



Automate Supplier Invoice Processing  
with FormScape Enterprise Edition  
and start saving – today



**DOCUMENT PROCESS AUTOMATION**  
CAPTURE. DELIVER. RETRIEVE.

**ORACLE** CERTIFIED  
PARTNER

**Microsoft**  
GOLD CERTIFIED  
Partner

## Do more, with less.

Is this an impossible dream? Not for your Accounts Payable department. By moving your invoice processing into your web browser you will be more productive, your customer service will improve, your process will cost less, and your business will cover more territory. How is this possible?

By adopting the right technology and by using industry business best practices - you can see productivity gains of around 25% and upwards. Even with a low monthly invoice volume of 5000, savings of over £175,000\* per annum are possible. With only 25% productivity gains, the ROI can be as low as 6 months. All this is achievable by removing paper invoices from the process and moving these documents into a process built around your web browser.

The web process takes the invoice image; codes and matches the data; and then posts the transaction directly into your business application. When user interaction is required, for validation, coding, approval, or retrieval, it is via a web browser, standard workflow or web portal. By automating the invoice process further, and moving all user interaction into your web browser, productivity improvements can exceed 50%, leading to possible cost savings as high as 60% and an ROI of less than three months.

## Where do the savings come from?

These savings are possible by automating the AP invoice capture and approval process including:

- PO related invoices requiring 2 or 3 way matching
- Non-PO invoices requiring routing
- Coding and approval
- Acknowledgment of supplier correspondence
- Automated tracking and messaging
- Invoice dispute management
- Invoice exception management.

To understand where these savings are possible look at the typical supplier invoice process detailed below:



\* Calculations based on data with "AP Department Benchmarks and Analysis 2005" report by the Institute of Management and Administration. Copyright IOMA 2004.

At first glance, you can see the amount of communication within the process. Today this impedes the productivity and increases the cost. By streamlining and automating the communication around the invoice, the productivity will improve, whilst lowering the costs. However, due to lack of availability the invoice itself creates a bottleneck, impacts on service and on the efficiency of people around the process. If you turn the invoice into an image available through your web browser then your service and staff efficiency will improve.

By automating the capture of invoices and extracting data using intelligent document capture you remove paper from the process. Replace each paper movement by an invoice image and you can automatically remove duplicate or copy invoices from the process. This is possible using data capture and business logic within the automated process. Once you have an image, you can recognise the suppliers directly from the invoice data - eliminating coding and streamlining the approval process. This allows for the automation of the whole capture to posting process. Now user interaction is only required when invoices need approval or when there is an error. As all user interaction is via your web browser, you maximise your savings by removing internal mail, travel and lost invoices.

Productivity improvements are possible even for new, low volume or unknown suppliers. Using phrase and word searching you can capture key data such as PO numbers, totals, and dates, further reducing coding time. The user then copies data from an invoice image and pastes it directly into your business application, reducing keying errors.

The savings don't stop within your AP department; by notifying and collaborating with your supplier, you can reduce errors and other exceptions by over 20%. This is possible through the automatic creation of invoice receipts, duplicate notices, and rejection notices - all automatically via email. This high level of communication introduces process transparency and cuts calls to the AP department, further raising productivity. Business users can see the invoice plus any other related documents; such as purchase orders, letters, and even contracts, without leaving their web browser.

## What is the cost of processing an invoice?

Costs vary according to the level of automation within the process but both the Accounts Payable Network and Institute of Management and Administration\* put the cost at around £7.00. This covers staffing cost, duplicate invoices, other errors, and document handling time. It does not include the time taken later in the process to find an invoice\*\*, storage costs, or the savings possible through the capture of early payment discounts. By moving AP processes to browser technology, other savings appear around fuel, travel, and ultimately staffing location. By automating the whole AP process the cost savings are over 50%.



## How is this possible?

The FormScape Enterprise Edition Invoice Automation Suite automates invoice processing by integrating and extending your business application infrastructure. FormScape Enterprise Edition automates the whole process, from capture to posting, turning paper into electronic images. All user interaction is via your web browser or through your own enterprise portal.

FormScape Enterprise Edition Invoice Automation can vastly improve operations in your accounts payable department. The benefits are substantial.

- Reduced vendor disputes
- Faster resolution of vendor disputes
- Invoices are processed faster
- Discounts from vendors for fast payment of invoices can be reaped
- Fewer data entry mistakes are made
- The number of lost invoices and duplicate invoices are reduced
- Storage space for of physical documents is less
- Labour costs are cut
- Information sharing is enhanced
- Access to documents is quicker

\*The Accounts Payable Network put the figure at between \$1 and \$25. The Institute of Management and Administration put the figure at \$11.60. Considering both sources, this averages approximately £7.

\*\*Estimated by PriceWaterhouseCoopers at over \$20 to file an invoice, and then \$120 to find a misfiled invoice.

# Best Practices for Invoice Handling

The following best practices are part of the FormScape Enterprise Edition Invoice Automation Suite from FormScape.

**Beware paying from copies –** Paying against copy invoices is one of the most common causes of fraudulent or duplicate payments. Only pay from a copy invoice if it has been thorough a review process and received high level approval. A common control to pay from a copy is to search the master vendor file to ensure that no previous payment was made. The search should be for both the invoice number and the amount. Using FormScape Enterprise Edition it is possible to automatically check for duplicate or copy invoices during the capture process and route these to the relevant approver.

**Request that vendors send all invoices directly to AP –** From a vendor's perspective, it is normal to send the bill to the person who placed the order, especially for non-PO orders. From a payment perspective it makes more sense to send bills directly to AP, thereby avoiding delays. The solution is to capture the bills within the central AP department via FormScape Enterprise Edition, and then electronically route those invoices requiring approval to the requisitioner via their web browser. This removes delays and smoothes vendor payment concerns.

**All items sent for payment should be coded –** Vendor invoices should include a valid general ledger code. This responsibility normally lies with the purchasing department or the employee requesting the purchase. It is important to request that the vendors put this information on any invoice, and make this part of the terms of business. Invoices without a valid general ledger codes can then be automatically rejected and returned to the vendor. For non- PO invoices the entry of a valid ledger code should be made part of the approval process. FormScape Enterprise Edition can check vendor invoices and automate the rejection process, whilst the general ledger code is a key field for the approver to fill.

**Enter invoices individually –** Separately enter your invoice rather than grouped by vendor into one voucher. Once grouped by vendor it is difficult to locate and subsequently answer questions about individual invoices. By automating the capturing of invoices with FormScape Enterprise Edition invoices can be grouped by vendor to make processing simpler, but treated as individual vouchers making retrieval and tracking straight forward.

**Notify vendors to explain adjustments –** When the amount shown on the invoice is not the amount being paid, it is important to send an adjustment letter or other form of communication to the vendor explaining the discrepancy. FormScape Enterprise Edition can automate this process and generate standard correspondence at every step. Where a more personal letter is required, FormScape Enterprise Edition enables user interaction with this correspondence via their web browser. This creates a transparent process for the vendor.

**Assign responsibility for vendors alphabetically –** Assign AP employees complete responsibility for one section of the vendor database or range of cost centres. This is a simple way to keep track of duties. With FormScape Enterprise Edition, AP employees can be assigned web inboxes allowing groups of users to work and collaborate. FormScape Enterprise Edition will capture and post the vendor invoices into the correct inbox removing manual distribution. Importantly, as all access to the inbox, for coding or approval, is via a web browser, users can work from anywhere at anytime.

**Work closely with vendors –** An often overlooked aspect of the process is good communication with your vendors. Good vendor communications saves call time and reduces payment disputes. This begins at the start of the relationship by explaining the policies and procedures your business follows. Make it clear how you and the vendor will communicate. When there is a question about an invoice picking up the phone is sometimes the best way to resolve it. But always have the right information at your finger tips before making the call. With an automated FormScape Enterprise Edition process, all documents are available electronically through your web browser, ensuring the right information is only a click away. Use FormScape Enterprise Edition to automatically send all the information with any new vendor order, or upon receipt of a new vendor invoice.

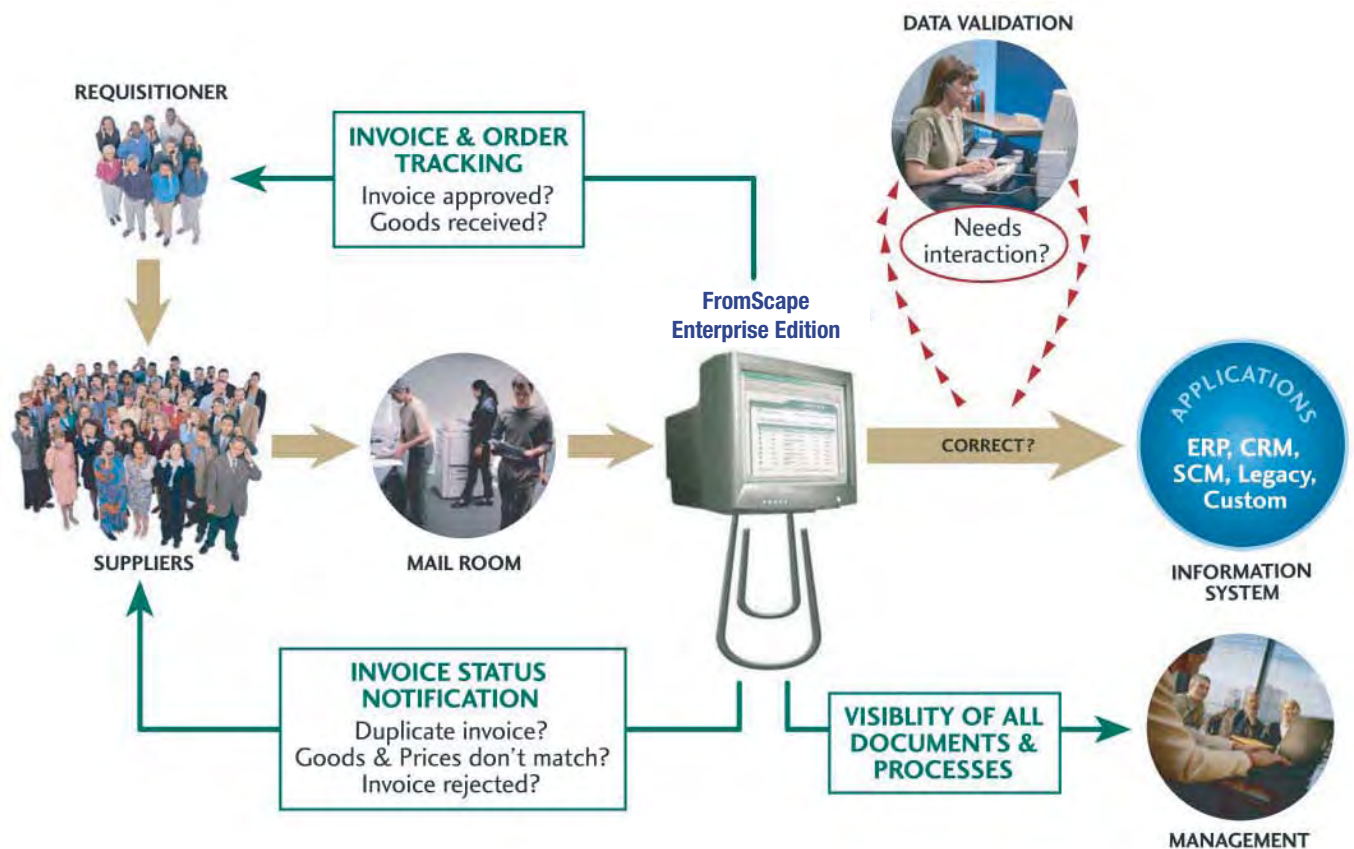
**Negative assurance –** Sometimes called assumed receipt, negative assurance is an e-mail sent to the purchaser confirming the order. This e-mail informs the purchaser that the invoice has been received and that if the e-mail is not responded to within a certain number of days, the invoice will be paid. FormScape Enterprise Edition automatically creates these emails and allows for the vendor to be notified at the same time. The purchaser can approve or reject the invoice via their web browser.

In-addition to meeting all these proven best practices FormScape Enterprise Edition offers:

**Invoice Tracking –** Within any regulated business, it is important that all the documents and user activity are fully tracked and visible to auditors. By using FormScape Enterprise Edition to automate the process, you have a full audit trail for events that happen to the documents received, the AP coder, the approver, any invoice reviewers and all vendor communications.

**Process Flexibility –** The holy grail of any AP team is to fully automate the vendor invoice process. However, in reality the closest any business can get to this is the paperless process. To achieve this, an evolutionary approach to process change is required. Start with proven processes and one or two cost centres, and then extend the solution by adding more business areas and then to meet new challenges or processes. Alongside tracking user activity within the process and flexible processes, it is important that changes to the process itself are also self-documenting. FormScape Enterprise Edition is self-documenting and allows for evolutionary change.

FormScape Enterprise Edition automates supplier communications and provides a transparent process for everyone in the business:



The result is a simplified process that automatically captures data, recognises suppliers and stores invoices into a browser accessible repository. FormScape Enterprise Edition identifies duplicate and copy invoices passing these to high level approvers. All exceptions, errors, and user interaction are via a web browser. Now workers can collaborate and interact within the process from anywhere within your business. Suppliers receive automatic notifications and status updates via HTML rich emails.

## What about Compliance?

The auditing and tracking of both the process and all document activity is required within regulated organisations. With FormScape Enterprise Edition, compliance is an inbuilt feature, as the process is self-documenting and so is the logging of all user activity. To secure your production environment all project deployment and testing is tracked and requires sign-off. You can also schedule FormScape Enterprise Edition to email or print audit information giving you full visibility.

## Business Integration

FormScape Enterprise Edition is fully integrated at the transaction level with SAP, Oracle JD Edwards EnterpriseOne, and Oracle E-Business Suite. For these business applications the supplier invoice is visible as a transaction attachment allowing quick retrieval without leaving the user interface. FormScape Enterprise Edition will auto-post or park invoices within the application to streamline the whole process. It is also compatible with your business applications, website or native workflow reducing implementation costs and staff training. Invoice approvals and other interactive elements of the process can be within the business application or outside via your web browser.

## Safe, Secure & Complete

The FormScape Enterprise Edition Invoice Automation Suite is unique in giving you savings across the whole process. Auditing, tracking and flexible processes ensures your business is safe and secure. FormScape Enterprise Edition keeps you in control and gives you full visibility of all the invoices in your process. Join our other FormScape Enterprise Edition users to gain real savings, in excess of 50%, across your whole process. By improving productivity and business efficiency your organisation can find new ways of doing more business without increasing overheads.

FormScape Enterprise Edition – new ways of doing more business.

### About Bottomline Technologies

Bottomline Technologies provides collaborative payment, invoice, and document automation solutions to corporations, financial institutions and banks around the world. The company's solutions are used to streamline, automate and manage processes and transactions involving global payments, invoice approval, purchase-to-pay, collections, cash management and document process automation. Organisations trust these solutions to meet their needs for cost reduction, competitive differentiation and optimisation of working capital.



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