



## Centrica: **High Visibility** E-Invoicing Within an SAP Shared Services Environment

---

“The BizAps team demonstrated excellent business process knowledge together with an in-depth understanding of SAP. This coupled with the products they offered, really impressed us.”

Finance Transformation Manager, Centrica

---

### About Centrica

Well-known utilities supplier Centrica Plc was formed following the demerger of British Gas Plc in February 1997. Through its brand British Gas, Centrica is one of the largest residential suppliers of gas and electricity in the UK. The group operates on a global scale, including operations in Europe and North America. Centrica uses SAP ERP to support its back-office functions and recognises it as a key tool for driving operational excellence across the organisation. The energy market is constantly changing; therefore, Centrica is continually looking for new efficiencies to meet the company's evermore stringent operating requirements.

### The Requirement

Having operated a successful shared services business model since 2000 and re-implemented SAP in 2005, Centrica was looking for new ways to make savings. The spotlight fell on Accounts Payable as an area where intensive manual processes could be sent offshore to reduce costs. The strategy for AP optimisation comprised using scanning technology to capture vendor invoice information in the UK, which would then be presented onscreen for offshore operatives to enter manually and process. It was recognised that to give visibility of documents within the process and to provide workflow with which to deal with those that blocked, further management tools would need to be employed. Based on research within the marketplace and also advice from SAP UK, the BizAps AP Workbench solution with the Web Invoice Approval module was identified as a solution to meet these requirements. Following several workshops to understand exactly what the challenges were, a new process was designed (based on the Accounts Payable Workbench) to manage the processing of scanned invoice documents. A blueprint was produced and the solution was implemented in just two months.

### The Solution

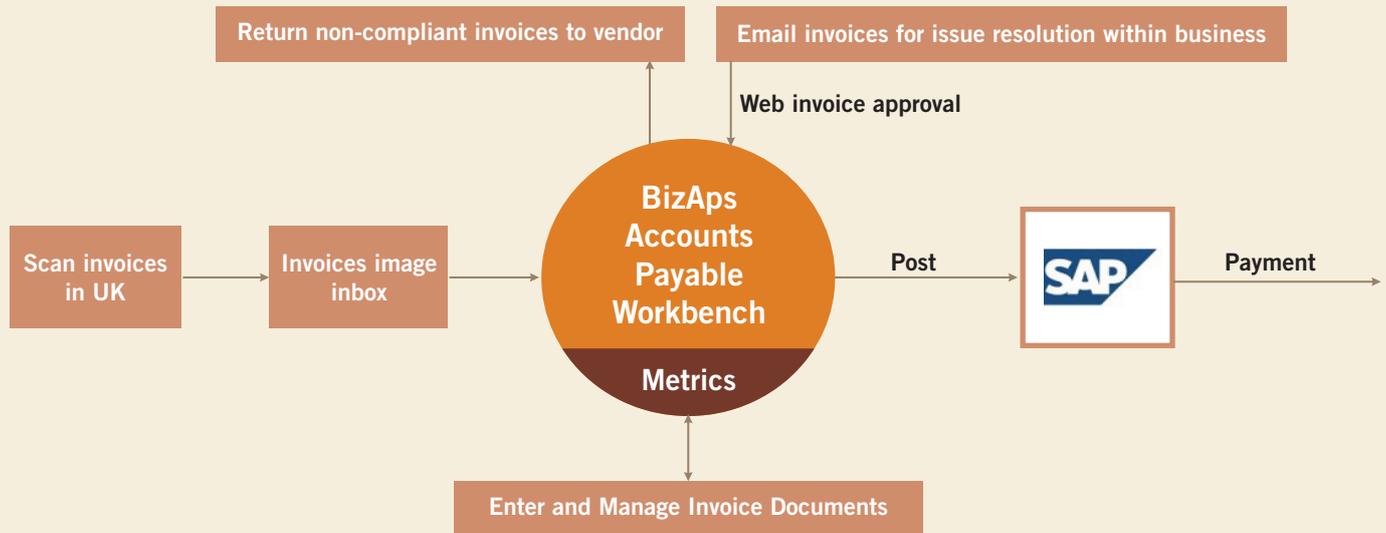
The diagram below demonstrates how the automated process now operates. When an invoice is scanned in the UK, it is sent to a number of inboxes for processing by the offshore AP team. They then access each invoice image through the workbench in order to manually enter the data and process the document.

If there is insufficient information on the invoice to process it, the operative can return the invoice to the vendor. The vendor will be informed of the rejected invoice by whatever means is most appropriate for that vendor, for example, fax, e-mail or letter. They will be advised of the reason for the rejection within the notification text.

Where invoices get blocked because they require approval from within the business, a workflow is invoked by the operatives. This will initiate an e-mail being sent to the relevant business user who can then log in and resolve the issues surrounding the invoice. For PO invoices, workflow can be automatically initiated; for non-PO or FI invoices, an operative must manually create a query.

The AP workbench provides a central area for managing all document processing. The offshore operatives can view what documents are awaiting processing, which are awaiting approval and where there are delays in the process.

The pool of reports available in the workbench also allows the Centrica management team to view how its AP team is performing. It also allows the Finance team to view what invoices are in the system at any given time, giving an up-to-date financial position.



## The Benefits

The greatest benefit delivered by this solution is the visibility of exactly what documents are where at any given time. This visibility applies across both the offshore AP team and the onshore management and financial teams. Each can gain an overview of what is going on at a given time. Given that the organisation receives in excess of 1,000,000 invoices per year, this is a significant benefit.

For the offshore AP operatives, it means they can review the status of documents awaiting processing from the overview screen. For the onshore management team, there is the ability to monitor how the AP processes are performing and particular patterns identified and challenged. The finance team now also has the visibility of liabilities across the organisation; under the paper-based process, this was very difficult to ascertain.

The solution enables Centrica to enforce compliance with its designated processes, for example, with MM invoices a purchase order has to be linked to a GRN before an invoice can be paid. This may not have happened under the previous arrangement where a completed document may not have been

“BizAps speed of response coupled with flexibility helped to ensure we went live successfully and in line with our ambitious time-scales.”

**Finance Transformation Manager, Centrica**

returned prior to the payment deadline. An additional unforeseen benefit is the record of invoices returned to the vendors. If a particular vendor is having a large proportion of its invoices rejected, this suggests that follow-up is needed to educate the vendor on necessary data formats.

The solution is easy to use ensuring buy-in from within the organisation took place very quickly. The user-friendly nature of the system meant that user training was carried out by Centrica personnel following some initial knowledge transfer from the BizAps team.

“These tools give us high visibility of our processes and really help us to maintain control in an offshore environment.”

**Finance Transformation Manager, Centrica**

To learn how we can help extend your enterprise,  
write to us at [marketing@wns.com](mailto:marketing@wns.com)