

Customer Success Story: Aggreko

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Unified global processes improved productivity, reporting and job satisfaction within Accounts Payable at Aggreko

Accounts payable (AP) automation allowed Aggreko, the leader in the supply of temporary power and temperature control solutions, to increase control over invoice processing, unify its financial processes across Europe and avoid risks of double or non-payment of supplier invoices. With a clear audit trail and visibility of invoice statuses, month end reporting was sped up and application of financial KPIs became possible. Job satisfaction within AP increased, all whilst saving operating costs.

Aggreko's finance team for Europe initially operated out of two central locations, a Shared Service Centre (SSC) in Rotterdam controlling finance for Continental Europe and a central team in Dumbarton covering Northern Europe and the UK. Collectively the teams processed almost 100,000 invoices, from approximately 9,000 suppliers, all manually.

The company identified the need for invoice automation to solve a number of inefficiencies and risks within its purchase-to-pay lifecycle. It needed a solution that could avoid the delays that occurred when managers were out of the office and unable to physically sign off paperwork. It also needed to replace the spreadsheets that were used to track invoices going through manual approval and stop invoices received outside of the SSC getting lost. The lack of visibility inherent in paper based manual processes also exposed Aggreko to risk of non-payment, late payment and in some instances double payment of invoices.

“Basware's solution has enabled us to join up the processes with all of our suppliers and ensure consistency across each business unit.”

George D Walker
Group ERP and Financial Systems Manager

Electronic capture of invoices upon receipt, visibility of invoice statuses at all times

Basware's invoice automation solution was chosen based upon the availability of four key functions:

- Automated approval flow and the availability of multiple approval limits
- A contract matching module available for automated processing of recurring invoices like utilities and car leases
- The scanned invoice image could be linked to the ERP data for ease of review
- A full audit trail available for each invoice

A key step in the automated process was to capture each invoice in an electronic format upon receipt. The scanned invoices would then enter the automated process and be automatically matched against the respective purchase orders (PO).

Exceptions would be automatically escalated for review allowing the accounts payable (AP) team to refocus their time away from heavy-duty admin to more valuable tasks. Approvals were also incorporated into the automated process, matching approval limits to the correct level of seniority.

nSYS Services Ltd, Basware's certified implementation partner, joined Aggreko's project manager and IT staff to fully implement the solution, and now provides frontline support.

Customer

Name

Aggreko

Sector

Temporary energy solutions

Location

Global, headquartered in UK

Challenge

Inefficiencies in accounts payable resulting in slow processing and poor customer service turn around time

Duplicate and lost invoices resulting in payment errors and delays

Lack of security and document retention with a risk of unrecorded liabilities

Inconsistent practises across Europe

Basware solutions adopted

Basware Invoice Automation

Basware Invoice
(incl. anyERP interface)

Basware Match



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“After go live, the advantages of Basware’s automated system were immediately apparent,”

says George D Walker, Group ERP and Financial Systems Manager at Aggreko.

“We now have full visibility to answer our suppliers’ questions about invoice status, and our own questions about cash management. The system also provides a full audit trail of all transactions from receipt of invoice to payment.”

Increased productivity and job satisfaction, reduced risk and operating costs

With the automated solution in place, Aggreko was able to centralise its AP information and to perform consistent KPI reporting for the first time speeding up its month end processes. Payment accuracy increased, cost allocation improved and the team were able to reduce risk around outgoing. Productivity of the AP team increased and with it: their job satisfaction. The automated process reduced operating cost, lowered printing and posting cost and also reduced the cost of telecommunications as fewer phone calls were made in the name of chasing invoices.

aggreko

Aggreko plc is the world leader in the supply of temporary power and temperature control solutions. Aggreko employs over 4,500 people operating from 165 locations. In 2011 the company served customers in about 100 countries, and had revenues of approximately GBP 1.4bn (USD 2.2bn or Euros 1.6bn). Aggreko plc is listed on the London Stock Exchange (AGK.L), is a member of the FTSE-100 index, and is headquartered in Scotland.

www.aggreko.com



nSYS are a team of business analysts and software specialists who work with their clients to improve their business processes and software systems, then help them manage and implement the changes they want to make. nSYS work with their clients through every step, from evaluating and detailing the exact requirement, designing and implementing the solution and the ongoing evaluation of the processes to ensure they continue to match the client’s needs.

www.nsystems.co.uk

Basware is the global leader in cloud based e-invoicing and purchase-to-pay solutions with more than 1,000,000 users in over 60 countries. Basware’s B2B Cloud solutions and services provide an open, secure and global ecosystem for buyer and supplier collaboration, connecting more than 1.9 million buyers and suppliers globally. The solutions are architected to meet the needs of SMEs and global enterprises and are built upon Basware’s deep knowledge and experience of B2B financial processes, coupled with intelligent cloud connectivity and the Open Network. With Basware, organizations benefit from more efficient procurement, accounts payable and accounts receivable processes, sustainable cost savings, better insight to cash flows and improved buyer-supplier relationships. The solutions are available via the cloud, on-premise or through business process outsourcing in Europe, the US, and Asia-Pacific through an extensive network of Basware offices and business partners.

The Journey

Phase 1: Scan and capture to convert paper into electronic

The first element of the project was to ensure that the invoices reached the Accounts Payable (AP) team in electronic format to enable smooth processing and integration with the existing ERP system.

Phase 2: Invoice automation with enhanced processing of recurring invoices and increased job satisfaction of the AP team

The new solution instantly reduced the number of exceptions, duplicates and lost invoices by automating the completion of part-filled invoices, automatically matching invoices to purchase orders and providing a complete audit trail for each invoice. Aggreko has also adopted additional solution capability with Basware Match to speed up the processing of recurring invoices such as utility bills. The improved performance also increased the job satisfaction of the AP team.

Phase 3: Reduced operating costs, unified accounts payable process across the company and improved supplier collaboration

To unify Aggreko’s accounts payable process across its units, the new automated solution has been rolled out to the units in North America as well as to new offices in Poland and the Middle East. Last but not least the Basware solution has enabled Aggreko to join up the processes with all of its suppliers consistently across each business unit.

“The AP staff found the system much easier to use than they had anticipated and management is very happy with the slick approvals system, which means they can now approve invoices and expenses via their Blackberrys,”

says George D Walker and continues:

“The biggest challenge for us was ensuring that we’d cleaned up our AP process ahead of the implementation. We needed to ensure that a common configuration and process was agreed up front and that everyone was speaking using the same terminology.”

New AP efficiency with globally unified processes

After the roll out of accounts payable automation in Europe, Aggreko made the decision to close the Shared Service Centre operating in Rotterdam. Other business functions had gradually moved out of the facility over the years leaving the AP team with a space too large for its needs. The common platform and processes provided by Basware made it simple to then move the accounts payable processes out to each country in a short time period and with no loss of service.

With the help of nSYS, Aggreko is now rolling out their Basware solution into nine other business units in North America, the Middle East, Poland and Australasia.

“Basware’s solution has enabled us to join up the processes with all of our suppliers and ensure consistency across each business unit,”

concludes George D Walker.

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