



The Case for AP Automation

FIRST SUPPLY

Company: First Supply LLC

Industry: HVAC, Well & Septic, PVF, and Plumbing Supply Parts and Services

Project Lead: David Church, IT Applications Manager

ERP: Infor CSD

1. Why did you start looking for a data entry automation solution?

We had two primary driving reasons for adopting our automation solution with Unform. It had to do with the marrying up of the costs and ROI associated with EDI implementations and recognizing an opportunity to introduce processing efficiencies with our AP team.

Automation of AP Invoices into our system has clearly been a desirable efficiency improvement. For years EDI has been a staple means for automating the import of such data. We have several dozen vendors integrated with EDI. However, conventional EDI implementations take months to implement, and are costly to execute and costly to transact. We found that we required a certain threshold of activity with a vendor to achieve an ROI for an EDI relationship with that partner. Well, how can we automate those below that EDI ROI threshold? We needed a process that was more cost effective to implement for the AP Invoice process.

At that same time - automation of the data entry process in AP naturally evolved as that next step in the evolution of our AP team's process that progressed through three primary stages of ever-increasing automation.

For several years, our AP team had been using a document archiving solution to triage and store copies of invoices. This triage process required AP users to enter certain key values from each invoice to store the document accurately for later retrieval. Entry of the AP invoice into our ERP was entirely user performed. The volume of work with this approach was significant, and our AP team population was both in constant flux and had to dedicate a majority of their time to data entry.

During our transition to CSD from the on-premise version, we evaluated our options for updating our AP triage process. We found that Unform's solution was well suited to support our AP team's existing process.

As we pursued the implementation process, we learned how efficiently Unform's Document Imaging solution could automatically read and identify those key fields required to index the documents in the document repository. This was our first exciting step towards truly automating our AP data entry process.

After implementing our initial need for the AP triage processing and using it to automatically populate the key index fields for our document repository, we found it was a relatively small step to automate the



data capture of the entire AP invoice content, map it to an XML formatted file and have that consumed directly into CSD's Vendor Invoice Center.

From there, we never looked back! In our last 15 months we have mapped and automated AP invoices for over 1000 vendors and counting.

Our AP team is now able to run leaner in population yet still dedicate much more of their focus on the puzzles and problems that require investigation instead of manually entering invoices all day.

2. How many solution options did you review prior to selecting UnForm?

When we reviewed our options of solutions, Unform was one of three solutions we focused on in our selection process.

3. Was your decision to use UnForm based on:

Our primary decision point was based on the usability and functionality of the platform.

Stability - We looked to have a solution that was stable and required little administrative attention. Our previous solution was regularly requiring IT attention and assistance.

Workflow – We looked to have a solution that provided the features that we required for our AP team to be able to perform their triage process and review effectively and efficiently. Our previous solution required continued manual entry. A third option we considered also did not have the capabilities our team required to support our AP triage process – it could not provide for that triage process; it couldn't efficiently capture document data for indexing the document into a document repository let alone into the AP environment.

4. How involved was the implementation process?

Our implementation process had an iterative approach to it.

We first established a base integration that solely read, recognized and prepared our AP invoices for filing into the repository. This base integration identified the core/primary vendor and invoice data for indexing the document. This allowed our AP team to acclimate their business processes as we transitioned to the new platform. This also allowed my business analyst time to familiarize herself with the Unform Document Imaging mapping process.

Secondly, we took those initial maps that only read the core data and enhanced the data retrieval translation to read the invoice data and map it into the XML format for CSD to consume. Using a few vendors as our guinea pigs we, again, acclimated to the automation process into CSD and gained comfort with the accuracy of the data and familiarity with the process.



Then it was off to the races! Once the core integration was in place for mapping the invoice data to the appropriate fields in the XML BOD for CSD, it became quick work to be able to map more and more vendor formats very easily. My business analyst can easily map a new vendor's invoice layout in a matter of minutes!

Our latest update to the process is directing the process to store a copy of the AP invoices in Infor's IDM repository. This allows Infor's IDM context widget to provide real-time access to copies of the AP Invoice original document for users to view within CSD. The document is viewable in the Vendor Invoice Center as well as in the Vendor transactional history in CSD.

Throughout all phases of implementation Unform's resources held regular meetings with our team to educate and refine the integration so we could map effectively and efficiently in the future. Their knowledge and insights were very valuable as occasional vendor invoices invariably had gotchas or challenges.

5. How have you measured success?

We currently have 1068 vendors – 591 Trade vendors, and 477 Expense vendors - mapped in Unform, processing an average of over 8,000 invoices a month. Since our process has 3 purposes – AP Triage processing, BOD Automation into CSD, and Document Storage in a repository for later retrieval – our goal is to map as many vendors as is humanly possible. Therefore, we have mapped vendors with volume as few as 15 invoices a year to allow a consistent process for our AP team and to make easy indexing work into our document repository.

As a result of this automation, we have been able to reduce our AP team population by 29% while still being able to keep up more effectively with AP transactional volume. For the existing AP staff, their daily data entry time has reduced from 50-60% of their time down to roughly 20% of their day. This has allowed them to dedicate more of their time to investigate more challenging invoices, resolving receiving discrepancies, among other activities.

6. Would you recommend and endorse the UnForm solution for others looking to solve similar problems?

Our AP team cannot imagine returning to a more manual process for AP invoice processing. The time and effort to automate a new vendor using Unform Document Imaging is miniscule when compared to the time it would take to implement an EDI relationship.

7. Have you considered utilizing the data capture and data entry automation functionality for other business purposes?

At this time, we are pursuing a new project to capture, index, and store receiving documents from our warehouse locations.