

Case Study:

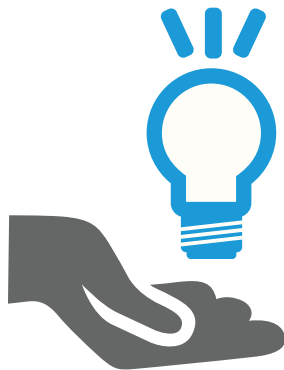
Subsea 7 Engineer Improved Accounts Payable Processes with OpenText

OpenText™ Vendor Invoice Management for SAP® Solutions helps streamline purchase-to-pay processes, saving time and money, leading to improved supplier relationships.

OPENTEXT™

Subsea 7 is a world-leading seabed-to-surface engineering, construction and services contractor to the offshore energy industry. The company provides cost-effective technical solutions to enable the delivery of complex projects in all water depths and challenging environments. Headquartered in London, England, the company has operations across the globe.

Following the merger of Subsea 7 and Acergy in 2011, the volume of supplier invoices and the complexities of differing processes and systems had begun to have an impact on the efficiency of Accounts Payable (AP). OpenText™ offered a solution to these challenges.



Identifying the Right, Experienced Partners

“We wanted a solution that was tightly integrated with SAP. The long standing relationship and track record between OpenText and SAP led us to look closely at their capabilities in this area,” says David Price, SAP Program Manager, Subsea 7.

Subsea 7 evaluated a number of solutions to drive efficiency and reduce costs in their AP function. The company was ideally looking for a solution that would prevent its employees from having to leave the familiar SAP environment to use another system.

Challenges:

- Company merger led to increased volume of supplier invoices across multiple systems, leading to complexity and delays in payments
- Lack of accurate, up to the minute visibility of process status including approval step status, and lack of dashboard reporting, creating unnecessary volume of inbound supplier enquiries
- Needed a solution that would operate inside of SAP, covering multiple global locations, various invoices types, styles and complexities

Solutions:

- OpenText™ Vendor Invoice Management for SAP® Solutions
- OpenText™ Invoice Capture Center for SAP® Solutions

Benefits:

- Streamlined purchase to payment process end-to-end, eliminating backlog, with payments now being made
- Improved efficiency of accounts payable team
- All supplier invoice information available within SAP, no need to exit to another application, saving time, and reducing training overhead

OpenText Vendor Invoice Management for SAP Solutions not only works within SAP, but is certified and sold by SAP. With a solution selected, the next step was to identify the right implementation partner.

*"We knew from the outset that this was a complex implementation, requiring in-depth knowledge of the processes involved, robust communications with employees and suppliers, in addition to a solid understanding of the solution. One organization stood out, **ExceleratedS2P**, thanks to their technical knowledge and implementation experience,"* adds David Price.



Organising and Mobilising a Project Team, Senior Buy-In and Support and Communicating Change

With solution and implementation partners on board, Subsea 7 set about planning the project in earnest during the first half of 2013. The decision was taken to target the largest of their regional AP teams, the UK. With over 10,000 supplier invoices per month, across 60 legal entities, this represents around 60% of the global invoice volume.

"Tackling the UK first was a bold decision, but one taken with commitment and backing from senior management. At first the backlog of unpaid invoices began to grow as our processes required reengineering, but no one lost faith and we soon began to see a significant decrease. Within months, the processes were

improved, the backlog was reduced and supplier relationships improved as a direct consequence", adds David Price.

Key to achieving the process efficiency gains sought, and getting the most from the solution, was to ensure clear and effective communications with all stakeholders. As well as ensuring timely and efficient internal communications and training, suppliers also proved to be a big part of this process.

"The solution allows us to handle simple invoices, one or two lines, to highly complex invoices with hundreds of items, and everything in between. We can cover the entire spectrum from office supplies to multi-million dollar capital asset purchases. Educating suppliers on how best to submit their invoices helps us to process more quickly and for them to get paid on time," adds David Price.

With suppliers on board and having refined or even redesigned their invoices, the OpenText system captures key invoice metadata and feeds it directly into SAP. Most suppliers have embraced the changes, with some 80% of invoices now received by email. Hard copy invoices are scanned, using OpenText Invoice Capture Centre, and enter the system for Optical Character Recognition (OCR), enabling automated process flows to take over in the same way as email. Most emailed invoices are ready for OCR (Invoice Capture Center) with no intervention, with many being automatically matched to purchase orders and supplier accounts in SAP.



Benefits to Suppliers, Employees, and Subsea 7 equals = Win, Win, Win

The AP teams at Subsea 7 is very positive toward the new solution. Invoice processing turnaround times have improved meaning they can now

focus on their core tasks. Additionally, once invoices have been captured, they no longer have to switch between multiple systems; they can do everything within SAP. The benefits spread beyond the AP team too, with those involved in invoice approvals benefitting from a much more effective approval process.



An email alerts an approver of an invoice awaiting approval, with a link provided to approve or reject. Those who interact with suppliers feel the benefit too, with fast and easy access to supplier payment and invoice information and timely payment of invoices. This has helped improve supplier relationships, benefiting not only the finance department, but the wider organisation, as well as the suppliers themselves.

*"Around the globe, the OpenText solution and the technical implementation assistance from **ExceleratedS2P** have meant we're able to process the same volume of invoices more efficiently."*

The increased level of process automation also reduces the reliance on human intervention. Where approvals are still required, these can be tracked and quickly reported upon to identify any bottlenecks, meaning action can quickly be taken. The solution provides comprehensive reporting, with dashboards, as well as a full audit trail.

Completing the Roll-Out to All Countries

Following the implementation in the UK, Subsea 7 moved on to complete implementations in Norway, United States, Gulf of Mexico, Brazil, Singapore, Australia, and France. Each subsequent region has been delivered more efficiently as knowledge has built up and processes have been refined.

"We're delighted with the progress we have made on this journey and have great confidence as we move forward to complete the global roll out. There's no doubt the commitment and expertise of our partners has shaped our success to date," David Price, SAP Program Manager, Subsea 7.

ExceleratedS2P is a specialist Source-To-Pay consultancy company and solution provider, assisting organisations to become best-in-class Sourcing, Procurement and Accounts Payable functions through our advisory, implementation and optimisation services combined with best-in-class SAP on-demand and on-premise software. Our focused solutions enable organisations to increase control and compliance across the end to end process which will lead to increased cost reduction and improved measurable and sustainable performance.

Interested in finding out more about ExceleratedS2P?

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