One of the largest procure-to-pay companies in the world leverages Docufree® capabilities to digitize and streamline accounts payable processing

A global provider of comprehensive source-to-pay solutions serving clients in the commercial, education and government sectors aims to streamline purchasing processes and optimize the supply chain functions of its customers. Our client leverages data to provide insights and recommendations, enabling its customers to make informed and strategic procurement decisions. This client aims to remove the manual aspect of accounts payable (A/P) functions and invoice processing from its customers' workflows.

Challenge

Our client required a third party partner to provide a streamlined, reliable automated solution to extract data from invoices and provide validated data against parallel systems of record. Invoices were generated by each customers' vendors and our procure-to-pay partner needed to aggregate and interpret data correctly and automate the A/P process. As part of its value proposition, the client also provides data to its customers enabling them to analyze spending trends; take advantage of early payment discounts; and model the lowest cost and most beneficial vendor relationships. The client needed a vendor partner with the right expertise, the ability to consistently deliver as promised and the expertise to share real-time data with customers in a clear, concise format.

Solution

Docufree® was selected to provide an intelligent capture recognition (ICR) solution to digitize and streamline accounts payable (A/P) processing. Scanned documents, faxes, electronic documents and emails are handled through the ICR process and images are converted to data suitable for business intelligence and analysis using optical character recognition (OCR) and robotic process automation (RPA).

Through the automated process, data is validated by two- or three-way pairing, matched against vendor master files and uploaded for payment. All information, including line-item detail in PO invoices, is delivered to the client's procure-to-pay system and verified against the systems of record.

Vendors receive an immediate, real-time email confirmation when an invoice is received, eliminating manual follow-up or check-ins regarding invoice status. "Non-compliant" invoices fail to import and are directed—along with a detailed failure reason—to an exceptions portal for resolution by the client or vendor.

"Compliant" processed invoices and remittances are exported as image files and structured XML metadata for upload to the procure-to-pay system.

KEY PERFORMANCE INDICATORS
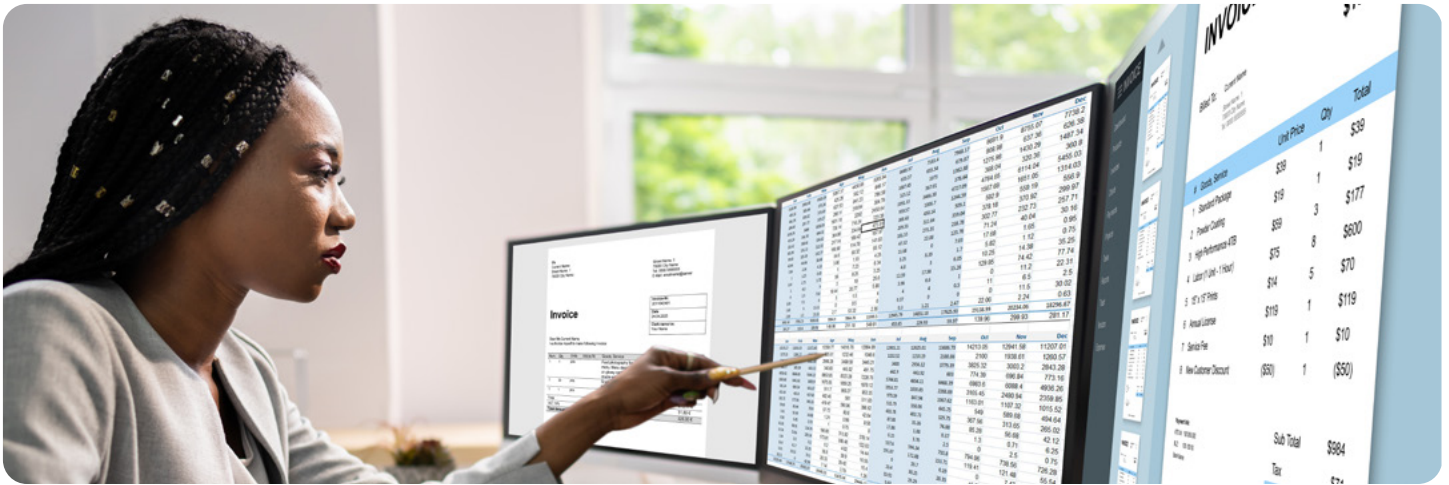
1.5M+	400%	98%+
invoices processed per year	volume growth in 24-month timeframe	accuracy delivery rates

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Using robotic process automation (RPA), the ICR technology sorts and "learns" how to handle new documents, and, over time, evolves to recognize client-specific structures such as words, lines and tables. ICR "fuzzy" search and matching functionality allows information to be extracted from invoices, and documents are automatically routed based on the user-defined business rules.

Results

Automating the Accounts Payable (AP) function not only delivers operational efficiencies and reduces costs but also provides visibility into business-critical data that is typically underutilized within the procurement process. The real value is experienced when data is leveraged to inform the decisions that drive improved performance and move the business forward. The procure-to-pay solution combined with Docufree® digital mailroom continues to deliver digestible, real-time business data to the client—in areas such as cash flow management, working capital, spend analysis, trends and strategic sourcing—to better shape the accounting decisions and purchasing initiatives of its customers.

Docufree® ICR process delivers accuracy rates above 98% at the field level regardless of where the information resides on a document. Docufree® provides client access to metrics and key performance indicators that show where every document is in the A/P cycle. Customizable, user-friendly reports and dashboards are presented to customers.

Docufree® provides the client with real-time, validated data and a streamlined process it then delivers to its customers—delivering a competitive advantage in the market. The client grew significantly by leveraging Docufree® expertise and, over a 24-month timeframe, quadrupled the number of invoices processed.

Docufree® is processing run rates of over 1.5 million invoices per year.

By implementing an automated AP function with a business process outsourcing partner like Docufree®, customers can reduce their in-house accounts payable (A/P) labor force by 50-75% and reassign key employees to higher-value functions for improved reporting, insights and business intelligence.

One Docufree® customer leveraged this solution to reduce its AP headcount from 22 to 6 FTEs within 90 days. Team members were reassigned to higher-level functions, saving the customer nearly $1M a year. Docufree® and the customer meet monthly to make even more strides towards greater efficiencies, accuracies and enhanced workflow processes.

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