

Implementing Account Payable Process

Case Study



Consulting and Implementing
Process Automation for Last 10 Years



Introduction

ANACOMP, INC

Anacomp, Inc. is a document management firm with its expertise in offering business process solutions and strategic consulting. It has approx. 50 years of experience in providing diverse automated and customized solutions to different business ventures and verticals. Its headquarter is in Virginia and it has set up multiple unique benchmarks in the market.

Account Payable Process (APP)

Account Payable Process is an automated process that can manage the complex payment system and invoice approval of **Anacomp, Inc.** It optimizes the entire payment structure of the company and makes it simplified. It is a flexible system that can be customized and integrated with other enterprise systems such as ERP/SAP to improve its efficiency further.





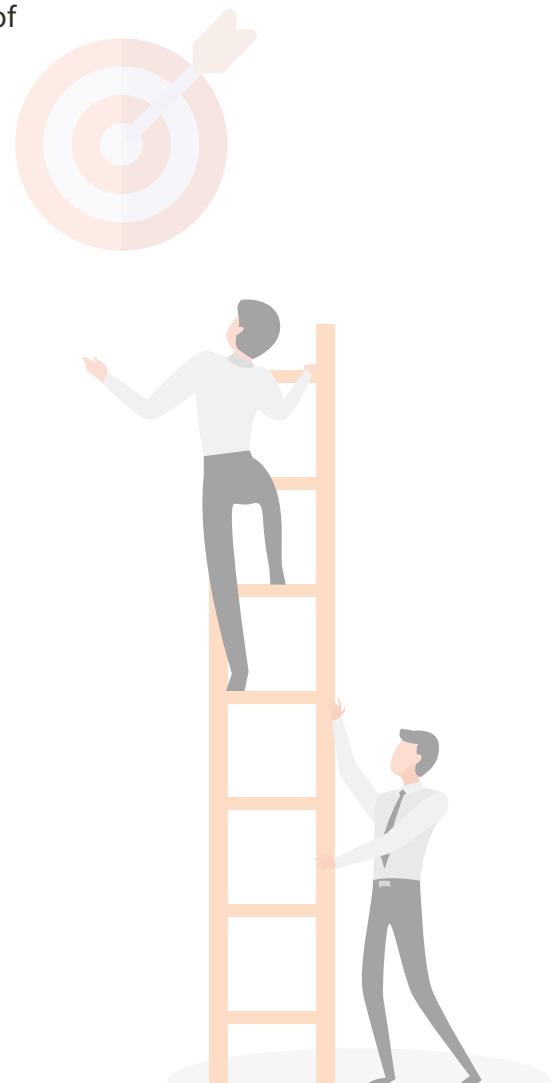
Case Scenario

Requirement

Anacomp was looking to streamline the entire process of invoice (received from different vendors/ suppliers) till the payment. Customer was struggling to handle all invoices/payments correctly and within time frame due to a vast structure and magnitude of records. There were lot of mismatch in entries and a lack of automated verification-approval process reduced the overall experience at both ends. There was a clear requirement of a process automation for entire invoice evaluation and approval system.

Challenges

Every organizational structure has different framework to work and manage the process. Here also , the challenges emerge when it comes to payment and invoice process as scale of operation is very high and is really tough to evaluate thousands of invoices and track each one till payment transfer to vendor, without an automated workflow in place. Till now **customer was handling it through mail workflow and SAP ERP transactions** but this solution was not able to handle motoring entirely. There were many parameters for invoice evaluation and multi-level approvals (parallel/sequential) for on-time payments to vendors/suppliers.





Approach

The payment structure is an imperative part of every organization and it ought to be in a structured manner. And, Account Payable Process streamline the complex process of payment and invoice for the customer.

Pericent Technologies has designed and deployed - **ACCOUNT PAYABLE PROCESS (APP)** which could be integrated with ANACOMP's legacy system to evaluate entire payment and invoice approval process.

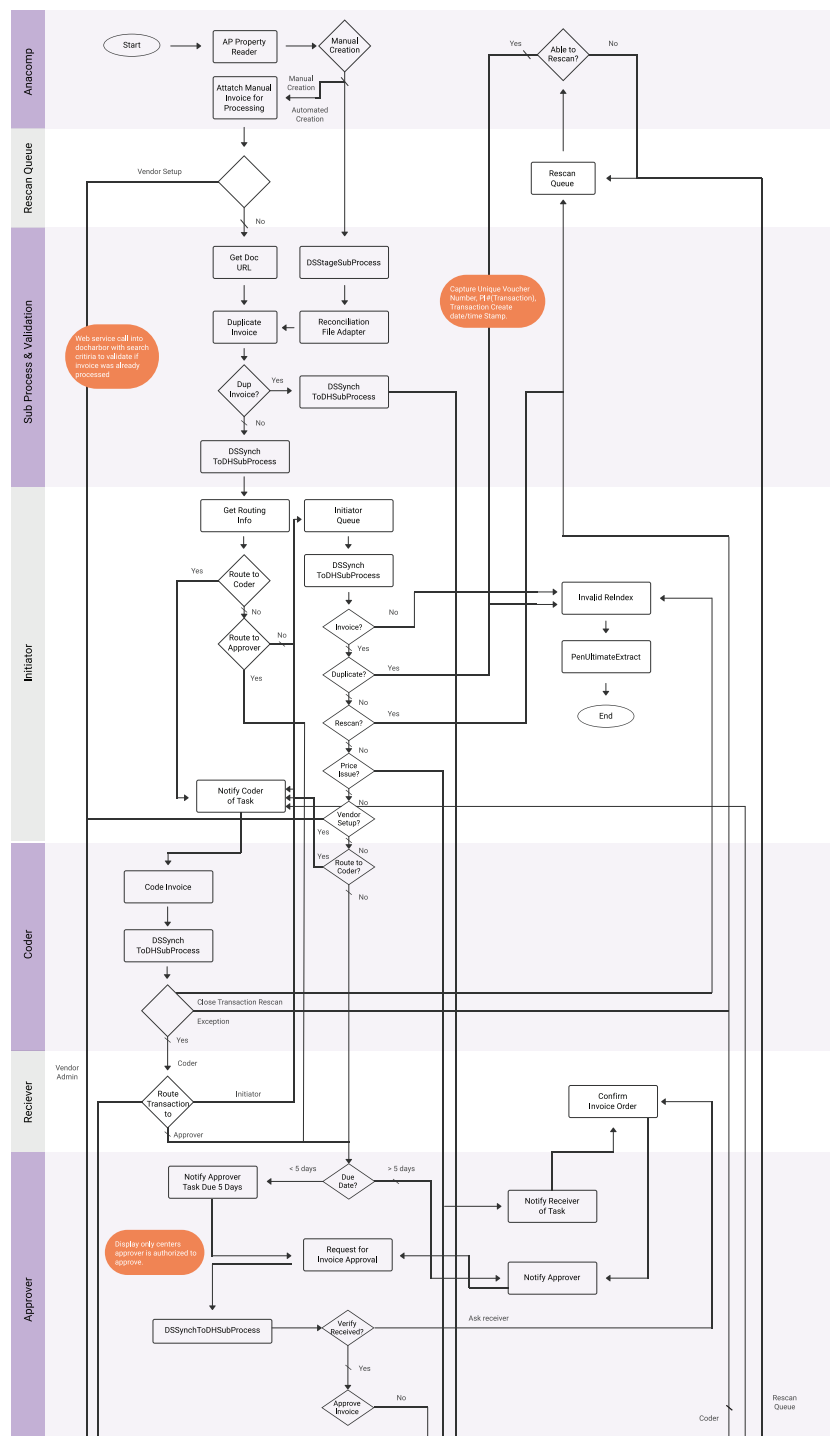
APP is an automated solution which is modeled and implemented to handle invoice data entry and it's level of approval before data being uploaded on ERP system for the actual payment. It evaluates, monitors, and tracks each step in sync with entries to make the payment and invoice well in order.

This enterprise system distribute the roles to the operational team with respective tasks and enforce the SLA to get every invoice processed within defined timeline to reduce the TAT. And, the improved coordination among teams with notification/reminders to make invoice and payment on time improves efficiency of a company and will assist to see happy customers or vendors.





Process and Workflow



Process Architecture

Entire process is divided in different milestones or key activities to module this complex process. Tasks are further grouped on basis of roles performed and approvals are handled through detail process worksteps. APP is further divided in specific sub-process for intra departments or intra-system communication.



...Process and Workflow

The process model has been divided in six different lanes as per their co-related task/activities:

1 Capture Lane

In this workstep invoices are captured through APP Property Reader and further decision made based on **Manual** or **Automated** processing of the invoices.

2 Validation/Sub processes

At this end, invoices are reviewed and all validation performed. The duplicacy of the invoices are also checked here through **web services call to external system like Doc Harber**

- Reconciliation of the invoices performed here through sub process - DSStage
- Duplicay of the invoices checked through sub process - DSSync; which check that either this invoice has been processed earlier?

3 Initiator

In initiator lane the route of the invoice is decided based on the evaluation conditions. It would go to either Coder or to Approver. It also notify the performer as well.



...Process and Workflow

4 Coder Lane

Based on the initiator route at this end, there would be code assigned to invoice for further processing.

5 Reciever

At reciever end invoices are routed to Initiator or to Approver.

6 Approvals

Here in approvals happen, based on the various conditions and SLAs like due date is less or more than 5 days.

- Notify due date
- Perform Approval
- Notify performerers regarding the task

7 Process to Payment - SAP ERP

Here after final approval invoice are processed for payment and all information is pushed in SAP ERP for the transcation. Once payment has been done for the particular invoice all the information such as vochure number, transaction details and PI details are attached back to invoice and finally stored in Doc Harber.



...Process and Workflow

Merits

APP makes the entire invoice to payment process systematic from capturing the invoice to validate and meeting SLAs. It covers all the compliances that needs to evaluate in the process. The business process automation ecosystem makes every step easy. Here are some merits of the APP that made the system easy and streamlined.

- **Flexible and Adaptable Process for entire invoice to payment lifecycle.** It covers every aspect which was earlier causing problems. The business process management system addresses the entire process and simulates each step properly as per customers requirements. Also, it is easily integrated with any other system to manage centerlized flow of the montored information.
- **Saves Manual Efforts and Time.** APP implementation with process automation reduces the efforts and time. An end-to-end automated system increases the effeciency and productivity of the people involved. Hence, enhance the overall experience around the business.
- **Eliminates Errors and Avoid Penalties.** End-to-end automation decresaes human intervention and enforcement of the tasks ensures that no SLAs are bursted. It saves Anacomp to get penalties on payment side. This system further strenthen the customer-vendor relationship.





...Process and Workflow

Solution to Invoice-Payment Structure

Accountability and simplification of the system was the key while approaching the solution. Here, Pericent Technologies has played their best role in delivering the par excellent process automation solution to **Anacomp, Inc.**

We have designed and modeled **Account Payable Process** that can easily be integrated with the legacy ERP/SAP system. It can be simply plugged-in to other system as well.

- Can be integrated with legacy ERP/SAP Structure
- BPM/BPA Application
- Agile Process and Delivery Methodology
- Module Based Process Modeling





...Process and Workflow

Post APP Scenario

Account Payable Process automated the payment workflow ecosystem and approval of different invoices. Designed and developed by Pericent Technologies, this system makes information flow faster and easier against earlier practice of Email Workflow with SAP/ERP adopted by Anacomp, Inc. The invoices get approved before payment will be transferred to vendor and all quality check performed automatically. It makes the overall productivity seamless without investing more bucks.

The payments to vendors or suppliers and the approval of invoice take sincerity and experience to be tackled. Pericent Technologies has expertise of 10 years in addressing business process management and once again implemented successful BPM solution.





Conclusion

With integration of BPM and BPA, Pericent Technologies modeled **Account Payable Process** to simplify the structure of payment and invoice for **Anacomp, Inc.** It was great successful use case of the BPM approach, where customer had limited visibility and accountability apart from the scattered information system. SAP ERP is a system of records where streamlining complex process such as APP is very difficult.

This case proves that legacy systems has limitation when there is a complexity at process level. Using BPM/BPA approach coupled with legacy system could really produce the desired results where businesses can get higher visibility around the process as well as related information.

Need process automation consultancy?

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About

Pericent Technologies has been helping businesses and brands as well as global customers including fortune 500 customers such as **IO, Progress, Genpact, GCG, Pepsico, Reliance, USHA & Niyogin.** with enterprise technology solutions as well as consulting them on BPM, Workflow management, document processing and integration. A decade of experience in providing complex, integrated and intelligent technology solutions, Pericent has engineered world-class enterprise ecosystem bpmEdge - Enterprise BPM Platform and docEdge - Enterprise DMS Platform and we are on a mission to building success story for our customers.

#LoveOfInnovation

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