

ORDER CONFIRMATION SOLUTION,  
OUTGOING ORDERS, INCOMING INVOICES

# YPSOMED



**Challenge:**

- » Reduction of paper volume and seamless digital processing of order confirmations, outgoing orders and incoming invoices

**Solution:**

- » Introduction of AFI ProcureDocs, AFI Confirmation and AFI Invoice

**Benefits:**

- » Transparency over all documents to be processed
- » Faster processing times
- » Increased data quality also for subsequent processes
- » Reduction of paper volume



# Continuous Increase of Data Quality with digital Processes

Ypsomed has specialized in the area of self-medication for people with diabetes. The leading developer and manufacturer of injection and infusion systems has been placing reliance upon the lean principle which focusses on customer orientation. This results in continuous process optimization and the creation of efficient value chains.

In the course of this, the document processes, which had not been in focus for a long time, were also pursued. The volume of orders, order confirmations and invoices increased enormously over time. Three-quarters of all invoices reached Ypsomed in paper form and fifty to sixty percent of order confirmations came in by paper: their processing was correspondingly complicated and tedious. Florian Boner, Business

Project Manager in the logistics processes at Ypsomed cites an example from the purchasing department: *"It happened frequently, for example, that we already had a supply of goods but the respective order confirmation had not yet been processed. In this case, an order confirmation makes little sense so that there was an urgent need for action."*

Mr Boner was asked to take a closer look at the bottlenecks in the departments and find solutions. Prior to this, Ypsomed had decided on a holistic and comprehensive digital strategy for the entire company.

According to Mr Boner, this was also one of the decisive reasons for Ypsomed to collaborate with AFI Solutions: *"We were won over by the possibility to map the entire end-to-end process*

*with the AFI solutions. This is why we immediately started with the SAP add-ons for digital processing of outgoing orders as well as incoming order confirmations. Recently, we have implemented the AFI solution for incoming invoices. We also like the possibility to extend the solutions modularly in the future."*

In parallel to the introduction of the new SAP add-ons, an optimization project was initiated which continuously expedites further improvements.

## Digital end-to-end Processing of outgoing Orders

The internal process for purchase requisitions and order creation was already digitally mapped in SAP. However, the subsequent release process was executed analogously. Ypsomed has

a policy that all outgoing documents need to be signed by two parties. The orders were printed out accordingly and submitted to the responsible person for signature. Only then could they be scanned again and finally sent as PDF files.

With the AFI solution for outgoing orders, this media disruption is now closed. Ypsomed has mapped the entire process in a digital workflow and the release of vendor invoices is even possible via a mobile app. Paper has largely disappeared from the processing of outgoing orders. The staff can see the processing status of orders transparently and handling is easier and faster.

### **P**rocessing of incoming Order Confirmations in half the Time

In the next step, Ypsomed has set out to process order confirmations.



Florian Boner, Business Project Manager logistics processes Ypsomed

*“With the AFI solution, we have reduced the processing times of incoming order confirmations by half. Previously, we needed about ten minutes to process an order confirmation – including queries in case of deviations and jumping to the respective SAP application. Today, the processing time for an order confirmation is only five minutes”,* says Mr Boner about the benefits of the new digital solution for incoming order confirmations in SAP. Apart from the reduction of workload in purchasing, the newly gained transparency and higher data quality is also of great importance for other areas, Mr Boner continues:

*“The AFI Monitor, in which the purchasers have a centralized, transparent overview of everything and can confirm at the touch of a button, makes their work much easier. On top of this, the data quality for the follow-up process, i.e. the receipt of invoices, has increased massively. This is a great benefit for us.”*

Over the course of the introduction of the digital solution for incoming order confirmations, the purchasing department informed its suppliers about the new system and communicated the extended criteria for order confirmations.

It will probably still take some time until everyone jumps on the digital bandwagon, explains the process manager:

*“We still have a lot to do until we will achieve the desired data quality because not all suppliers adapt to the new circumstances immediately of course. However, our strategic purchasers are required to address this again in a personal meeting as part of an audit or supplier visit.”*

Project implementation in this area took about four months. From February 2020 to August 2020, around 3,500 order confirmations were processed using the new software. Even though not everything is yet received digitally and uniformly, the processing times are good: the optical-character-recognition-Software (OCR) deployed for the recognition of documents has hit a rate of 95 percent.

Notwithstanding, Ypsomed’s digital strategy is designed in such a way that XML and EDI are to be expedited in the long term so that the e-mail PDF is replaced at some point. This means that automated posting should become possible from the moment the order is placed until the invoice is released.

### **D**igital Processing of incoming Invoices

In the next step, the digital solution for incoming invoices will go live. The paper is to disappear from the processes and be replaced by digital workflows as well. The objective is to digitally process and release the invoice documents in order to save further resources and constantly make the purchase-to-pay process more and more seamless.

## Digital processing of incoming invoices

Ypsomed receives an average of 25,000 incoming invoices per year, 70 percent of which still arrive on paper.

After completion of the third project phase, the company is using the AFI Invoice solution to save additional resources by processing invoice documents digitally and approving them via web application, as Mr Boner explains:

*“AFI Invoice has noticeably accelerated the processing time of an invoice, in other words from entry to approval by the person responsible. Our greatest benefit is the mobile approval and account assignment of invoices - even by non-SAP users.*

*Particularly now, during the pandemic, we have put the solution into operation just in time for the second lockdown in Switzerland. This means that our staff no longer needs to head to the office once a month to pick up a stack of invoices but can now open an e-mail and approve the invoices in the web, from any location. This is definitely the smarter solution for us and has massively improved the processing and approval of invoices.”*

According to Mr Boner, user acceptance of the new solution - especially among cost center managers - is very high. In addition, Ypsomed Accounting and Purchasing greatly appreciate the 360-degree overview in the AFI solution suite monitor in their daily work.

Through the interaction of the digital processing of outgoing orders, order confirmations and incoming invoices, Ypsomed is consistently pursuing its goal of an end-to-end purchase-to-pay process.



Ypsomed is the leading developer and manufacturer of injection and infusion systems for self-medication and a renowned diabetes specialist with over 30 years of experience. As a leader in innovation and technology, Ypsomed is the preferred partner for pharmaceutical and biotech companies when it comes to the supply of injection pens, autoinjectors and infusion systems to administer liquid drugs. Ypsomed promotes and sells its product portfolio under the umbrella brand mylife Diabetescare directly to patients or through pharmacies and clinics and under YDS Ypsomed Delivery Systems as business-to-business to pharmaceutical companies.

Ypsomed has its headquarters in Burgdorf, Switzerland, employs around 1,700 staff members across the globe and operates a global network of manufacturing sites, subsidiaries and distributors.

[www.ypsomed.com](http://www.ypsomed.com)

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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