Collaborative Finance Operations
Achieve Superior Finance Operations

Today’s finance teams must provide high-quality finance processing services at low cost. Leveraging automation drives down the cost of finance processing, letting you focus on business value creation, exception management, and analysis.

Finance operations must be lean, yet flexible to support the changing business environment. Faced with constant change, your organization’s ability to manage financial transactions efficiently and effectively across several key processes is a competitive advantage.

For example, the receivables management process controls interactions such as assessing customer credit risk, resolving billing disputes, collecting cash, and handling exceptions. Collaborative and automated invoice management shortens the time between receiving an invoice and paying suppliers. This protects your supplier relationships and lets you leverage early-pay discounts.

Shared service centers process a large volume and mix of financial transactions – a challenge in a heterogeneous IT landscape. The results they deliver, along with cost and quality metrics, are continually benchmarked against competitive outsourcing bids.

Last, employees and managers need intuitive tools for noncore tasks such as travel management to avoid wasting billable hours. Forward-thinking CFOs focus on accelerating the delivery of high-quality, responsive services at the lowest cost.
**Flexibility for Your Changing Business**

As your business expands, your financial operations must be ready to support its growth. Whether you’re finalizing an acquisition within a reporting period, or setting up services to support new divisions or countries, your operations need to respond quickly and effectively to changes.

To meet the demands of global business, companies need solutions to support automated receivables and payables processes – standardized and shared across all facets of operations.

What’s more, these solutions – and the processes they support – must be easy to deploy, manage, and audit.

Scalable and flexible solutions allow you to implement or discontinue shared finance services as business expands and contracts.

Embedded functionality such as credit management enables up-to-the-minute analysis of cash flow.

Tools to support ancillary processes, such as travel management, can be deployed on premise or on demand to help meet your business needs.

By providing shared services, organizations have greater access to information and expertise and can make that knowledge available to global employees, customers, and suppliers.

With solutions for collaborative finance operations from SAP, your global team can be ready to support your business – anywhere, anytime.
Superior Service with Reduced Cost

SAP solutions facilitate the automated processing of receivables and payables, revolutionize shared services delivery, and streamline travel management – all of which reduces costs. These solutions include the SAP Invoice Management application by OpenText, the SAP Travel Management application, the SAP Collections and Dispute Management application, the SAP Credit Management application, and the SAP Biller Direct application.

- Improved days sales outstanding
- Reduced bad debt write-offs
- Reduced cost of invoice processing
- Increased invoice discount capture
- Improved employee satisfaction
- Decreased cost of service delivery

59%

Lower finance cost (% of revenue) for the top 25% of organizations compared to average organizations

Source: SAP Performance Benchmarking
SAP Innovations

Solutions for collaborative finance operations from SAP leverage the latest innovative technology, enabling rapid response to fluctuating market dynamics. With real-time insights, anywhere access, and low-cost, low-risk deployment, managers can act quickly – avoiding negative impact on receivables.

Database and technology solutions powered by the SAP HANA platform enable ultrafast, in-memory computing. This allows finance operations professionals to monitor and analyze high volumes of business transactions, and rapidly respond to service customer and supplier inquires.

Powerful analytics tools enable management to better allocate human resources and implement the strategies that best serve the business.

Mobile solutions give finance professionals immediate access to status reports, exceptions, and alerts, enabling quick response, better decision making, and fewer risks to customer and supplier service.

Mobile solutions aren’t just for managers. Implementing mobile solutions company-wide can facilitate expense reporting processes, provide better customer service, and deliver up-to-the-minute financial information to your sales team, helping them negotiate better with customers and quickly resolve billing disputes.

Cloud-based offerings such as the SAP Travel OnDemand solution enable fast, low-risk deployment – minimizing the IT footprint while enabling long-term scalability, flexibility, and process integration.
Automation = Greater Efficiency

Solution Overview

Receivables Management
Automated, integrated, and collaborative receivables management enables efficiency, robust cash flow, and real-time exceptions reporting.

Invoice to Pay
Automated invoice management and bank communications speed communications processes. Digital record retention makes retrieval less costly.

Financial Shared Services
Better collaboration of shared services streamlines administrative functions – improving productivity and compliance while reducing costs.

Travel Management
By streamlining the travel lifecycle from request, planning, and approval to expense reporting and reimbursement, you gain greater control over travel budgets.
E2E Solution Process Map

Solution Overview

- Receivables Management
- Collaborative Invoice to Pay
- Travel Management
- Financial Shared Services
- Achieve Financial Excellence
- Why SAP?
Cash flow is the lifeblood of every business. Even profitable companies can experience cash flow problems. By applying better control over customer credit evaluations, billing, late payments, and invoice disputes, businesses can improve their working capital.

To help improve cash flow, companies need to automate exception handling in their receivables processes, while protecting and maintaining superior customer relationships. Effective, integrated customer-facing finance processes can improve collection rates, reduce bad debt risk, and improve customer service, all while helping optimize cash flow.

26% Lower overdue accounts receivables when receivables systems are fully integrated with billing systems

Source: SAP Performance Benchmarking
Automating Receivables Processes

SAP Credit Management lets you quickly evaluate a customer’s ability to pay and manage credit lines. You can use data from internal and external sources for scores that adapt in real time as economics change.

SAP Biller Direct enables Web-based invoice presentment, account display, and payment processing. Customers can view or download invoices, or log a dispute.

SAP Collections and Dispute Management helps you proactively manage and collect overdue receivables and resolve customer invoice problems. It generates prioritized work lists based on strategies for maximizing collections success. Advanced workflow and automatic escalations route disputes for speedy clarification, and reporting identifies root causes.

The SAP Customer Financial Fact Sheet mobile app extends the receivables processes beyond the finance team to give sales and other business partners access to the data they need anywhere, anytime to provide world-class customer service.

Lower overdue accounts receivable where disputes can be settled online and a dispute management system is integrated into the collections system

Source: SAP Performance Benchmarking
Lower Days Sales Outstanding and Boost Customer Satisfaction

Automated, integrated, and collaborative receivables management enables efficiency, effectiveness, and robust cash flow, while lowering days sales outstanding (DSO) and minimizing bad debt write-offs.

Receivables management solutions from SAP increase sales and customer satisfaction by automating processes and decision support functions to enable fast, informed credit decisions and issue resolutions.

Customer orders are automatically credit-checked and processed. Intelligent workflow accelerates dispute clarification, even when multiple departments are involved.

SAP solutions lower DSO and accelerate cash flow by prioritizing customer collections and giving customers self-service access to their invoices and the dispute resolution process. Mobile access to data enables collaboration with the back office on promised payments, credit information, and dispute status.

Our receivables management solutions can help you minimize bad debt write-offs by facilitating proactive credit policies and equipping your collections agents with the information needed to collect more quickly and effectively. Intelligent rules reprioritize customer collections activities when credit ratings deteriorate.

18.6%
Less overdue accounts receivable when detailed customer profiles, including entire invoice, adjustment, and payment history are available at the point of interaction

Source: SAP Performance Benchmarking
Innovations for Receivables Management

SAP innovations provide key management insights and extend traditional processes beyond the finance back office.

**Big Data**

You can leverage the SAP HANA platform to better manage receivables. The SAP Working Capital Analytics, DSO scope, analytic application lets you drill down from aggregates to line items to investigate DSO drivers. The SAP Receivables Manager mobile app supports alerting and collaboration to focus attention on the highest value exceptions.

**Mobile Access**

The SAP Customer Financial Fact Sheet makes accounts receivables information available to sales – wherever, whenever. Real-time access to credit lines, payment history, and open invoices improve the negotiating power of your sales team. Its involvement can speed dispute resolution and improve DSO.

20%

Lower uncollectible accounts receivable write-offs when the collection strategy and system reflect customer relationships

Source: SAP Performance Benchmarking
Collaborative Invoice to Pay

Accounts payables managers need to drive process efficiency across the payables function, enabling staff to focus on value-add activities like discount capture, compliance, and vendor management.

Collaborative invoice-to-pay solutions from SAP digitize the invoice-to-pay process for PO and non-PO invoices through the Ariba Network from Ariba, an SAP company. Invoices submitted electronically undergo a “smart invoice” submission process that eliminates errors and exceptions.

Our software also includes scanning functionality to digitize paper invoices for e-invoicing.

Invoices needing additional handling or approvals are routed through workflow.

Integration to disbursing banks and the addition of remittance details make it easier to reconcile payments to invoices – so suppliers get paid faster and more reliably.
Collaborative Invoice to Pay

Capabilities

Benefits

SAP Innovations

Collaborative Invoice-to-Pay Process

Collaborative invoice-to-pay software from SAP provides straight-through processing of accounts payable (AP) invoices and payments with a 98% touchless approach.

A self-service portal enables suppliers to maintain contact information, view the real-time status of invoices and payments, facilitate dynamic discounting, and avoid inbound inquiry calls to AP. Suppliers send PO and contract invoices electronically. These are validated via “smart invoicing” at the point of submission based on over 80 business rules in the Ariba Network.

Our collaborative software also streamlines the invoice-to-pay process by providing workflow and exception-based management of invoices.

To support electronic payments, our software integrates with standards-based electronic payment networks such as Automated Clearing House (ACH) and provides remittance details to simplify reconciliation.
Improve Discount Capture, Compliance, and Cash Flow

Digitize all invoices; eliminate 98% of exceptions; cut processing costs; speed approval, workflow, and payment; capture more discounts; and comply with contracts, preferred vendors, and regulations.

Invoice automation eliminates labor-intensive invoice receipt and reconciliation, freeing your AP staff to focus on value-add activities.

Automated invoice-to-pay functionality with true e-invoicing drives more value to AP and shared service organizations than cost.

The self-serve supplier portal reduces vendor management costs and supply chain risk by giving suppliers real-time visibility into invoice and payment status, reducing their order-to-cash cycle, and improving liquidity and cash flow.

Back-end integration with disbursing banks enables faster, more accurate, and less risky settlement through electronic payments.
Innovations for Invoice to Pay

Mobile and cloud solutions automate invoicing, reduce cycle times, maximize discount capture, and accelerate invoice to pay.

Mobile
Mobile apps for invoice and payment approval – including the SAP Payment Approvals mobile app and Ariba Invoice Professional – accelerate invoice to pay.

Solution Extension
You can extend our collaborative invoice-to-pay software with:
- OCR data recognition and extraction
- Invoice management automation based on dedicated workflow
- Integrated payables management

Dynamic Discounting
With the dynamic discounting option of Ariba Discount Professional, you can extend discount capture to all targeted suppliers.

Payables Reporting and Analytics
Ariba Invoice Professional features payables reporting and analytics that optimize the efficiency of management resources.
Travel Management

Streamline the entire trip lifecycle – from planning and approval, to expense reporting and reimbursement – to control costs and enforce corporate and legal compliance.

Travel management software from SAP supports the entire trip lifecycle by facilitating approval processes that consider relevant data for decision making and controlling travel budgets.

Integrating online booking streamlines the planning and booking process. Improved expense management reduces the administrative burden of manual processes, including expense capture, accounting, and reimbursement.

You can examine travel management costs and trends, and quickly consolidate data for supplier negotiations. You can also support local and legal travel expense requirements through dedicated country-specific software versions.
Integrated Travel Management

Employees requesting travel can capture basic data in their travel approval requests. The designated approver identified by the workflow receives the request to approve or decline. If requests are approved, employees can initiate the next step (such as online booking and expense management) through the software.

Integration with third-party online booking tools enables employees to retain travel services and manage travel plans using company-specified pricing and preferred suppliers. An itinerary originating from an online booking tool can be used to prepopulate an expense report.

Travel expenses and receipts are maintained in and submitted through an expense report for reimbursement and integration into accounts payable and cash management processes.

Workflow settings automate approvals and support auditing for trips and expenses.

Managers gain visibility to control travel costs with sophisticated analytics.
Control Costs, Increase Efficiency, and Enable Compliance

Manage travel spend and reimbursement processing costs. Enforce corporate policy as well as legal and company-specific tax regulations for travel expenses. Increase automation and process efficiency.

SAP software automates the travel request submission and approval process. It facilitates a single integrated process that connects all areas of travel management, from pretrip approval or online booking through expense management and accounting.

The software smoothly integrates all related business processes. Web-based and mobile access provides employees with greater functionality. Integration with third-party online booking tools streamlines the booking process and supports compliance with travel policies.

Business travelers can upload, access, and manage travel receipts and credit card data, making travel expense processing and reporting more accurate and efficient with less administrative burden.

The result? You can enforce compliance with localized tax mandates, legal accounting requirements, and internal travel policies. You can also reduce the cost of Sarbanes-Oxley compliance through audit options and more accurate expense data via credit card feeds.
Mobile apps for the SAP Travel Management application (on premise) include:
- SAP Travel Expense Report mobile app
- SAP Travel Receipt Capture mobile app
- SAP Travel Expense Approval mobile app

The SAP Travel OnDemand solution provides:
- Travel management via the cloud
- Less administrative burden by reducing paper-based, offline processes
- An intuitive, consumer-grade application that delivers a consistent user experience across the travel management lifecycle
- Support for mobile apps for travelers and managers
- Integration with the SAP ERP Financials solution and SAP ERP Human Capital Management solution for faster reimbursement and accelerated reconciliation
Financial Shared Services

The financial shared services solution from SAP lets CFOs turn administrative functions into a service for the business – improving productivity, enabling compliance, and reducing the cost of finance.

The solution supports efficiency and scalability in operations through automation, smooth execution across departments and functional processes, and a shared service delivery environment. The head of financial shared services can improve service delivery at the lowest cost of operations, gain cross-department visibility, and deliver services across diverse, disconnected systems and processes. By enabling automated, repeatable, and consistent processing of core finance transactions across various locations, your finance operations can increase service quality while reducing costs, efforts, and risks.

9%
Targeted net productivity improvement in 2012 among finance organizations globally

Run Finance Like a Real Business

The financial shared services solution from SAP extends the classic finance operating model to a true service business. Communication channels, delivery processes, heterogeneous systems, and service quality get streamlined and tailored to your organization’s objectives and desires.

Customers, suppliers, employees, and managers can consume finance-relevant information and services either through automated self-services or qualified service personnel.

The solution orchestrates and governs service excellence without disrupting the existing finance system landscape.

Finance engines, analytical insights, and mobile apps contribute to and integrate with the next generation of finance service delivery.
Achieve Superior Services at Reduced Costs

Enable financial shared services to turn administrative functions into a service for the business.

The financial shared services solution from SAP can reduce the cost of finance operations. Self-services provide consumers with access to standard recurring requests or information through an automated delivery process. Workbench and interaction center features guide agents through service delivery procedures. Requests for changes, modifications, communications, and results are documented and available for financial audits and reporting – for example, to demonstrate adherence to key performance indicators (KPIs).

The workbench improves operational efficiency and effectiveness by streamlining communication with customers, prioritizing incoming service requests, and supporting competency-based routings to experts. Well-proven SAP finance engines (for example, accounts payable, receivables, and travel and expense management) fully integrate with service delivery without duplicating application logic. SAP also provides analytics and reporting to oversee finance operations and critical KPIs.

47%

Lower finance costs as a percent of revenue by automating transactional processes and self-services

Achieve Financial Excellence Value Map

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Why SAP?

By automating core processes, such as order to cash, purchase to pay, shared services, and travel management, you can improve service and productivity, reduce cost, and deliver more accurate results to internal and external stakeholders.

**Tightly Integrated from Start to Finish**
Solutions for collaborative finance operations from SAP are natively integrated with the SAP ERP application. They deliver real-time data that provides all stakeholders with the information to operate more efficiently and cost-effectively. Total cost of ownership is reduced, as fewer points of integration with add-on software must be maintained.

**Optimized, Standardized Processes**
With SAP solutions, you can improve key financial processes based on business needs and goals. Standardized processes are easier to deploy and audit, and exceptions are easier to monitor and act on.

**Technology Breakthroughs**
SAP solutions let you harness the power of “Big Data,” cloud computing, mobile devices, and intuitive analytics to deliver superior financial services.
Find Out More About How Your Organization Can Become Best-Run

Benchmark Your Performance
Position your organization for dominance in this new economy with the business performance benchmarking program from SAP – available free to SAP customers and select prospects. The SAP benchmarking program has helped more than 3,000 organizations assess their strengths, uncover areas for improvement, and identify best practices and IT strategies that generate clear, tangible value – not someday, but today.

Go Live in Weeks
Here’s the fastest way to run your business better: our rapid-deployment solutions. In one package, you get everything you need to be up and running quickly – including preconfigured software and implementation services – in just weeks. With a defined scope and predictable costs, there are no surprises.

Join Your Community of Practices
Every day, SAP Community Network (SCN) changes the way that thousands of SAP users work. It lets members help one another solve problems, learn, and invent new ways to get things done – faster. Find out how to connect with people, content, and resources.
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