

INVOICE SOLUTION

Freudenberg



Challenge:

- » Invoice processing and verification for different types of invoices
- » Secure document archiving

Solution:

- » Digitization of paper invoices by means of central scanners for incoming mail
- » Data digitization in Germany, further processing in Romania

Benefits:

- » Process optimization
- » Fast document search in the audit-proof archive
- » Smart workflow control that also involves users outside of SAP



AFI Invoice and nonwovens: twice the variety of properties

»Innovating together« describes the joint pursuit of solutions that contribute to sustainable development of environment and society worldwide. Freudenberg lives and breathes this message across business groups and regions of the world and is therefore in a position to offer customers solutions and answers to tomorrow's questions now and today.

In order to meet its own standards in the global orientation of the brand, it is important for Freudenberg to be able to react optimally to its own commitments. For this reason, the technology company decided to introduce a solution for incoming invoices.

The software AFI Invoice from AFI Solutions GmbH, which is seamlessly integrated into SAP, will be used henceforth to relieve the vendor's accounting department and to streamline business processes.

Harmonious interaction of all process steps

Innovative power has been a constant characteristic of Freudenberg Group's corporate history, so it is not surprising that SAP ERP is used to control business processes.

But even if all information and processes are directly interlinked with SAP, there is still considerable potential for optimization in certain areas. In order to avoid the media break between paper and IT system in the area of accounts payable in SAP-FI, the market offers numerous software systems for automated processing of incoming invoices.

However, a solution that is perfectly adapted to fast processes and user-friendliness can only be achieved if all process steps interact harmoniously:

- » Digitization of paper invoices by means of central scanners for incoming mail
- » Early and secure storage of documents in the electronic archive
- » Reliable and intelligent OCR data extraction to minimize the effort of capturing
- » Fast and transparent notification of new invoices in accounting and purchasing
- » Invoice processing and verification of different types of invoices with ergonomic and efficient tools
- » Intelligent workflow control that also involves non-SAP users

The basis for these comprehensive and versatile solution requirements is know-how and experience in all disciplines.

In-depth SAP integration

It was also important that the software for processing incoming invoices is deeply integrated into SAP because possible problems with interfaces should be deliberately omitted.

Single-source flexibility

For the introduction of such a solution, the producer of nonwovens began to search for a supplier who could provide many years of know-how and corresponding references in all adequate subareas. After evaluating several companies, Freudenberg was able to find the ideal supplier.

The choice fell on AFI Solutions GmbH. The leading manufacturer of software for the optimization of document processes around SAP has been successfully on the market since 1976.

Many installations and a high degree of experience can be demonstrated. Furthermore, all AFI solutions are developed without modification in their



own namespace in SAP which allows for complete data management directly in SAP: without interfaces.

Michael Czok, head of financial accounting, explains the decision for AFI Solutions: *„We wanted to find an experienced provider and a solution with which we could quickly achieve at least eighty percent of the possible benefit and which is user-friendly above all.“*

With pragmatism AFI implemented a complete solution. Now more than 65,000 invoices per year with an average of three pages and many line items in several languages can be optimally processed by about 400 authorized approvers.

Special cases and process changes

In the first instance, special cases such as minimum quantity surcharges or intercompany collective invoices were jointly identified. Those responsible from the accounts payable project team at Freudenberg and the AFI project team collaborated to develop a solution strategy.

In this way, a number of process changes also resulted in close coordination: The central mailroom in Weinheim was established. The distribution of paper mail to the decentralized purchasing departments was replaced and a connection via workflow was installed.

Thus, the costs for in-house mail, which was provided by an external provider, were significantly reduced while saving time simultaneously. But not only that: Freudenberg now scans paper invoices in Germany and sends them to the shared service center in Romania via AFI Invoice Workflow where the data is validated and posted in SAP ERP.

„The great thing about automated invoice processing is that there are no physical national borders to bridge. Once the invoice data is available electronically, it doesn't matter where you are because every person responsible can access the process from anywhere. Either via direct SAP access or via indirect access using the web portal. That was impossible with paper,“ says the head of financial accounting happily.

„The software solution from AFI saves us a lot of time and costs.“





One workflow for all

Smaller workflows in the SAP system such as price checks or payment approval were already applied. These were restructured in the course of the project and also implemented outside of SAP via the AFI Invoice Web Portal so that non-SAP users could be efficiently included. The assignment of the process and the respective person in charge is carried out automatically in the electronic workflow via the identified cost center or the SAP order process.

Convenient access to information by means of early, digital archiving

Before AFI Invoice was introduced, the SAP invoice document number had to be noted manually on the invoice after successful posting. It was then micro-filmed and sent to the final archive. This method was inefficient. The length of the process was particularly noticeable when queries about a transaction came up.

In the meantime, the paper invoices are directly digitized and stored in the audit-proof document management system, also implemented by AFI. Now it is possible to search through the electronic archive conveniently. The digital documents can be accessed not only by financial accounting but also by other departments.

Maximum access to information due to transparency

By means of the so-called »Monitor«, the incoming invoice ledger of AFI Invoice, financial accounting can provide information on the approval process at any time.

At a glance, the monitor shows all statuses that affect both the invoice verification process and the invoice approval process. This individually adjustable view makes the work of the specialist department considerably more convenient and faster. Transparency is sustainably increased.

Success is contagious

The system was initially implemented with seven company codes in five plants. A successive rollout can be carried out at any time later. Trelleborg-Vibracoustic GmbH, a joint venture company of the Freudenberg Group and the Trelleborg Group, has now introduced AFI Invoice, as has Trelleborg Automotive Germany GmbH.

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Freudenberg Performance Materials acknowledges its social and ecological responsibility as the basis of its corporate success. The company is a business group of the Freudenberg Group.

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AFI Solutions GmbH is a leading solution provider for the digitization and optimization of document processes around SAP. The solutions cover the entire purchase-to-pay and order-to-cash process.

AFI is the only software manufacturer on the market that offers everything from a single source: With the RedPaperCenter as a managed service, companies can easily outsource the digitization of a wide variety of paper documents. In process optimization, AFI scores with SAP-integrated software solutions. The cloud-based DocumentHub as software as a service (= SaaS) completes the unique product portfolio.

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