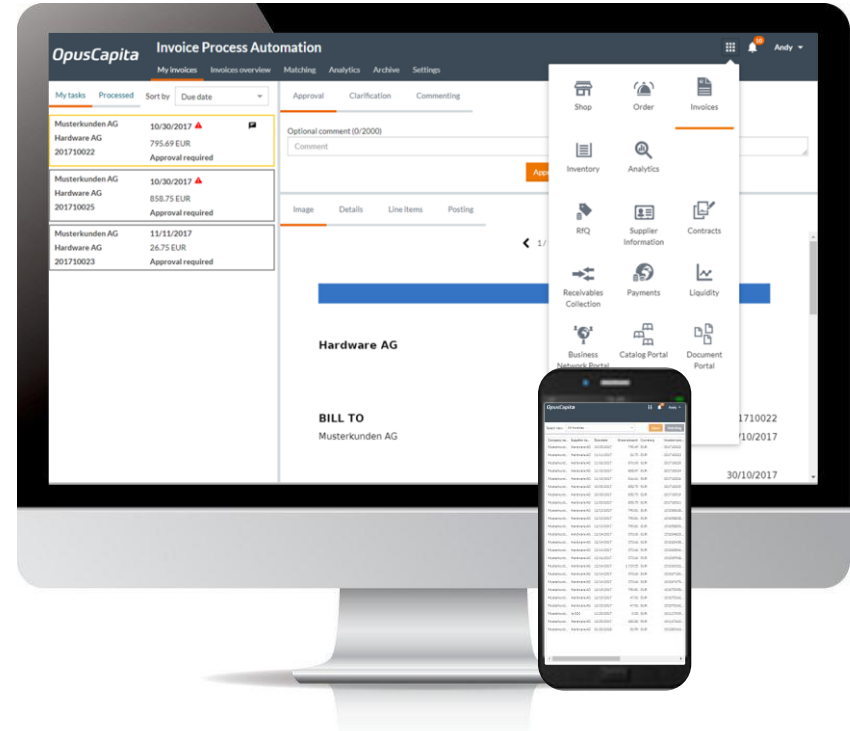
The “zero-touch” processing

Why

- Lower processing costs
- Ensures correct terms and conditions
- Reduces payment delays

Our approach

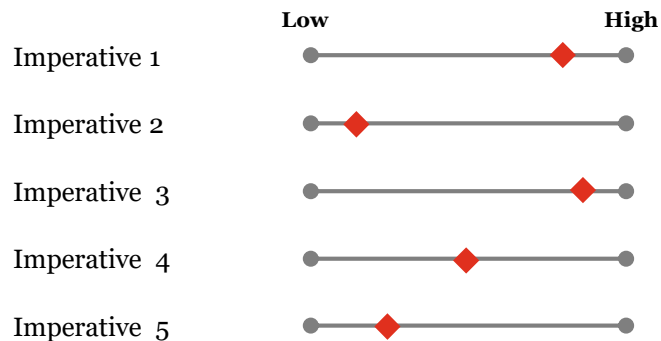
- Different means of matching
 - Rule-based matching
 - 3-way matching
 - Contract Matching - subscriptions
- Machine learning for auto-posting
- Mobile support – exception handling



Wrap-up



1. Define your 5 most important business imperatives and assess your process



2. Describe the gaps resulting from your self-assessment

- E.g. the largely paper-based receipt input makes an optimal follow-up process more difficult.



3. Define measures and start to improve!

- Consideration of a process outsourcing of the "Scan& Capture" process step for short-term process improvement



Assess performance



Find gaps



Improve

