

# SoftCo™ AP

Transforming the efficiency of your Accounts Payable processes

For more than a decade SoftCo has helped clients across a range of industries to reap the benefits of better AP information management, including Halifax Bank of Scotland, PricewaterhouseCoopers, NewellRubbermaid, Whirlpool, John Lewis and Lucent SSC.

All companies today face similar challenges in their Accounts Payable processes. Capturing invoices, checking for accuracy, attributing the cost to the right business area and paying the debts on time are the cornerstones of an effective Accounts Payable function -- one that supports the business and helps maintains good supplier relationships.

But what about companies with high invoice volumes, or complex approval and signoff procedures?

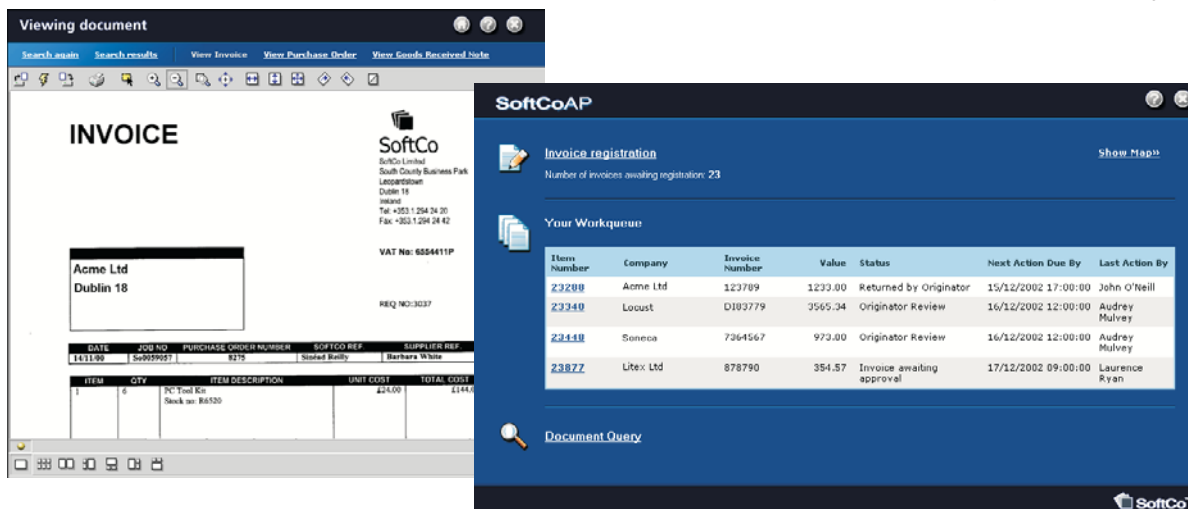
of the company's total debt is almost impossible.

## The SoftCo AP™ difference - helping your AP function achieve peak efficiency

At SoftCo we have developed the SoftCo AP™ suite to help address the most pressing issues enterprises face in their AP function. The sole purpose of SoftCo AP™ is to optimise the

individually or as a full solution, completely customised for your needs. Together, the SoftCo AP™ modules allows you:

- electronically capture supplier invoices as soon as they enter your organisation
- build a repository to hold indexed data from each invoice, plus a picture of the invoice itself
- retrieve information from the repository at any time, with ease
- set up a workflow system to



For these organisations, especially those who maintain invoices in paper form, AP may be fraught with frustrating delays and errors. In these cases -- where invoices are slowly and inefficiently routed around the enterprise for coding, posting, approval and payment -- paper is often lost, manual data entry creates mistakes and suppliers rightly become disgruntled. The enterprise may also be losing out on the opportunity for early settlement discounts, and for management, getting a true picture

Accounts Payable function to deliver immediate benefits:

- reduce the cost of processing supplier invoices
- reduce non value-added activities
- automate activities and tasks like invoice approval and escalation
- provide the business with visibility of financial and management information

SoftCo AP™ is a suite of software modules that can be implemented

automate your process of routing invoices around the enterprise

- integrate your repository with your Enterprise Resource Planning software (Oracle, SAP, PeopleSoft, JD Edwards, BAAN all supported)
- generate reports that give you an instant view of your commitments, and of the performance of the AP function
- Introduce a Supplier portal to facilitate the electronic invoice interaction with key Suppliers

## Data and Document Capture

Efficient management of your electronic and paper-based supplier invoice information starts with information capture at the point where it enters your organization. SoftCo AP™ Data and Document Capture helps collate this information quickly and effectively.

The documents associated with the Accounts Payable process that are typically captured include Requisitions, Purchase Orders, Purchase Invoices (Supplier Invoices) Goods Received Notes (GRN) and other related documents, such as correspondence. They originate in either physical format, like paper and fax, or electronic format such as EDI, XML or text.

including orders, delivery notes, invoices, debit and credit notes, and remittance advice, and source documents are stored in the SoftCo Enterprise document repository.

Electronic representations of the captured documents are generated either through manual data entry using key-from-image-stations or using electronic forms processing technologies. The process may also incorporate barcode registration of the physical documents. Many of our clients find that applying barcodes to invoices offers real benefits: the barcodes act as document indexers and document separators, allowing fast input; there's no manual indexing and multi-page invoices are separated by barcodes

document repository for all documents related to an Accounts Payable transaction and provides users with immediate access to these documents for reference, query or audit purposes. This means that purchase orders, invoices, delivery docket, credit notes and correspondence can all be instantly available to you.

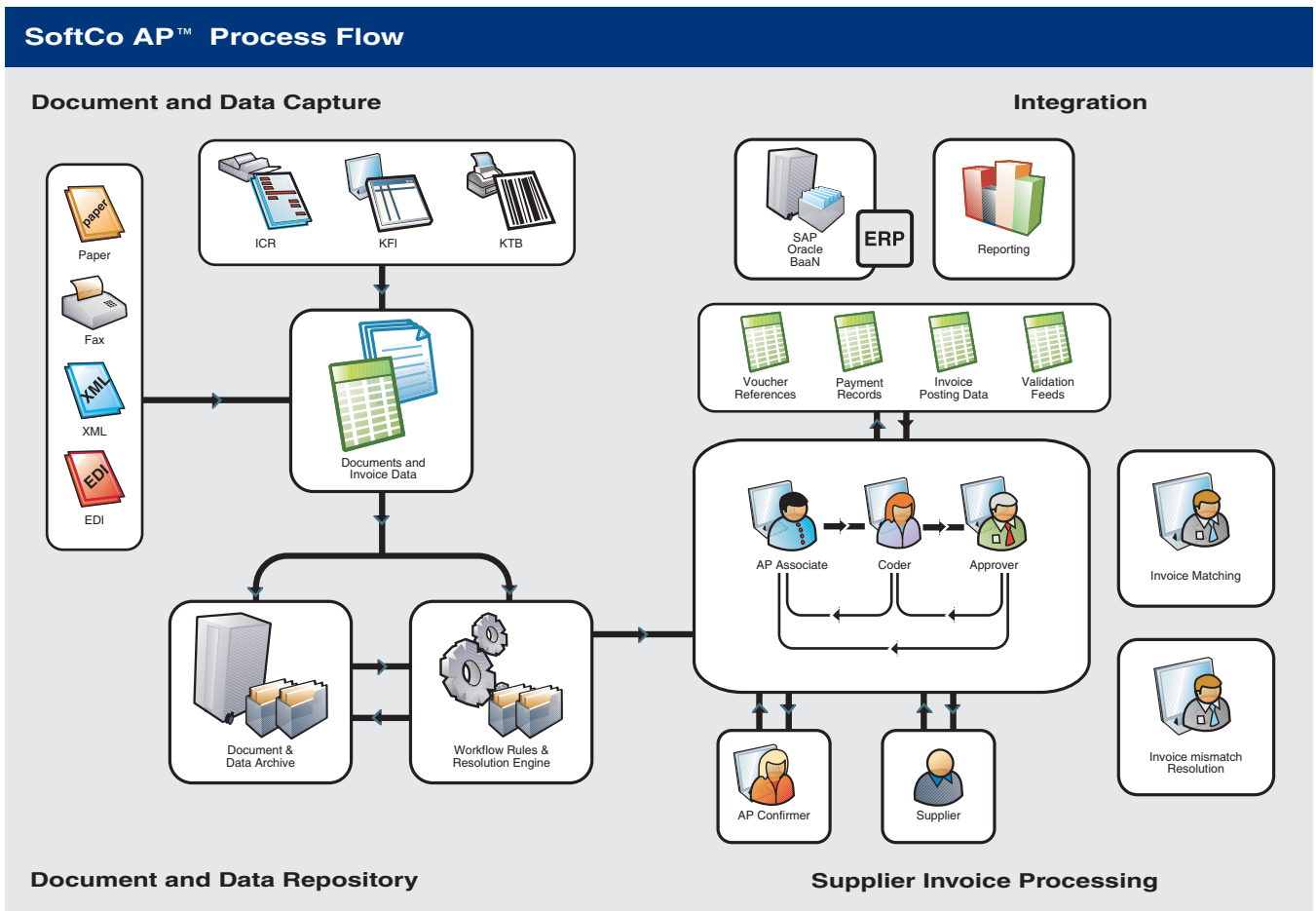
In addition to the documents related to the AP process, other documents can be stored in the repository to assist with the supplier relationship management (SRM) function. These documents may include contracts, terms & conditions or discount details.

The repository also supports the matching of relevant documents, allowing you to perform two-way or three-way matching of orders, proof of delivery and invoice. of delivery and invoice.

## Document Repository

SoftCo AP™ captures AP documents

SoftCo AP™ provides a central



## Document Retrieval and Query

Once in SoftCo AP™, all documents can be instantly retrieved and displayed using the integrated query tool, and documents can easily be printed or emailed if required.

The SoftCo AP™ system also provides a mechanism that gives you direct access to the relevant image of the invoice from within your ERP environment. For example, SAP provides a unique invoice ID or transaction ID, and this value is then used to “image enable” the SAP screens, allowing direct access to the invoice images from the SAP environment. Users of SoftCo AP™ have consistently praised this convenient imaging facility, which gives them the convenience of viewing the actual invoice without having to find or handle the original paper document.

## Workflow, Approval and Payment Authorization

Some of the most powerful functionality of SoftCo AP™ is featured in the Workflow module: a component that lets your organization design, run and automate the AP process. The Workflow module functions by defining each step in your unique AP process, and then ensuring these steps are completed within the parameters associated with the task.

The Workflow engine incorporates a Graphical User Interface (GUI) that allows you to map out your Accounts Payable process. The process map defines each step that must be

completed, including whether the step requires a user's intervention or if the system can automatically complete the activity using information it already has. One of the most important functions that the Workflow component can automate is Invoice Approval. Based on approval values, entity codes and/or cost codes, the Workflow engine can actually figure out who the relevant approvers should be, and either route the invoice automatically or provide a user with a list of approvers to choose from.

Administrators can be automatically advised of any bottlenecks or exceptions throughout the process. An administrator can prioritize activities and or reassign them to users in the event that an invoice needs to be progressed quickly, or if a user is out of the office and someone else needs to progress the jobs.

Due dates can also be set for activities; when a user has not attended to the activity by the due date, an email can be generated notifying both the user and administrator. Costs may also be applied to resources; this means that costs associated with each step in the process to be monitored and proactively managed.

## Integration with ERP and Financial Systems

The SoftCo AP™ integration component provides the ability to post data and communicate with ERP or financial applications at any stage in the Accounts Payable process. The SoftCo AP™ application provides an “out of the box” integration capability for a range of ERP systems via the web services server.

The Integration component of SoftCo AP™ allows for a flexible approach to be taken to application integration. It achieves this by providing a framework for data integration to and from a diverse range of ERP and finance systems including Oracle, SAP, JD Edwards, BAAN and others.

## Reporting

SoftCo AP™ provides access to a suite of reports that give access to both financial data and work status, including unmatched invoices, outstanding dept analysis, missing GRNs, duplicate invoices, and other relevant information.

Real-time key performance indicators (KPIs) monitoring the Accounts Payable process are provided, providing an important support to management, who can view the information in the form of a “management dashboard”.

Additional monitoring and processing reports and views are provided to allow for the presentation of work in progress, and processed data analysis. Reports can be run on demand or in a scheduled fashion, depending upon your needs.

## Supplier Portal

There is a requirement to provide status information to key Suppliers on the progress of an invoice as well as reduce the volume of paper based invoices the AP organisation receives.

The introduction of a Supplier portal facilitates the electronic interaction between Supplier and Customers, reduces the paper based capture process and provides realtime, online information on when an invoice will be paid.

## SoftCo AP™ - Real benefits for your business

The time and money savings an organization can realize by moving from paper-based to electronic invoice processing are dramatic, are well documented. Arthur Andersen estimated that the typical cost of processing a single invoice using existing paper-based methods is a hefty £25: once automated, the process will cost just £2 per invoice. While the cost savings are apparent in the bottom line, the more immediate differences you will notice are an elimination of errors and delays, and the tremendous convenience of having your AP information up-to-date and accessible at all times.

### About SoftCo

SoftCo Group Limited has over a decade' experience in the field of document and business application workflow solutions. During this time SoftCo has tailored solutions to over 850 customers worldwide, implementing successful solutions that address organizations' business drivers and provide tangible financial returns.

In addition to providing the SoftCo AP™ software suite, SoftCo also offers a dedicated SoftCo AP™ consultancy service. This experienced team of quality-focused project managers

offers you the advantage of over 40 years' total industry experience. Using a proven methodology, SoftCo AP™ consultancy services adhere to the following stringent process for each customer project:

- Analysis of AP process and design
- Identification of areas of inefficiency
- Recommendation of strategy and re-design

- Planning implementation of recommendations
- Management of implementation projects

Our clients have consistently found that the recommendation stage of the SoftCo AP™ consultancy process yields them a definitive view of how their AP process should evolve in order to maximize efficiencies.

### Traditional AP systems

- Double keyed invoices create data entry mistakes
- Payment delays as paper invoices routed throughout organisation for approval
- Missed opportunity for early settlement discounts
- Labour-intensive Accounts Payable process means unnecessary staff costs
- Paper invoices lead to storage problems, routing delays and lost documents
- Overall cost of invoicing stays high
- Supplier relationships suffer from delayed payments
- Management-level view of total debt is difficult or impossible to achieve
- Production of AP reports is time-consuming
- Poor visibility or knowledge of overall business processes

### AP powered by SoftCo

- Data entered just once and captured direct from invoices to ensure accuracy
- Streamlined approvals process means prompt payment
- Fully exploit existing settlement discounts, or negotiate new discount schemes with suppliers
- Reduce the size of the purchasing/payables function
- Document capture means efficiency is vastly improved as paper is eliminated
- Measurable reduction in the cost of invoice processing
- Better information management means better supplier relations
- Management reports easily generated through integrated reporting function
- Reports easy to generate on a scheduled or on-demand basis
- Business processes are clearly modelled using Workflow, and can be modified as business needs change

**NewellRubbermaid**

**PRICEWATERHOUSECOOPERS**

**HBOS**plc

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