

# 25 COUNTRIES, ONE PROCESS – COUNTRY SPECIFIC OPTIMIZED CENTRALIZED ACCOUNTS PAYABLE PROCESSING REDUCES COSTS AND EFFORTS FOR TELCO BUSINESS



«Standardization of the accounts payable process led to significant reduction in the end-to-end process costs. SPS provides us with a single point of contact, with sound experience in international project and service management.»

– Project Manager, Telecommunication Industry

**To have 25 different account payable processes within one company group is clearly inefficient. To find a remedy, a well-known provider of telecommunication solutions decided to centralize these processes in cooperation with Swiss Post Solutions. The results are convincing. Thanks to consolidation and automation of the processes combined with outsourcing of various process steps, the account payable process was optimized significantly.**

With 25 different IT solutions, 25 different report formats, 25 different monitoring mechanisms – apart from process costs which were too high – corporate-wide comparison of the subsidiaries has been hard to clarify. A standard process supporting all countries can put things right. But country specific aspects have to be taken into account to ensure acceptance and satisfaction of employees and customers. Besides a good price/performance ratio, SPS's experiences in international project and service management were a key reason for the com-

pany's decision at the end of November in 2013, to work with SPS.



## 25 countries

– one process

### **Analysis – implementation – 'go live' in seven months**

In spite of the substantial experience of the SPS project team, the project was still ambitious. The new process had to work for all kinds of incoming invoices, independent of document format and type of invoice receipt. It had to be optimized – whether paper-based or electronic – to achieve top results for each country as far as costs were concerned.

### **Customer Profile**

Operating technical networks for phone communication (mobile and fixed line), data and online services is the core business of the international telecommunication company. The corporation has its headquarters in Germany and has more than 200,000 employees in 25 countries thru subsidiaries.

Learn more about our solutions:



**SPS**   
Swiss Post Solutions

For each country and subsidiary, it was evaluated whether the digitization of incoming invoices was to be handled by the company itself, a local provider of digitization services or by one of SPS' four scan centers. Important parameters such as document structures and volumes, payment conditions, tax regulations as well as local labour costs had to be taken into account. Additionally specifics, such as language-dependent fonts, were also modified to support Russian and Greek. Transaction-based pricing, with a fixed price per incoming invoice, was established between the different SPS scan centers with little variation.

On 1.7.2014 the new account payable process went live. Afterwards, the step-by-step rollout in all subsidiaries was launched. Initial hurdles in countries – typical for change processes like this – were managed well by the team, so the corporate-wide migration was finished successfully by the end of 2016.

### As automated as possible, as manual as required

In the new centralized account payable process, incoming documents are either digitized in one of the four scan centers of SPS in Germany, Greece, Romania or Slovakia, or are transferred electronically to SPS. In 2016, 1.6 million documents were processed, including 60,000 which came in by email, which was not possible before the migration project. In Bamberg, Germany, all invoices are indexed and categorized, head and foot data such as order number, invoice data or banking information is captured and the document is classified accordingly.

  
**1,6**  
Million  
Invoices

These documents are now transferred to SPS Vietnam, where everything is evaluated

and corrections applied if necessary. After another final quality check in Bamberg, the data is transferred to the central ERP system of the customer and the electronic documents are also prepared for archiving and transferred. If archiving of the paper version of the documents is mandatory for regulatory reasons, these are sent to the customer's headquarters by mail.

A monthly phone-based status meeting and regular onsite meetings between SPS and the customer ensure the defined quality level is met and the processing of invoices in the countries is being constantly improved.

### Convincing benefits: Reduced costs – guaranteed quality – faster processing

A 24-hour turnaround time at SPS also ensures the fastest possible process for the suppliers. From digitization to data input, quality assurance up to the transfer of data to the ERP system is an ambitious time-frame and one that is guaranteed by SPS' excellent quality. A maximum of 2% errors is allowed on field level as well as on time; very impressive considering 19 languages are involved.

  
**24 h**  
turnaround time

Economic transaction-based pricing of the country specific standard process led to a visible reduction of end-to-end process costs – which are still reducing. As more and more suppliers migrate to electronic billing, digitization is no longer necessary, which leads to reduced transaction prices. There is a significant potential for cost reduction, given less than 4% of the invoices currently come in by email. But this will change as the suppliers benefit as well: no mail costs, no paper and less effort.

  
**2%**  
maximum  
error rate