

CASE STUDY:

HEINEKEN

HEINEKEN AUTOMATED INVOICE PROCESSING

CONSOLIDATION OF THE FINANCE FUNCTIONS INTO A SINGLE SHARED SERVICE CENTER (SSC) TOGETHER WITH BASWARE'S INVOICE AUTOMATION SOLUTION HELPED DELIVER SIGNIFICANT TIME AND COST SAVINGS. TODAY OVER 90% OF HEINEKEN'S PURCHASE INVOICES ARE MATCHED AUTOMATICALLY.



Heineken Nederland took the decision to consolidate its IT,

HR Facilities Management and Finance functions into a single Shared Service Center (SSC) which would service the 25 business and sales units across the country.

One of the key aims was to deliver efficiencies in the SSC Accounts Payable department, which handles 430.000 purchases invoices every year, many of which were still paper based. The goal was to reduce the time and resource dedicated to the manual processing of these invoices and to create an end-to-end automated invoice processing solution, from scanning, order matching through to archiving.

"OUR MAIN CHALLENGE WAS TO FIND AN IT SOLUTION WHICH COULD INTEGRATE QUICKLY AND EASILY WITH THE EXISTING IT INFRASTRUCTURE, WHICH COMPRISED FIVE DIFFERENT ERP INSTANCES, EACH SUPPORTING DIFFERENT BUSINESS UNITS,"

tells Ed Prins, Financial Services Manager at Heineken.

CUSTOMER:



Heineken®

INDUSTRY:

Food and Beverage

LOCATION:

Europe

BASWARE SOLUTIONS:

Basware AP Automation

basware

Simplify Operations, Spend Smarter.



CRITICAL FLEXIBILITY



SEAMLESS INTEGRATION WITH EXISTING ERP SYSTEMS

Having looked at the solutions available, Heineken selected Basware Invoice Automation to deliver the control and efficiency the AP department required. The solution was particularly strong in two key areas for Heineken; Basware anyERP provided easy integration with Heineken's multiple ERP systems, and the matching delivered the accuracy and speed of invoice processing to streamline the AP department workflow.

Today, the Basware solution accesses five different ERP systems to find the relevant Purchase Orders (PO) after which it automatically matches the incoming purchase invoices with the pre-approved purchase orders.

This eliminates the need for further approval workflow and generates both time and cost savings. Once the system has matched the purchase invoice to

the PO, coding and audit trail on the POs is automatically copied to the invoice, which is then automatically forwarded to the ERP system for payment.

"THE KEY SUCCESS FACTOR FOR THIS PROJECT WAS HOW EASILY WE COULD INTEGRATE INVOICE PROCESSING WITH OUR COMPLEX ERP ENVIRONMENT. THE BASWARE SOLUTION HAS PROVED INCREDIBLY FLEXIBLE, PROVIDING A SEAMLESS INTEGRATION WITH OUR EXISTING SYSTEMS."

Ed Prins, Financial Services Manager at Heineken

CHALLENGES

- Improve Accounts Payable processes to deal with 430.000 purchase invoices per year in Heineken Shared Service Center
- Integrate invoice processing solution with complex IT environment, including five separate ERP instances
- Automate electronic and paper invoice matching to dramatically reduce time and resource spent on invoice approval workflow





HIGH MATCHING RATE DELIVERS SIGNIFICANT SAVINGS

The Basware solution now processes 230,000 electronic and 200,000 paper invoices. Of the 230,000 electronic invoices, 210,000 are completely automated from receipt to payment.

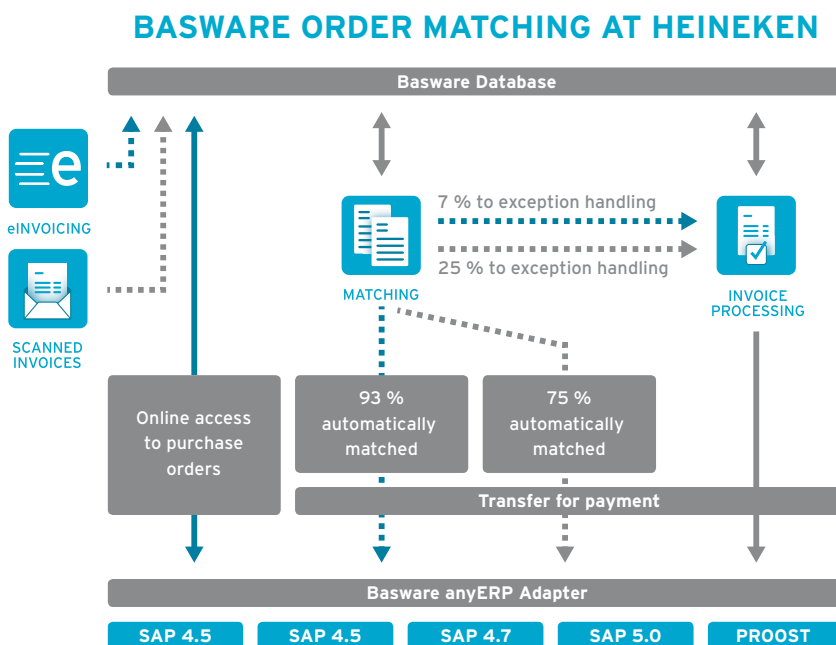
Expected time savings on invoice processing include:

- 60% on all order related paper invoices
- 40% on all non-order related paper invoices
- 95% on all electronic invoices

The system was successfully rolled out across the SSC in just nine months, from first proof of concept to going live with the first SAP environment.

The first phase of the project has delivered an automated process for all invoices which relate to purchase orders, nearly 60% of the total, from data input to payment. Heineken expects this figure to rise significantly as more suppliers move to electronic invoicing, further improving the efficiency of the process.

"The time to approve paper and electronic invoice has fallen dramatically, allowing us to devote resource to higher value core tasks," explains Ed Prins.



THE JOURNEY

Phase 1: Automated invoice processing in just 9 months

Automation of 430,000 purchase invoices and a seamless integration with five separate ERP instances (two SAP 4.5 systems, SAP 4.7 and 5.0 as well as an in-house system, Proost).

Phase 2: Significantly reduced invoice cycle times

Invoice Automation cut the approval time for order-related electronic invoices by 95%, for all order related paper invoices by 60% and for non-order related invoices by 40%.

Phase 3: Achieving world class automation through matching

75% of the order-related paper invoices and even 93% of the order-related electronic invoices are matched automatically (3-way matching).

Phase 4: Continuous process Improvement delivers savings

Invoice automation helped reduce headcount dedicated to AP by 40% in two years. Having over 14,000 suppliers to deliver e-invoices is seen to play a key role for further process improvement.

"The Basware solution now automatically matches over 90% of incoming electronic order-related invoices at Heineken," he continues.

The accuracy of automated order matching was a key metric for the success of the project, and the Basware solution has exceeded expectations.

"Basware solution has greatly improved the accuracy and speed of our AP process. Today, we are achieving automated matching rates of up to 97% on electronic invoices," concludes Ed Prins.

"THE BASWARE SOLUTION HAS HELPED US ACHIEVE SIGNIFICANT SAVINGS ACROSS THE ACCOUNTS PAYABLE DEPARTMENT."

Ed Prins, Financial Services Manager at Heineken

ABOUT BASWARE

Basware is the global leader in providing purchase-to-pay solutions, e-invoicing and innovative financing services. Basware's commerce and financing network connects businesses around the globe. As the largest open business network in the world, Basware provides scale and reach for organizations of all sizes, enabling them to grow their business and unlock value across their operations by simplifying and streamlining financial processes. Small and large companies around the world achieve significant cost savings, more flexible payment terms, greater efficiencies and closer relationships with their suppliers..

Find out more at:

WWW.BASWARE.COM



ABOUT: Heineken

Heineken is one of the world's leading brewers, with a wide international presence through a global network of distributors and breweries. Heineken owns and manages one of the world's leading portfolios of beer brands and is one of the world's leading brewers in terms of sales volume and profitability. Principal international brands are Heineken and Amstel, but the group brews and sells more than 170 international premium, regional, local and specialty beers, including Cruzcampo, Tiger, Zywiec, Birra Moretti, Ochota, Murphy's and Star.

RICOH

ABOUT: RICOH

Ricoh is a leading provider of document management solutions, advising organizations on how to control their document flows.

Ricoh utilizes professional solutions that manage document-intensive processes more intelligently, helping to achieve productivity hikes and cost reductions at their customers.

Heineken, for instance, achieved significant time savings by switching to electronic processing of incoming invoices.

Ricoh has been a Basware reseller since 2000.

www.ricoh.nl

