KWS Systematizes International Invoice Processing with xSuite

KWS

Seeding the future
since 1856

With the xSuite workflow solution, the seed producer achieves significant cash discount gains and brings transparency to its accounts payable.

KWS has been breeding agricultural crops for the moderate climatic zone for 150 years. With around sixty subsidiaries and associated companies, KWS is among the top seed producers worldwide. The headquarters are located in Einbeck in Germany's Lower Saxony.

An eight-percent annual increase in document volume, amounting to nearly 5,000 additional invoices per year to be processed by Einbeck Financial Accounting—and that with a hiring freeze on staff in the department. Also, invoice processing cycle times were clearly too long, and it became more and more difficult to stay in line with payment targets. The seed producer thus sought an IT solution to minimize the effort required for invoice processing. The processes were to be simplified and speeded up with an electronic invoice archive and an invoice processing workflow, enhanced with an option for mobile access for releasers. The overall target was increased transparency in the flow of invoices and an overview of all liabilities.

Web-enabled workflow as a decisive criterion

KWS Services Deutschland GmbH, the service provider for the German KWS associated companies in the areas accounting, purchasing, controlling, HR, and maintenance, was given the task of finding a fitting solution. Of the four providers that were shortlisted, xSuite ran the race. The reasons are formulated by Jochen Flemnitz, Head of Purchasing and Workshop at KWS Services Deutschland GmbH: "It was important to us that the invoices be transferred to the SAP system quickly. This was enabled by the deep SAP integration of the xSuite solution. At the same time, since eighty per cent of our releasers do not work with SAP, we needed a web-based GUI for the release workflow. This functionality was a decisive criterion for us in making our choice."

Company
Web: www.kws.de
Sector: Industry
Location: Einbeck, Germany

xSuite® solution
• Automated invoice processing (xSuite Invoice)

Decisive arguments for xSuite
• SAP certified solution
• Exemplary reference customers
• Extensive experience

Systems integration
• SAP ERP
• Saperion archive

xSuite
It's simple. It's digital.

Image source: KWS Saat

Yulia Bachvarova, Project Manager; Jochen Flemnitz, Head of Purchasing and Workshop

With xSuite, KWS received everything it needed from a single source. The component for scan and data extraction xSuite Capture, the system interface xSuite Interface, the workflow xSuite Invoice, and the archive solution Saperion are all integral components in the overall solution, as is the xSuite Interface add-on, with which the incoming digital invoices can be processed. xSuite's SAP-certified solution, exemplary reference customers, and extensive experience were key factors influencing the decision. The start signal was given at the kick-of in February, 2013. In August of the same year, KWS went live with the solution.

"The co-operation with xSuite was very constructive over the entire course of the project. xSuite was prompt in realizing the individual customizing we asked for," says Jochen Flemnitz. The implementation started at the company headquarters in Einbeck. 60,000 invoices are processed at that location each year, which constitutes the highest volume of documents at any KWS location. Approximately 10,000 more invoices are processed at three other German locations. KWS has a total of nine company codes in Germany, six of which are at the Einbeck location. Around six hundred employees participate in the process of purchasing and approving invoices in Germany.

Immediate Transfer to SAP

With the new process, all vendors now send their invoices to central financial accounting. The invoices are digitalized and extracted with xSuite Capture at the scan workplace there. After they are validated in the xSuite Invoice Monitor, the xSuite Interface transfers the invoice data to the workflow in SAP. "This instantaneous transfer to SAP was important to us," says Yulia Bachvarova, KWS project manager for the cross-european development of xSuite. "This way, we have an overview of all current liabilities."

More and more invoices are being received electronically at the company, the current total amounting to around a fifth of all invoices received. The xSuite Interface supports automated adoption of emails, invoices, and attachments from a pre-defined receiver mailbox at KWS, transferring them directly into the workflow in SAP. Only a fifth of all releasers involved in the process have access to the SAP system. For all other releasers, KWS has implemented the xSuite Invoice web client. From their browser, they now have quick, simple access to the release step, independent of the SAP system. Releasers relying on their smart phones or iPads also have instant access with an xSuite add-on.

xSuite

It's simple. It's digital.

Cycle Times Reduced by Two Thirds
Through the early capture of invoices and the electronic workflow, KWS has achieved the transparency and quick invoice processing times they wished for. "So far, reaching payment targets has been working very well," reports Jochen Flemnitz. "We haven't registered a single cash discount loss since the system was introduced." This comes as no surprise, as the process from receipt of a paper invoice down to posting in SAP now never takes longer than three days. It will then be paid in the next payment run.

Invoice reader also understands Cyrillic
In February, 2014, KWS activated the rest of its German company codes in the system. Beforehand, the team at KWS Services Deutschland GmbH had already begun activating the first 4 company codes in France. "In January and February, 2014, 5 more company codes were added in Denmark, the Netherlands, and the Benelux countries," reports Yulia Bachvarova. The roll-out for 5 more in Austria, the Ukraine, Croatia, and Bulgaria was planned for June, 2014. A total of 23 company codes have thus been successfully converted.

An essential factor for the success of the international roll-out is the fact that xSuite Capture can process many languages, and that it recognizes cyrillic characters. This is a pre-condition to instaling the software in countries such as the Ukraine. The invoice extraction and processing software will be implemented with a total of around thirty company codes in more than ten european countries, with the same consistency that it has in Germany. The volume of invoice records for all European KWS amounts to around 120,000 a year.

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