



Electronic incoming invoice process simplifies financial accounting

R+V Versicherung upgraded their office IT by implementing an electronic incoming invoice system. The cooperative insurer chose to handle invoice receipt and processing using an end-to-end solution from the xSuite Group. Credit-side paper-based invoices are being phased out in a staged manner.

R+V Versicherung headquartered in Wiesbaden, Germany was founded based on the principles of the cooperative movement and today is a member of the Volksbanken/Raiffeisenbanken banking cooperative. Owing to their close ties to Volksbanken/Raiffeisenbanken, R+V is Germany's leading bank insurer.

The move from paper-based invoice handling to electronic invoice processing involves major changes that take some time to implement and communicate. One of the key challenges lies in convincing suppliers to abandon traditional paper invoices and adopt electronic invoicing instead. R+V Versicherung is right in the middle of this transformation process. The technological foundation has already been laid; it rests on a solution from software developer xSuite. The system assists in the invoice receipt, forwarding and release process. Roughly two years ago, when the German Tax Simplification Act of 2013 came into effect, the company started to encourage their suppliers to submit VAT-compliant electronic invoices. R+V addressed their largest suppliers first.

"We are expecting to be able to process 70-80% of all received invoices electronically over the medium term. This corresponds to 65,000 invoices a year," explains Jochen Emrich, Head of Financial Accounting at R+V Versicherung.

Electronic Invoices Are Delivered to the Invoice Monitor

In the new process, suppliers send their electronic invoices directly to an external service provider of R+V. The provider collects the invoices, captures key data – at least the header data in the case of PDF files – and checks the invoices for conformity with various items (VAT, reconciliation of invoice issuer with R+V supplier database). If all criteria are met, a download tool automatically collects the electronic invoice and captured invoice data from the service provider.



Company

Web: www.ruv.de
Sector: Banks & insurance companies
Headquarters: Wiesbaden, Germany

xSuite® solution

- SAP integrated incoming invoice processing, including electronic invoice receipt

Decisive Arguments for xSuite

- SAP integrated and SAP certified solution
- Comprehensive tool for automated incoming invoice processing

Systems integration

- SAP ERP

The xSuite Interface then transfers the data to the SAP system and from there to xSuite Invoice Monitor, where it is made available in an invoice portal.

Jochen Emrich: "xSuite's Invoice Monitor is a highly flexible tool that provides us with a clear overview of the countless invoices we receive day in, day out. While we were able to post order-related invoices right away when the order was placed even before introducing the new solution, we handled all other invoices in paper-based format and delivered them via internal mail service."

In order to gain the ability to process these latter electronic invoices in an automated and digital manner, R+V decided to upgrade their system by adding the xSuite Invoice SAP workflow solution and integrating it with Invoice Monitor. xSuite also customized the workflow such that all invoices lacking an SAP order reference are now automatically forwarded to xSuite Invoice. The result is an automated solution that cost-effectively connects a large user base via xSuite Web. Moreover, release authorizations from the SAP system's organization management can be used directly for xSuite.

"Thanks to their solution and know-how, xSuite was able to perfectly map our procedural concept. Furthermore, their solution is SAP certified, and the release process is deeply integrated with SAP-ERP thanks to the WebClient. Also, the work items are included in the universal work list provided in the SAP portal, allowing users to view all items – even those from the xSuite system workflow – in their SAP work item list. For us, these are the key benefits that make the new system so valuable for us," says Jochen Emrich.

xSuite WebClient-Based Release Process

The pilot project was launched in May 2014, and the workflow went live at the end of the year. In the first half of 2015, the financial accounting department organized training seminars across Germany for key users and key departmental contacts in charge of supplier invoices. The xSuite Interface converts all invoices received in electronic format into a special xSuite import format and then directly transfers the data to xSuite Invoice Monitor. The financial accounting team validates the invoices, forwards them to colleagues involved in the release process via xSuite Invoice, and checks the returned information before passing it on for further processing. The incoming invoice ledger provides employees with at-a-glance information on the current status of each invoice throughout the entire release process. Releasers access their release tasks exclusively using the xSuite WebClient integrated in the SAP portal.

Up to 600 Workflow Participants

14,500 workflow participants are being managed in the system and can thus use the digital process to release invoices. Over the medium term, the actual number of active users will be in the range of 500 to 600. User feedback in response to the new system was positive throughout: There is no more 'lugging paper from A to B' and mailing documents, approval seals or forms are a thing of the past. Also, throughput times have been cut dramatically. Given this enthusiasm, the workflow participants act as the strongest multiplier for driving advancement at R+V Versicherung on their path to establishing a 100% electronic invoice receipt process. Having experienced the benefits of a largely automated solution first hand, they are very eager to have all suppliers adopt electronic invoicing.

As regards any invoices submitted on paper, these do not participate in the electronic release process. In other words, they are not scanned and then processed in xSuite Invoice; instead, they are handled using the old, manual release workflow that relies on the internal mail service. This clearly shows that R+V is not interested in investing any money into an outdated scan-based processing system.