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Presents:

What to Do to Convert Your Paper Invoices to PURE Electronic

28th April 2009

Sponsored by:



The Global e-Invoicing Network

Welcome!

- Welcome
- About sharedserviceslink.com
- Our webinar programme



Agenda

- What do you need to know about how this session works?
- What is the intention of this session?
- What to Do to Convert Your Paper Invoices to PURE Electronic
- Questions
- Close



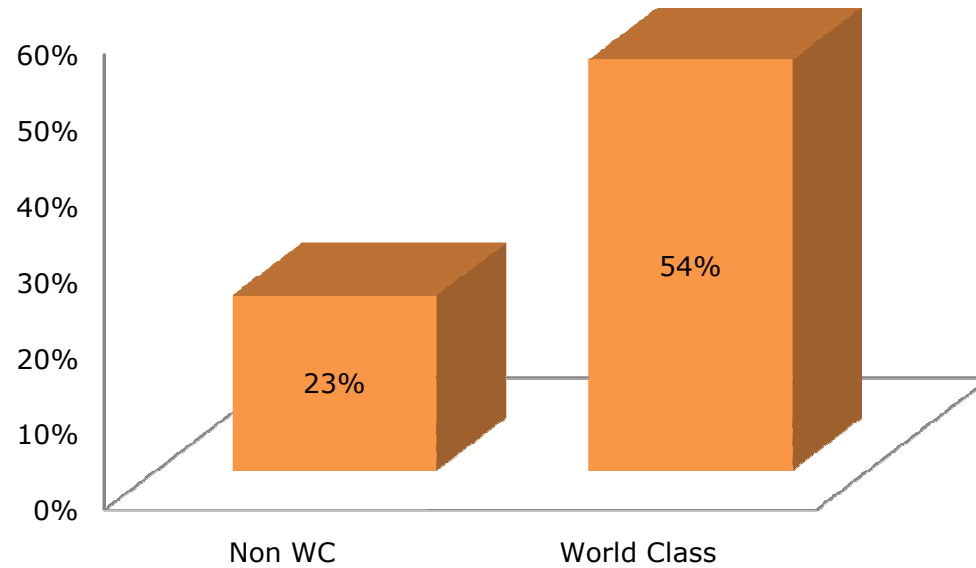
What Do You Need To Know About How This Session Works?

- The Support
- Questions



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What % of your SSO Invoices are Electronic? (Line Items)



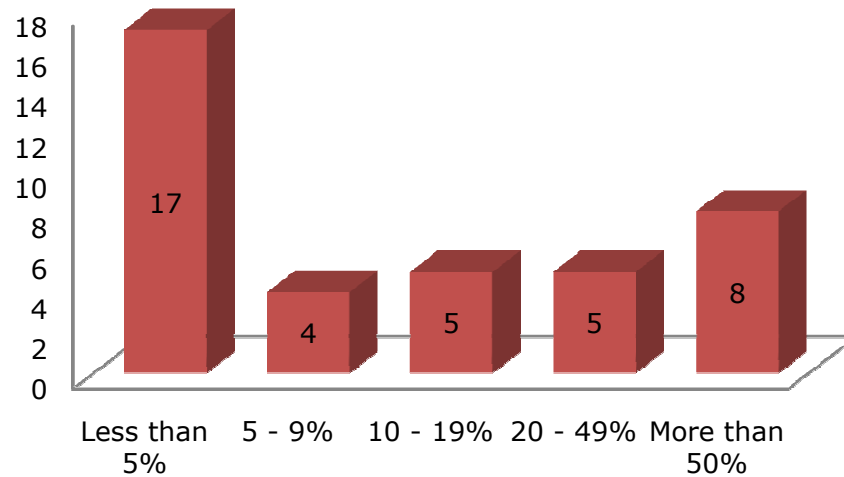
Source: *The Hackett Group*

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What % of your SSO Invoices are Electronic?

Number of Respondents: 39



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What Do You Need To Know About How This Session Works?

- In a recent survey of 70 Purchase to Pay professionals, 89% responded that they looked to be live with their e-invoicing programme before December 2010.
- But the previous slide pertains to a survey in January where participants were asked what percentage of invoices are electronic today. 45% said less than 5%.



What Do You Need To Know About How This Session Works?

Oracle

- Manual Invoice Cost:
 - \$1.52: straight processing
- Electronic Invoice Cost:
 - \$.44 straight processing



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e-Invoicing

Stefan Foryszewski,
Senior Vice President , OB10



The Global e-Invoicing Network



About OB10

- Founded in 2000
- Regional Headquarters in London, Atlanta and Kuala Lumpur
- Supporting Offices in Sofia and Bangalore
- Over 60,000 registered customers on the network, in over 100 countries
- VAT and Tax compliant in Europe, North America and Asia
- Invoice value c\$65 Billion pa



Some Customers – Accounts Payables





- There are around 34 billion p.a. invoices in EU alone
- Paper invoices cost 74% to 89% more to process than electronic invoices*
- The EU Commission estimates that businesses can save €238 million over the next six years by adopting electronic invoices

* Source: Aberdeen Report, 2007



What is e-Invoicing

- **e-Invoices**
 - are transmitted from the suppliers computer directly to their customers computer
 - are fully VAT and tax compliant
 - completely replace paper - there is NO PAPER
 - can be stored and audited for the required legal time period which may vary from country to country

- **e-Invoices**
 - are NOT documents that start their life as paper (ie. Scanned images)

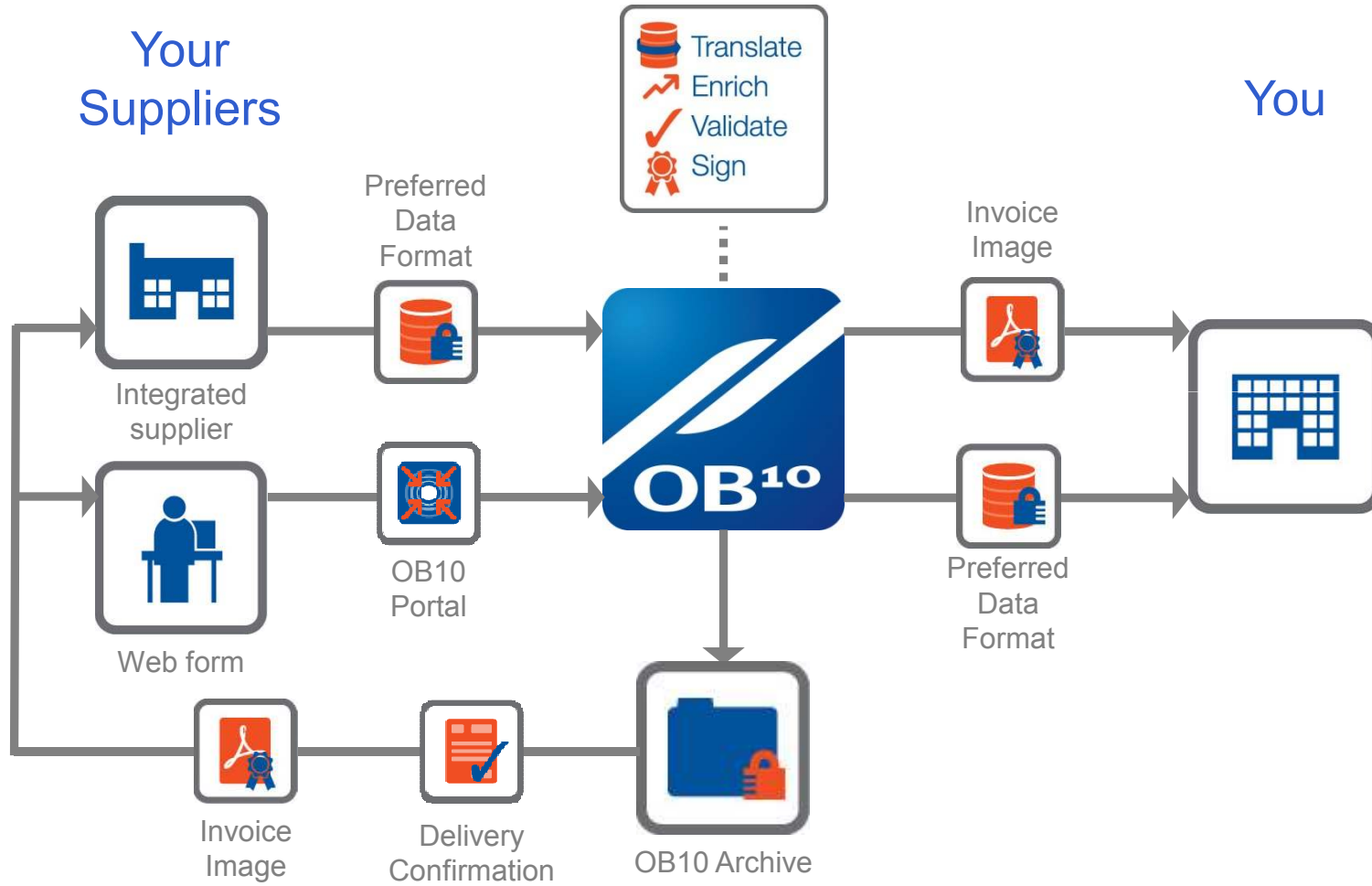


What are the drivers for e-Invoicing

- Reduce Cost
 - Paper invoices cost 74% to 89% more to process than electronic invoices
- Improve efficiency
- Remove paper
 - Environmental benefits
 - Cost of paper storage for audit purposes
 - Remove the hassle of 'lost' invoices
- Improve payment cycles
 - Particularly important for suppliers in today's environment



What is OB10 e-Invoicing





Critical Success Factors

- Systems
- VAT and tax compliance
- Global network
- Project management
- Supplier enrolment
- Customer support
- Multiple language capability



- Robust, scalable platform and architecture
- Supports
 - ANY-TO-ANY DATA FORMATTING
 - Data file processing
 - pdf generation
 - Digital signatures and verification
 - On line archive 24/7 availability
- Centrally hosted
- Secure



VAT and Tax Compliance

- Multiple territories EU / Asia / US
- EU
 - Compliance with EC legislation is not enough
 - Variations at country level
 - Systems rules
 - Supplier
 - Country
 - Buyer
- Supported by KPMG
 - Constantly updated



Global Network

Suppliers

Buyers



- ANY-TO-ANY connectivity
- Suppliers connect once
- Buyers connect once
- 60 000 suppliers



Project Management

- Technical implementation
 - No installed software
 - Integration with existing technology
- Testing
- Supplier enrolment plans
- Best practices
- Management and reporting



Supplier Enrolment

- Three Operations centres
- Multi language capability
- Connectivity options
 - Full integration with billing system
 - Web forms
- Sales
- Implementation
- Mapping
 - All mapping is done centrally



Customer Support

- Multiple languages
 - Legal agreements
 - Materials, guidance, collaterals
 - Web site
 - Human beings



Summary

- There are significant savings and benefits
- Paper can be eliminated
- Successful e-Invoicing projects require a combination of factors
 - Not just technology
- Project management and planning is essential
- Supplier participation is the key
 - Minimise barriers – ANY-TO-ANY DATA FORMATTING
 - Effective Supplier enrolment is key



Converting to e-Invoicing

Trevor Marsh, Manager, Financial Services

GM UK Ltd & IBC Vehicles Ltd





About General Motors

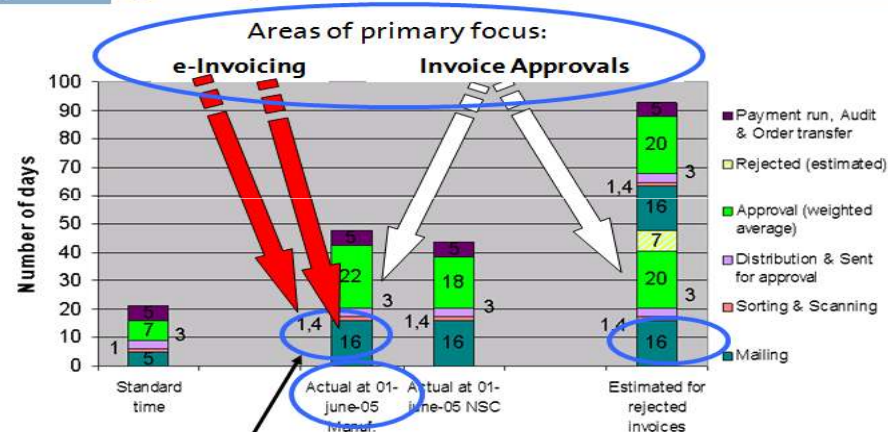
- Within Europe, GM has around 50 separate legal entities, receiving in excess of 800K pa. paper invoices from our suppliers.
- In 1998 we set up our European Financial Shared Services center in Barcelona, Spain for all our Accounts Payable & Receivables.
- By 2005 all of our major units in Europe were managed by this centre.
- As part of improvements we wanted to receive our supplier invoices quicker.
- To help achieve this, GME needed an electronic solution to replace the paper invoices, for all these units.



Converting paper to electronic invoicing

- Started working with OB10 2005
 - Needed to improve efficiency in the process

Invoice transit time is an area of “Primary Focus” for GME (opportunity to improve)



Invoice from Suppliers take about 17.4 days (average) in the mail, being sorted and scanned before they can be processed

- Required a Europe wide solution with global capabilities
- Released initially in UK only, within 1 year had expanded into Europe
- Now includes 14 countries across Europe (Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Sweden, UK)



How to convert your invoices to electronic – the lessons learned

- Right solution for your business
 - Meet your business requirements
 - Scalable to manage expected business growth or scope of AP responsibilities
 - European/Global solution – compliant in your target regions
 - GME have also opened the OB10 door so we now receive some of our North American GM units invoices via OB10 as well.
- Internal communication and support
 - Strong internal support
 - Get a senior sponsor
 - Work with procurement, bring them on board as a joint owner of the project.
 - Work with all stakeholders – a supplier will contact the person they have a relationship with
- Getting your suppliers on board
 - Define your suppliers to be targeted, make sure you have the right contacts
 - Be clear on why you are doing this and what is expected from suppliers
 - Define your objection handling process (return to buyer – RTB)
 - Go out with a strong message and follow-up with suppliers



GM UK

- Followed OB10 best practice
 - ✓ Strong internal support
 - ✓ Defined our selected suppliers
 - ✓ Defined a clear objection handling process (RTB)
 - ✓ A strong, clear message to suppliers

Result

67% suppliers enrolled

GM DE

- Did not follow OB10 best practice
 - ✗ Little internal support
 - ✓ Defined our selected suppliers
 - ✗ No objection handling process (RTB) defined. Suppliers got 'lost'.
 - ✗ A weak message to suppliers

Result

38% suppliers enrolled

*27% higher RTB (raised an objection) than the UK campaign



In practice ... Current campaign

- Followed OB10 best practice for Germany
 - ✓ Developed internal support – sharing the benefits from the UK
 - ✓ Defined a clear objection handling process (RTB)
 - ✓ Communicated to suppliers with a clear, strong message
- In just 3 months (on this campaign alone)
 - Supplier enrolment 20% higher than the previous campaign
 - RTB down by 21%
 - **Overall performance of the campaign has improved by 41%**

NB: This campaign is still active



In conclusion

- e-Invoicing
 - Improves invoice process efficiency – same day / next day guaranteed delivery of invoice & data into your AP, potential for 100% mechanisation dependant upon your internal workflows.
 - Reduces cost in your AP department
 - Can be used by your suppliers
- Down to you to make it a success
 - Work with OB10 and follow their best practice
 - Understand your business objectives
 - Work to ensure internal support – enrol a senior sponsor
 - Give a strong clear message to your suppliers
 - Work with OB10 to manage supplier enrolment – this is the vital element



- e-Invoicing through OB10

Buyer Group Transactions

Report Date: 02/04/2009 09:26:30

Group General Motors - Global

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total for Year
2005										1	63	337	401
2006	844	1253	1646	1566	1929	2189	2097	2654	2869	2832	3393	3071	26343
2007	3084	3015	3559	4861	3230	3094	3622	3175	2816	3552	3803	3372	41183
2008	3767	3508	3616	4172	4133	3536	4749	3838	3900	4421	4184	4462	48286
2009	4572	7932	10237	381									90,000 (EST)

- GME Increasing push to convert our suppliers to eInvoicing using OB10
- We have saved over 2 FTE (invoice processing) based on our annual volumes.
- 2009 we are targeting a further 2 FTE savings by doubling our volume.



Actual Data – Days to receive supplier invoices

Barcode	Invoice no	Inv/ date	Scan date	Created on	Days from Supplier to GM	Days from Supplier GM Approver
01IN09508433	7529/A	07/04/2009	07/04/2009	08/04/2009	0	1
01IN09509334	18702915	17/04/2009	18/04/2009	18/04/2009	1	1
54FR09508379	1169547	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508381	1169506	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508383	1169503	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508384	1169504	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508385	1169505	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508386	1169532	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508387	1169533	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508398	1169536	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508390	1169507	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508392	1169545	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508394	1169529	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508396	1169528	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508397	1169521	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508398	1169516	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508412	1169525	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508413	1169520	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508416	1169526	21/04/2009	21/04/2009	22/04/2009	0	1
54FR09508649	W09/103220	23/04/2009	23/04/2009	24/04/2009	0	1
54FR09508654	W09/103205	23/04/2009	23/04/2009	24/04/2009	0	1
54FR09508657	W09/103221	23/04/2009	24/04/2009	24/04/2009	1	1
54IN09506803	9081	01/04/2009	01/04/2009	02/04/2009	0	1
54IN09508517	CVT/C/387440	22/04/2009	22/04/2009	23/04/2009	0	1
54IN09508549	1AYM790	22/04/2009	22/04/2009	23/04/2009	0	1
54IN09506022	722599	23/03/2009	23/03/2009	25/03/2009	0	2
54IN09507851	1AYK039	14/04/2009	14/04/2009	16/04/2009	0	2
54IN09508029	142407807	15/04/2009	16/04/2009	17/04/2009	1	2
54IN09508230	1AYM337	19/04/2009	19/04/2009	21/04/2009	0	2
57IN09500429	9721000267	15/04/2009	15/04/2009	17/04/2009	0	2
01IN09507465	90542337	28/03/2009	29/03/2009	31/03/2009	1	3
12AL09500127	ITIN01359	16/02/2009	17/02/2009	19/02/2009	1	3
54FR09508214	OH1109027625	17/04/2009	17/04/2009	20/04/2009	0	3
54IN09508376	109391	20/04/2009	21/04/2009	23/04/2009	1	3
54FR09508212	OH11/09000075	17/04/2009	17/04/2009	21/04/2009	0	4
54FR09508213	OHNVX/09000091	17/04/2009	17/04/2009	21/04/2009	0	4
54FR09508659	VM000049	23/04/2009	24/04/2009	27/04/2009	1	4
54FR09508662	VM000045	23/04/2009	24/04/2009	27/04/2009	1	4
54FR09508669	VM000044	23/04/2009	24/04/2009	27/04/2009	1	4
54FR09508671	VM000048	23/04/2009	24/04/2009	27/04/2009	1	4
54FR09508674	VM000046	23/04/2009	24/04/2009	27/04/2009	1	4
54FR09508680	VM000043	23/04/2009	24/04/2009	27/04/2009	1	4
01IN09503790	18532886	25/02/2009	26/02/2009	02/03/2009	1	5
01IN09508693	18680309	08/04/2009	09/04/2009	13/04/2009	1	5
52IN09500594	18716999	22/04/2009	23/04/2009	27/04/2009	1	5
53IN09500684	200902041	21/04/2009	24/04/2009	27/04/2009	3	6
54IN09507617	5559734	03/04/2009	08/04/2009	09/04/2009	5	6
54IN09508324	2867	15/04/2009	20/04/2009	21/04/2009	5	6
54IN09508505	5613136	17/04/2009	22/04/2009	23/04/2009	5	6
54IN09508506	5613135	17/04/2009	22/04/2009	23/04/2009	5	6
53IN09500683	200902015	20/04/2009	24/04/2009	27/04/2009	4	7
54IN09507884	5587800	10/04/2009	15/04/2009	17/04/2009	5	7
53IN09500675	S1F/2982918	19/04/2009	23/04/2009	27/04/2009	4	8
54IN09501050	2000965	20/01/2009	23/01/2009	28/01/2009	3	8
54IN09507700	JNM/C/534853	08/04/2009	08/04/2009	16/04/2009	0	8
54IN09507715	JNM/C/534855	08/04/2009	08/04/2009	16/04/2009	0	8
54IN09507724	JNM/C/534829	08/04/2009	08/04/2009	16/04/2009	0	8
54IN09507726	JNM/C/534833	08/04/2009	08/04/2009	16/04/2009	0	8
54IN09507649	JNM/C/534858	08/04/2009	08/04/2009	17/04/2009	0	9
57IN09500413	22683	31/03/2009	06/04/2009	09/04/2009	6	9
01ID09009509	600069344	27/03/2009	02/04/2009	06/04/2009	6	10

- We are seeing most invoices same or next day from OB10.
- If fully automated with GM Purchase Order number , we are seeing these invoices delivered to the GM approver in 2 to 3 days.
- Data is based on supplier invoice date, so extra days are being seen, when supplier takes time to pass / create his invoice in OB10.
- GM can see where supplier is creating a delay, which via normal mail could not, as “delayed in post” scenario.

What's Next at sharedserviceslink.com



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2009**



**17th-19th June
2009**



**8th-10th July
2009**

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Thank you

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