



Invoice processing: Making a Quick Transition with the Best-Practice Approach



Based in Cologne, Germany, pfm medical ag is an industrial enterprise that produces medical technology. Within a notably short period of time, the company transitioned from 100% paper-based invoice processing to complete digitalization. This was possible with the best-practice approach of the xSuite solution.

Founded in 1971 by Jürgen Wolter as “pfm Plastik für die Medizin GmbH,” pfm medical ag serves the market as an independent producer, technology partner, service provider, and sales specialist for medical technology, all in one. In over a hundred countries globally, pfm medical distributes its own products as well as those of leading producers – in many cases, with the exclusive distribution rights. The pfm medical group includes numerous sales and manufacturing companies, with over four hundred employees on four continents.

Until 2012, the approximately 60 invoices received daily moved through the organization by inter-office mail, from receipt by post on to various verifiers and releasers before finally arriving in Financial Accounting for processing. This process was not particularly transparent and dragged on in some cases. For this reason, pfm medical sought to achieve early electronic availability and archiving of invoice data and documents. The invoices were to be channeled through internal processing by means of digital workflow so that increased speed and transparency could be attained.

The Goal: Immediate Online Availability of all Data and Documents

The project was started with a total lack of precedent: There had never been a solution of this kind at pfm medical in the past. “Our primary aim was to achieve immediate and central availability of all data and documents,” explains Ralf Krohn, SAP specialist Business Warehouse at pfm medical. The project team decided on the xSuite solution — the generic solution is entirely SAP-based and automates document-based processes within SAP.

Company

Web: www.pfmmedical.com
Sector: Medical Technology
Headquarters: Cologne, Germany

xSuite® solution

- Automated invoice processing solution (xSuite Invoice)

Decisive arguments for xSuite

- Best-Practice solution: The standard version of the system covers the most important functions
- Rollout compatible, generic, and SAP certified solution

Systems integration

- SAP ERP
- EASY ENTERPRISE Archiv

Image source: pfm medical ag



Making a Quick Transition with the Best-Practice Approach

“The standard version of the system covers the most important functions that we require without necessitating any extensions,” says Krohn. “Also, the xSuite best-practice approach made it possible for us to go live quickly and to remain within the standard.”

Project processes had to be pushed forward in order to achieve the desired transparency and speed in invoice processing as quickly as possible throughout the company. After initial contact with xSuite and a concept workshop in June, 2012, the basic installation followed, starting in September of the same year. Around two months later, pfm medical went live with the first and largest company code. Additional company codes followed for the individual holding companies in Germany. Automated processing of incoming FI invoices and of MM invoices with purchase-order reference was also implemented within the planned time frame.

Single-Handed System Adjustment

As of mid-2013, all seven German SAP company codes were in the system and, as such, could be included in the invoice workflow. Everything necessary for setting up “agent determination” was completed independently by the medical technology specialists themselves. This was possible through the best-practice setup of the xSuite solution.

“xSuite provided us with the ideal support in this project. In particular, its professional support in the start-up phase ensured that we were soon able to adjust the system and train the employees for the most part on our own. Also, all of this was only possible due to the exceedingly committed work of the new key users from Procurement and Accounting. Ultimately, they were the ones who really pulled the project through”, says Ralf Krohn, SAP Specialist Business Warehouse (BW) at pfm medical ag

The new solution has assumed the capture and document extraction of all incoming invoices received at different German locations, the transfer of the information to the SAP system, and the forwarding of documents to those authorized to verify and release them. xSuite Capture reads the invoice data from the digitalized documents and compares them with SAP master and transactional data. The data is then transferred to the SAP-certified system interface xSuite Interface. The interface then validates the data within SAP, correcting it as necessary, and subsequently logs and imports it to the posting transactions that have been set in SAP standard.

As a significant number of invoices are no longer received in paper form, pfm medical has set up an additional xSuite tool for automated transfer of emails, invoices, and attachments from a pre-defined mailbox. The workflow solution xSuite Invoice then automatically forwards the invoice information for verification and release, to an approximate total of 110 staff at German subsidiaries.

They must not necessarily be reachable at their stationary workplaces, but rather can view and release their invoices e.g. on their smartphones via xSuite, independent of location.

The benefit achieved by the xSuite solution is apparent: All data and documents are archived and completely accessible in the system; transparency and complete traceability of data and documents have become a normal part of everyday life.