Document Processing at the Speed of Light

TEAG

TEAG Thüringer Energie AG manages incoming invoices, purchase orders and sales orders via xSuite's uniform, SAP-integrated platform

TEAG Thüringer Energie AG, a municipal energy supplier and member of the E.ON family until 2013, is undergoing a digital transformation. In addition to migrating to SAP S/4HANA, the Erfurt-based company has been expanding its existing xSuite solution for many years to build its current, comprehensive procure-to-pay and order-to-cash processes that integrate seamlessly with the previous SAP ECC system as well as the future SAP ERP landscape based on S/4HANA.

TEAG, the leading energy service company in the Free State Thuringia, operates a 40,000-kilometer electricity and natural gas network and a 6,000-kilometer fiber optic network via various subsidiaries. It supplies approx. 500,000 households with electricity, natural gas and district heating every day and offers special services focused on energy. After its carve-out from the E.ON Group, TEAG was in need of a new electronic invoice workflow to handle incoming invoices.

"The decision was made based on the solution's deep SAP integration and, above all, the fact that the vendor's applications seamlessly cover all processes related to the procure to pay process. We wanted to avoid using products from different vendors for a solution where, in principle, all parts need to harmonize with one-another."

Company
Web: www.thueringerenergie.de
Sector: Utilities
Headquarters: Erfurt, Germany

xSuite® solution
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  automation for formats such as
  PDF, XML, and paper
• Purchase order automation
• Sales order management
• Cloud archive

Decisive Arguments for xSuite
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• SAP integrated solutions
• Everything from a single source

Systems integration
• SAP ERP, SAP S/4HANA
• DATEV

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Image source: TEAG

Cash discount gains due to short lead times

Around 70,000 invoice documents are sent to the company each year, 60 percent of which now arrive in digital format – either PDF or XML format. The remaining 40 percent are still received as paper documents. xSuite Invoice reads the data, validates it against the SAP master data and stores the invoices in the SAP archive. The entire invoice verification and approval process is then carried out via xSuite's web client for all of the group's sites located throughout the state. In the context of the upgrade to SAP S/4HANA, this will be done via the SAP Fiori Launchpad going forward.

Ina Ettel, Head of Accounts Payable at TEAG: "From a technological point of view, an invoice is processed from capture to payment approval in just two days – assuming everyone quickly completes their task as assigned by the system. Ever since the solution was implemented, we have been able to claim almost all of the discounts granted thanks to the short lead time."

A single workflow for both SAP and DATEV invoices

In recent years, TEAG has acquired a number of smaller companies to expand the group and extend its line of business to include renewable energies. These companies' incoming invoices are recorded in DATEV for financial accounting purposes – as are the trade tax postings (invoices from the municipalities for trade tax payments). This adds up to a total of 12,000 documents each year. xSuite Invoice can also be used for invoice approval since the solution also supports non-SAP systems. The invoice verification solution for DATEV was set up by the TEAG IT team in collaboration with xSuite in a completely independent infrastructure. DATEV invoices are stored in an audit-proof manner in the new cloud archive of xSuite. A total of over 30 company codes/companies of the energy supplier currently work with the Invoice solution.

P2P for purchasing and accounting departments

With xSuite Procurement, TEAG has now also introduced an SAP-integrated procurement system. The solution automates the creation and release of purchase orders and provides users with a central overview of them. When the corresponding invoice arrives later, it is immediately matched with the associated purchase order. In this way, TEAG combines procurement and subsequent invoice management processes into an end-to-end procure-to-pay scenario.

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Purchase requisition releases via xSuite process
Anyone with a requirement creates a SAP purchase requisition, which is subsequently reviewed by the MRP controller, account assignment auditor, and supervisor.

Bernd Hanft: "We abolished the purchase requisitioning workflow, which was a remnant of our E.ON association, in 2021. Today, we route purchase requisitions through the xSuite workflow, which is much more convenient and offers more features. That's because it requires a lot of business-r elated checks, and many forms need to be attached."

The release is assigned dynamically via the agent determination table. In addition, a connection was created to allow purchasers to create purchase orders directly from a purchase requisition in the background.

TEAG now also handles the reverse process, that is, processing of incoming sales orders, with an xSuite solution. The Orders module is used, among others, by the TEAG Academy training and occupational education center of TEAG Group, which conducts more than 400 training courses on network safety, installation and other topics every year at the training facil-ity in Erfurt. Thanks to xSuite Orders, it now transparently manages all course registrations, while also generating the SD order and billing documents with the tool.

Seamless transition of P2P processes to S/4HANA
Since mid-2022, TEAG's IT department has been working hard to push ahead the migration to S/4HANA. The company currently operates two SAP systems. The first step will be to up-date the sales system to the new product generation (as an on-premises installation), with the go-live scheduled for January 1, 2024. The migration of SAP IS-U, which is used by the grid subsidiaries, to the new S/4HANA system as a cloud-based solution will follow a year later.

"Since the xSuite solutions run without a hitch in both the old and new SAP landscape, we can move them to the future S/4HANA landscape with little effort," says a satisfied Bernd Hanft.

Transfer of the software into the development and quality assurance systems has already commenced, so TEAG is all set for a successful digital transformation.