

WHITE PAPER

PROJECT PLANNING TIPS AND PITFALLS

Digital accounts payable processing with
Microsoft 365 & SharePoint Online

Does digital accounts payable processing only pay off for big companies?

What if accounts payable processing with Microsoft 365 was more affordable than you thought and its rollout was easier than you imagined? You can just get started with processing invoices in your company digitally. In this white paper, you will learn about the advantages this offers you and what framework conditions and potential obstacles you need to consider.



The name “digital accounts payable processing” in itself reveals its advantage. The invoices that arrive at your company are available in digital format throughout the entire process. This makes them much easier to process, because there is no longer a need to distribute paper invoices by internal mail within the company.

More than just cost savings – Central overview and transparency

How exactly does the digitized accounts payable process using software work? During the first step, paper-based invoices are scanned, which makes them available in digital form. The digitized invoice is provisioned in a main cockpit. All of the invoices received are listed in this cockpit, along with the associated metadata and relevant process information.



As the party responsible for the procedure, financial accounting therefore has an overview of which employees are currently processing which specific invoices. The detailed process history increases the transparency of the procedures. The invoice data available in the cockpit can be aggregated for use by cash management, by budget owners and by other interested parties. This reduction and simplification of processing has an immediate impact on the cost structure: process costs can be reduced by up to 75%.

Digital accounts payable processing with Microsoft 365 in summary

- Precise, objective verification and release
- Short implementation phases
- Variable mapping of the company processes
- Cross-location verification and release
- Complete process transparency with the help of the accounts payable monitor
- Central data management without redundant duplicates
- Workflow based on ERP or non-ERP invoices
- Automatic processor determination in the workflow (can also be manually adjusted)
- Audit-compliant storage of attachments in the workflow and automatic archiving of the workflow protocol

Reducing the manual workload

In a classical paper-based process, employees need to enter the invoice data into the ERP system manually. This task is often quite laborious and lengthy, but it is no longer necessary thanks to digital accounts payable processing. All the data needed is automatically recorded and transferred. In total, this creates considerable time savings throughout the entire process.

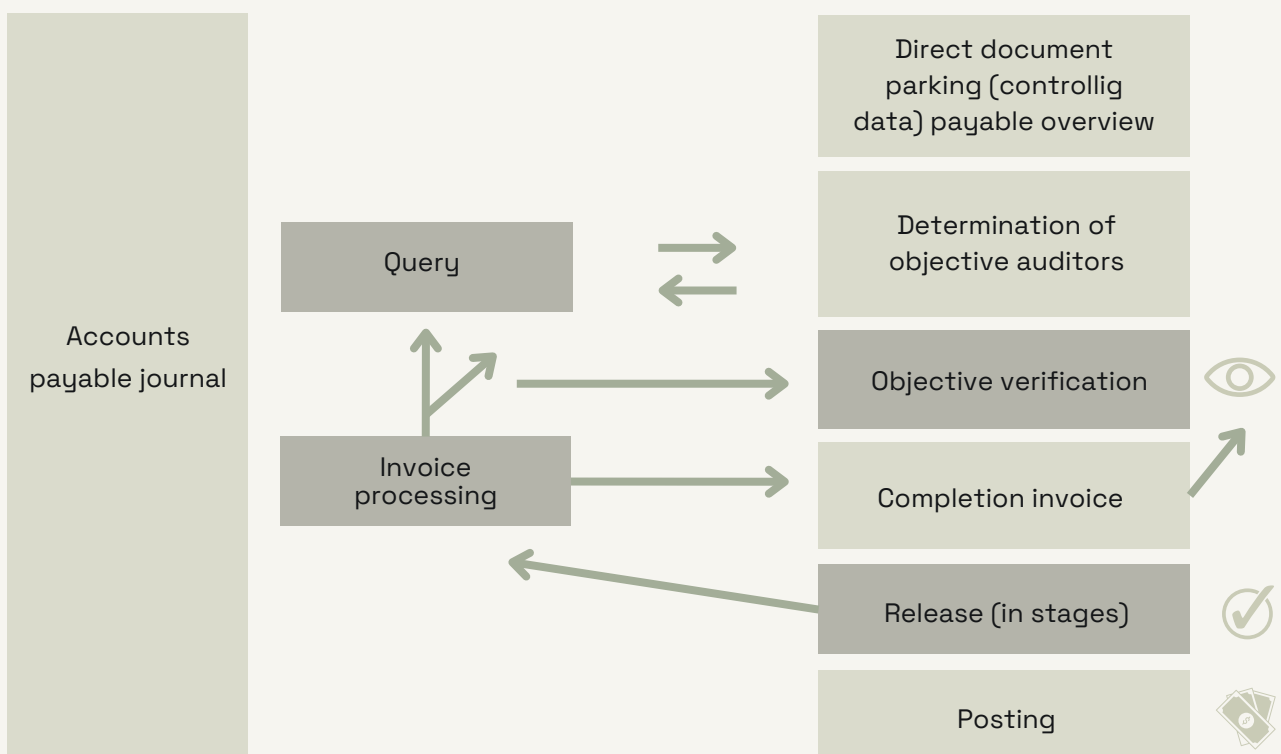
Reduced cycle times

The employees who are responsible for certain tasks are determined automatically, which helps reduce cycle times. Not least, digitally delivering workflow tasks to individual processors is much faster than sending paper documents through internal mail, especially when employees are collaborating across several locations. Another advantage is that the systematic process lets you take better advantage of discounts.

Optimized processes for the entire company

The accounts payable workflow controls task distribution throughout the process. The detailed mapping of responsibilities makes sure employees properly observe compliance guidelines. Digital accounts payable processing thus offers several security features, for example features relating to the mandatory principles of dual control or multi-assessor verification, as well as features for determining amount limits for invoice release. The automatic assignment of responsibilities throughout the entire process is another feature. Not only the process cycle but also digital storage of documents in an audit-compliant archive plays an important role in accounts payable processing.

d.velop electronic account payable processing automates the accounts payable process and automatically transfers the recognized data to ERP system, where it is processed further. This graphic presents an example.



Perfect ERP integration

One important potential offered by digital accounts payable processing is its complete integration into an ERP system and thus into the accounting procedures at a given company. From scanning an invoice to automatically reading the relevant information, such as header and item data, and from direct pre-entry in the ERP system to release and subsequent posting: the invoice data determined is automatically transferred to the ERP system, where it can be further processed as usual. And that is possible even without direct access to the ERP system: non-ERP users can be directly incorporated into the invoice workflow through a web interface. They are notified by e-mail that invoices can be verified or released.

Can you even allow accounts payable processing from a legal perspective?

When you electronically process invoices, whether they are scanned or delivered as originals, you need to observe fundamental legal provisions concerning storage. With d.velop accounts payable processing, your work will be compliant with the GoBD, and you can quickly and easily process ZUGfERD invoices.



GoBD? No problem.

The GoBD (principles for proper keeping and storage of books, records, and documents in electronic form and for data access) replaced the GoBS (principles for proper computerized accounting systems) and the GDPdU (principles of data access and auditing of digital documents) with effect as of January 1, 2015. Documents and data that are subject to the GoBD must be processed in a special way.

Special processing? Thanks to electronic invoice receipt and the associated invoice workflow, you do not need to worry about accounting for data that is relevant to tax law. If procedural documentation is available, documents can be stored in compliance with GoBD requirements in Microsoft 365 once certain prerequisites are met.

Utilizing the strengths of the XRechnung format

EU Directive 2014/55/EU has made electronic invoicing for public contracts obligatory throughout Europe. In Germany, XRechnung is finally standardizing the various invoice formats, allowing invoices to be further processed without any media gaps and as a result drastically reducing invoice processing times, costs and, last but not least, the many sources of errors.

Now that public administration and its downstream billers have made a start, the experts expect the XRechnung format to become a mainstay in every area of the economy.

The d.velop solution for accounts payable processing gives you all the options: Conventional paper invoices are processed just as reliably as PDF, XRechnung and ZUGFERD 2.0 invoices (another legally accepted format).

In addition, the software generates a human-readable image of the XRechnung invoice with full-text indexing from the XML file. This ensures that your systems and your staff can continue to find all the important invoice information quickly and reliably

Typical project planning pitfalls

Introducing digital accounts payable processing is not a purely technical project. Delays in the course of the project are not necessarily caused by difficulties relating to implementation. Organizational ambiguities often cause unexpected obstacles, and if you can detect them when planning a project, that will prevent disruptions later on.

Incorrect definition of responsibilities

Many companies have firmly defined rules concerning responsibilities and the authority to grant approval. At first glance, it looks like a good idea to use these specifications as the basis for controlling the digital invoice flow. However, after these rules have been implemented, people frequently discover that considerable differences sometimes existed between the stipulated rules and the procedure that was actually practiced in the past.

The transparency offered by a digital process and system-side verification of rules let you uncover these discrepancies during tests in favorable instances. In less favorable instances, people only realize this problem once productive use has begun. In these cases, they need to decide whether to adjust the stipulated rules or the way they work.



TIP

Check how invoices are actually processed at your company

Lack of knowledge about processes

Is every participant informed about the procedures involved in processing accounts payables? A lack of knowledge about the processes can result in considerably longer project runtimes. In the worst case, it leads to users rejecting a digital process.



TIP

Record all participants' current state of knowledge about the invoice process in advance and in detail.

Procedures are not checked on an ongoing basis

Organizational hurdles, such as many different positions releasing individual invoices, delay the process and thus reduce the advantage of time saved by using a digital invoice cycle. In particular, the structure of the organizational process holds great potential for accelerating, but also delaying, the cycle time. These kinds of process brakes need to be recognized early on.



TIP

Establish a continual monitoring process for your own procedures before, during, and after introducing digital accounts payable processing.

Project participants work at cross purposes

For digital accounts payable processing to be successfully introduced, it is especially important that all project participants from both the company and the software supplier work closely together. That is the only way everyone can reach the project goal they want to achieve. This necessity applies to essentially every innovation project. Nobody should believe that implementing standard software does not require any special commitments on the part of the project team.



TIP

Plan both a kick-off meeting and regular milestone meetings with personal exchanges for digital projects as well, and celebrate successful project closures.

Lack of active co-determination by users

Digitizing and changing business processes can never be successful simply owing to the possibilities offered by a software. Instead, it is important that the responsible parties and employees at the user company actively help determine the change. That applies to the entire lifecycle of a project, from the concept preparation phase to tests and the go-live of the solution. And beyond.



TIP

Engage in purposeful project marketing to make the digital changes comprehensible for users early on and to foster the greatest possible level of acceptance among them.

People forget to look ahead

Remember to look to the future. You will need to regularly weigh up continuing with the status quo or changing your procedure, not only during the introduction of accounts payable processing but afterwards as well. Have your framework conditions changed? Do you need to modify procedures?



TIP

Ensure ongoing progress and equip the responsible project managers at your company with the decision-making skills they need.

Cloud solutions can help to avoid stumbling blocks in the first place

At an early stage, the ability to imagine the later overall process can be a real challenge in classic on-premises projects. That is because on-premises software can be very unique, and its implementation and provision may be more complex. This combination can make it difficult to understand the effects on the process. In contrast, cloud software is designed to be as standardized as possible and made available in a short time. This feature allows the people involved in a project to get a sense of the changes in a process earlier than before.

ABOUT ISEOSOLUTIONS

We specialize in Enterprise Information Management solutions for collaboration, document management, archiving and the optimization of document-centric business processes from the first idea to the replacement / migration of an application.

We focus on customers and prospects in Switzerland and abroad targeting small, medium and large companies with SAP®, OpenText® and Microsoft® as strategic IT suppliers.

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