SLK

Case Study

Enhancing the Accounts Payables Operations for an Investment Organization

Continuous quality and operational improvements in invoice processing to improve Paid-On-Time (POT) success rate.

Case Summary

SLK helped a leading Middle East investment organization to improve their accounts payables operation, significantly improving processing time, accuracy and operational efficiency while eliminating bottlenecks and delays in processing with technology solutions.

The Challenge

The client, a leading investment organization operating from Middle East, faced multiple challenges in processing vendor invoices and subsequently, completing payments on time, due to factors like:

- Rework due to discrepancies in invoices, purchase orders, goods receipts, and contract mismatches
- Processing invoices after contract closure, contract renewals and modifications
- Pending and aging invoices due to bottlenecks in approvals and related processes
- Duplication of invoices during submission and processing
- Threshold variations in billing invoice amount resulting in leakage
- Dependencies on key approvers, causing delays during their absence

The customer was looking for faster and more accurate processing to prevent losses and reduce vendor queries.

The Solution

To overcome the client's challenges, SLK established a dedicated team to perform quality measures, including verifying contracted invoices to validate all contracted purchase orders (PO) and non-PO invoices with contract documents. Multiple key control checks were established to ensure the quality of incoming invoices in their initial stages to eliminate downstream bottlenecks and errors.

SLK also established processes for monthly vendor reconciliation of the top 50 vendor ledgers to reduce queries and improve continuously. Automation using SAP software was also deployed to reduce dependencies on approvers through auto delegation. It accelerated the overall processing time of vendor invoices, ensuring significant and continuous improvements in on-time payment processing.

Business Impact

SLK's focus on core process improvements resulted in on-time contract updates and renewals. Our SAP automation also ensured zero wait time for auto-delegating payment approval tasks in the absence or unavailability of key personnel. Our CCG (Contract Compliance Group) & ORC (Order Rate Check) teams and vendor reconciliation processes also improved these processes continuously over time.

24%
Improvement in POT success rate

23%
Reduction in vendor queries

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