Introducing the Operational App for Accounts Payable

Accounts Payable, Tomorrow

JP Thomsen

VP Business Models and Enablement

April 28, 2020

Our customers are driving outstanding outcomes in Accounts Payable today

Deutsche Telekom saved more than **€40M** by finding and capturing unrealized cash discounts.

€40M in Savings

AkzoNobel

AkzoNobel increased their **on-time payment rate by 20%** by addressing the root causes behind payment blocks.

20% Better On-Time Payment

Chart identified **$2M in savings** from resolving late payments and capturing cash discounts.

$2M in Savings

“Acting with agility is not just the new currency of business, it’s the most valuable currency today”

Agility and the Future of Finance, HBR

Today's ecosystem is rigid. Tomorrow's expectations are fluid.

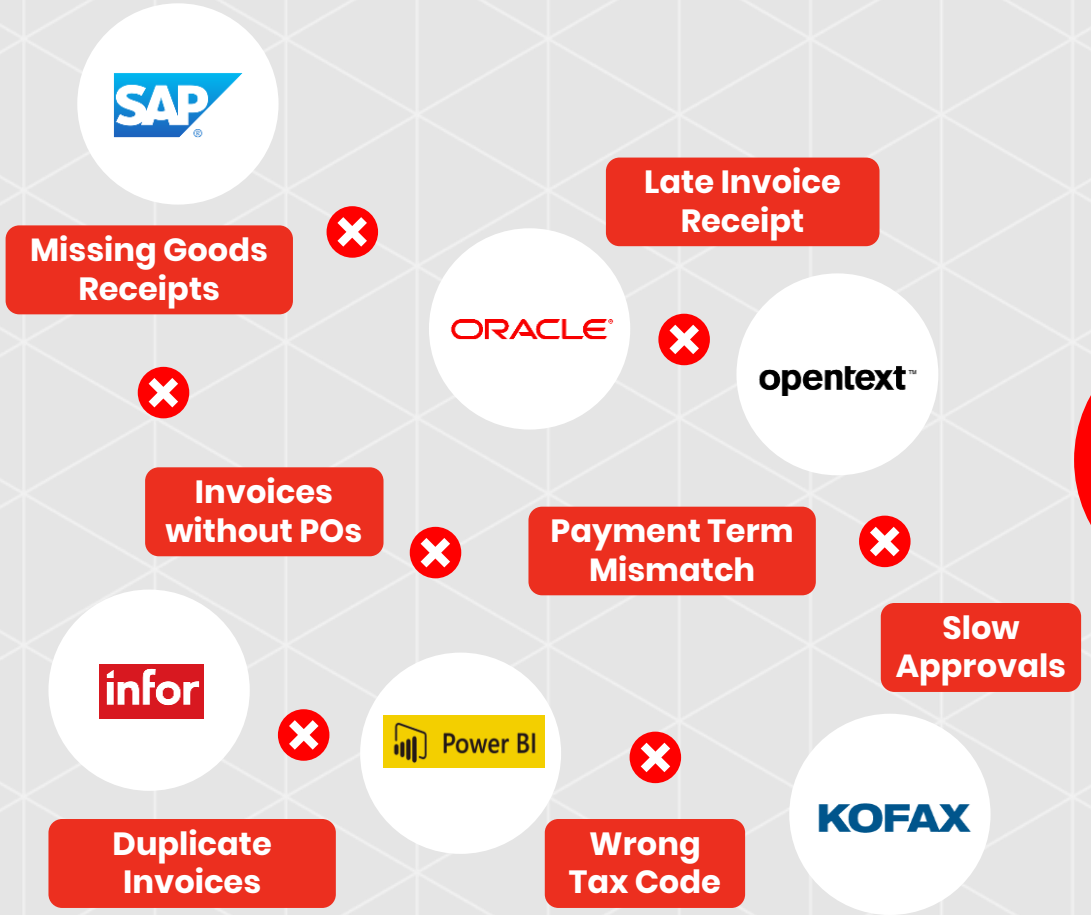
High Expectations for AP

90%
Paid-on-Time Rate

0.05%
Duplicate Payment Rate

54%
Touchless Invoicing Rate

Chronic friction constricts processes and impedes goals.



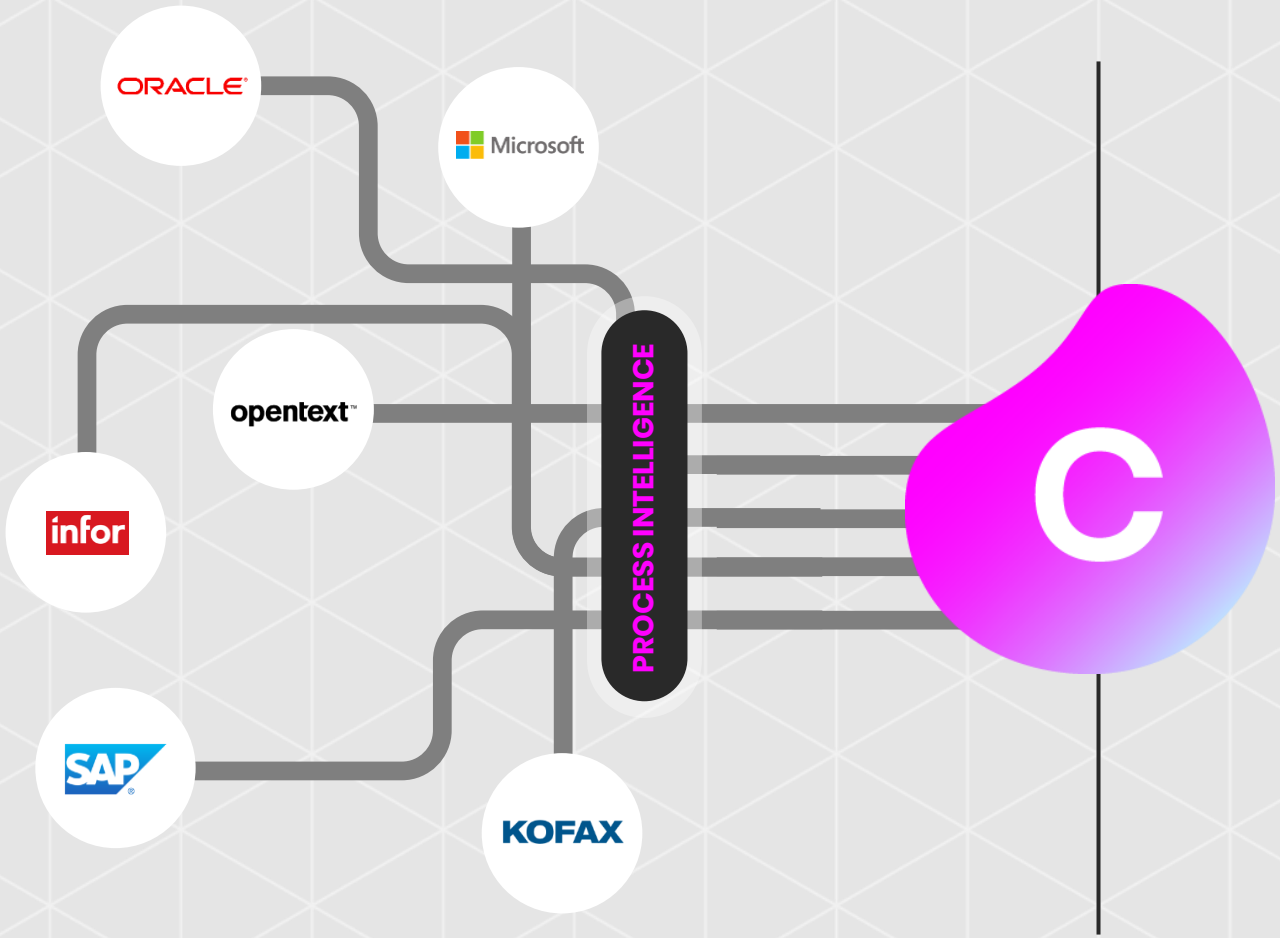
Where Customers Are Today Pre-Deployment

34%
Paid-on-Time Rate

0.1%
Duplicate Payment Rate

17%
Touchless Invoicing Rate

You deserve better.



Deliver on High Expectations

90%
Paid-on-Time Rate

0.05%
Duplicate Payment Rate

54%
Touchless Invoicing Rate

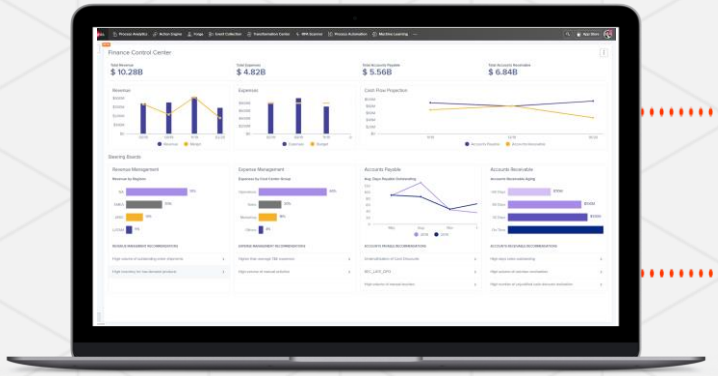
Meet the Operational App for Accounts Payable.

An operational application that intelligently optimizes AP processes for outcomes.

The unified, intelligent solution that optimizes your AP operations.

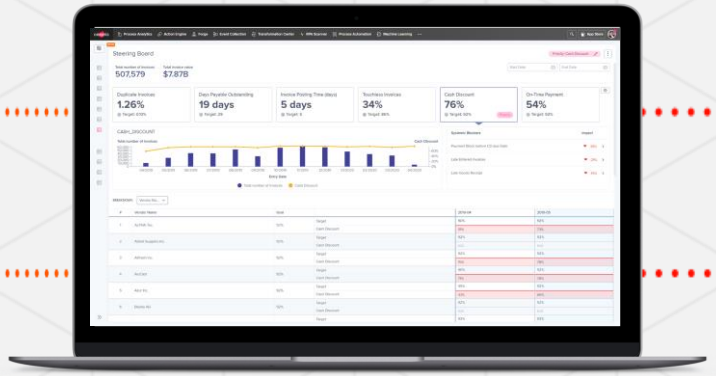
celosphere20 x Live20

Executives



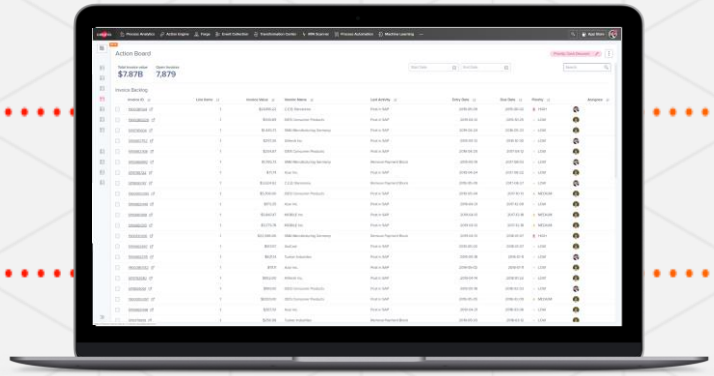
Empowers outcome-based steering of day-to-day operations

Managers



Senses friction, enables prescriptive, automated action

Clerks



Prioritizes work, recommends next-best actions

Powered by Process Mining, AI, and Automation.

Put Operational Apps to Work to Achieve Real Outcomes

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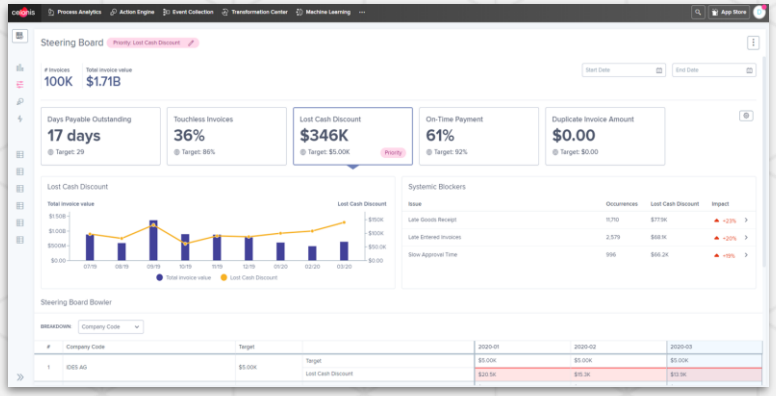
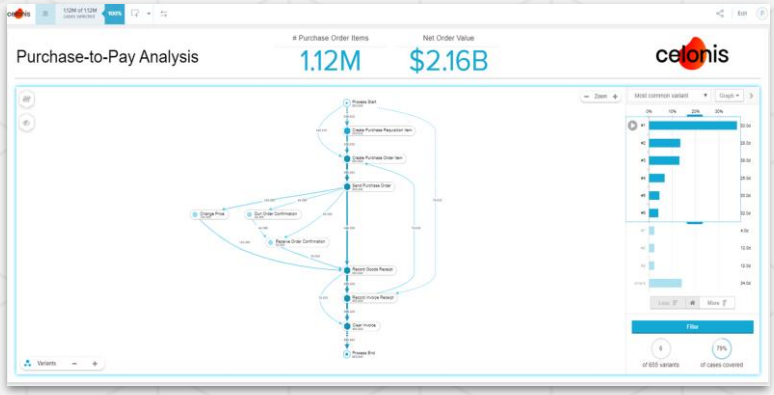
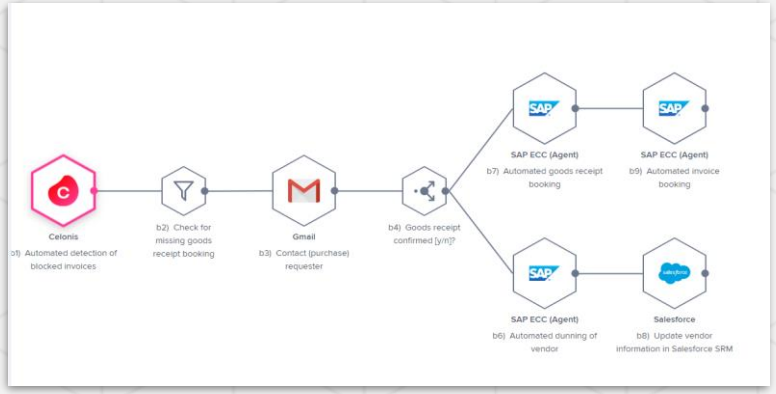
AI senses friction and provides guidance based on history



Process Mining extracts data and analyzes your processes



Automation enables rapid, touchless action



Put Operational Apps to Work to Achieve Real Outcomes

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Sense

Friction points
Root causes

Act

Automation
Smart alerts
Process improvements

Business Context

from Process Mining

Operational Systems

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celonis

Live Demo

Accounts Payable, Tomorrow

1

Automated surfacing of what's blocking your outcome

Turns out **missing Goods Receipts** and **short payment terms** are your top discount blockers.

2

Prescriptive guidance and automated actions to fix it

Intelligent handling of invoices that have been parked **due to missing Goods Receipts**

3

Work prioritized **based on the outcomes**

Think invoices routed differently to capture **cash discounts.**

So your processes continuously self-correct for every outcome you care about.

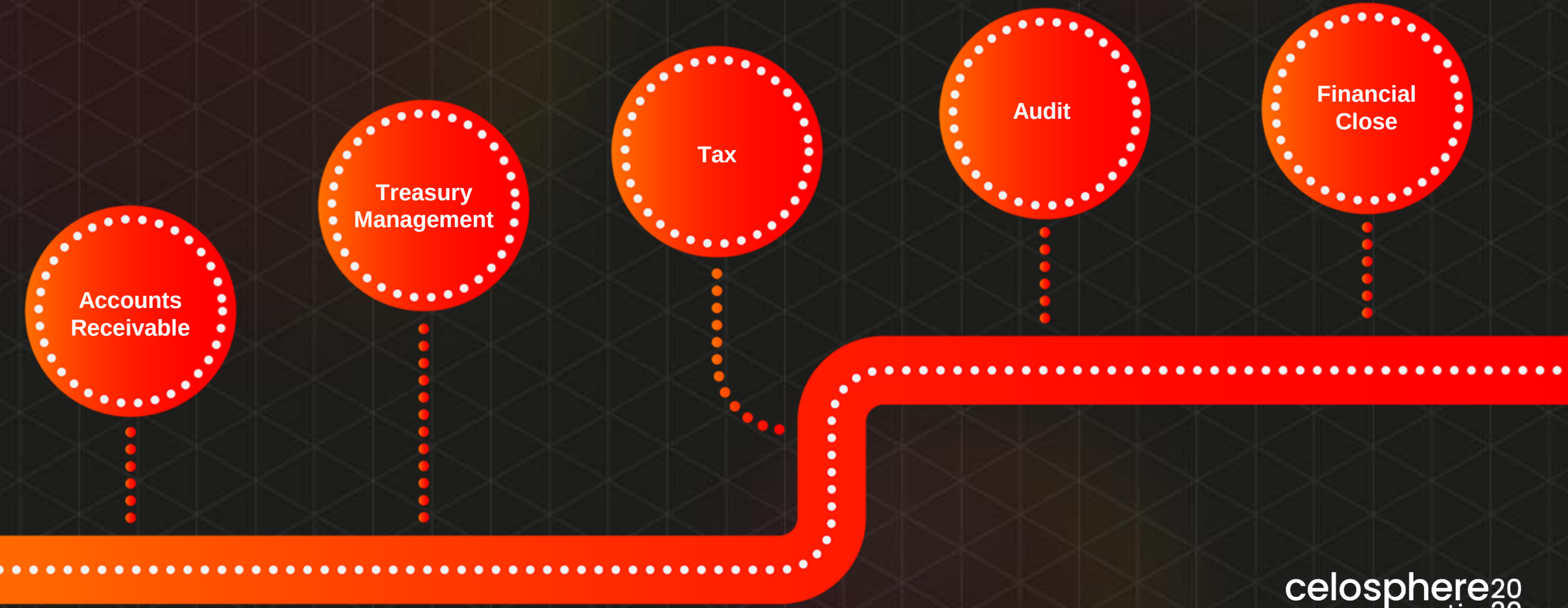
celosphere20 x Live20

celonis

Customer Spotlight – Fresenius

Our Vision for Operational Applications in Finance

The Roadmap



Accounts Payable that finally runs the way you always wanted it to.

Join us.

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Fresenius Kabi’s journey to frictionless finance

The Operational Application for Accounts Payable

Our Identity

- Fresenius Kabi is a global healthcare company that specializes in lifesaving medicines and technologies for infusion, transfusion and clinical nutrition.

- Our products and services are used to help care for critically and chronically ill patients.

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Our Purpose

- We are committed to putting essential medicines and technologies in the hands of people who help patients and finding the best answers to the challenges they face.

- Driven by our philosophy:
  caring for life

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Process Mining Journey of Fresenius Kabi

Joining the evolution of Process Mining

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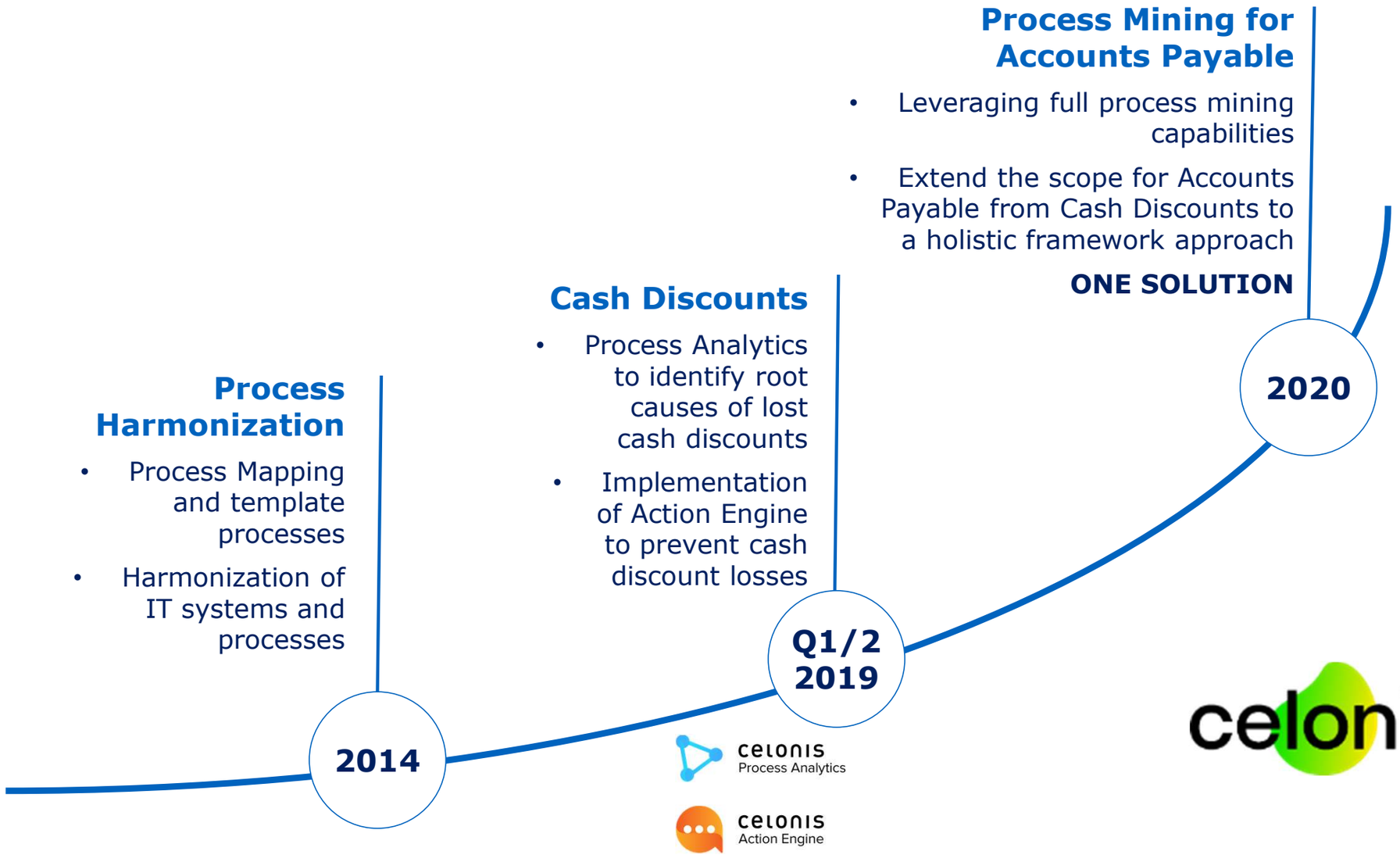

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Holistic Approach for Accounts Payable

Achieving strategic goals by accelerating operations

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Multiple stakeholders **with a different view** **working towards the same goals**

Executives	Top Level KPIs	On-Time Processing	First-Time Right	Cash Preservation
Managers	Steering Operations	Waiting Times Payment Behaviour Overdue Invoices	Rework Activities OCR Quality Capture Formats	Duplicate Payments Cash Discounts Payment Terms
Clerks	Processing Invoices	Priorities Open Actions Current Workload	OCR Errors Vendor Details Coding Information	Potential Duplicates Discount Invoices

One solution that brings everyone together, gives each stakeholder the relevant information they need, and accelerates performance

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Operational App for Accounts Payable

Clerks work more efficiently

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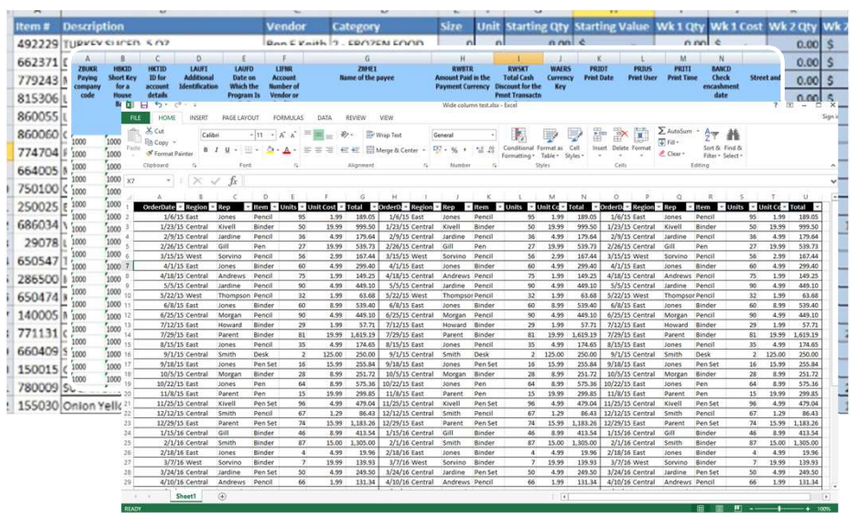
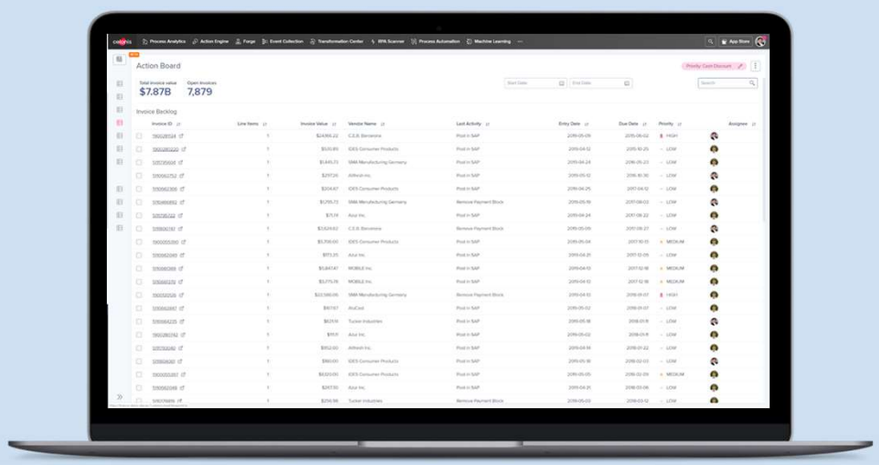
FROM

- “It’s not always clear what I need to do next to move an invoice forward.”
- “I lose time while collecting all necessary information”
- “There are so many invoices that I don’t have enough time to focus on the hard ones.”



TO

- Invoices automatically sorted and prioritized by outcome with recommended actions
- Invoices pre-checked for accuracy and completeness and all required information in one place
- Straight-through processing so accountants focus on the invoices with high complexity



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Clerks work more efficiently

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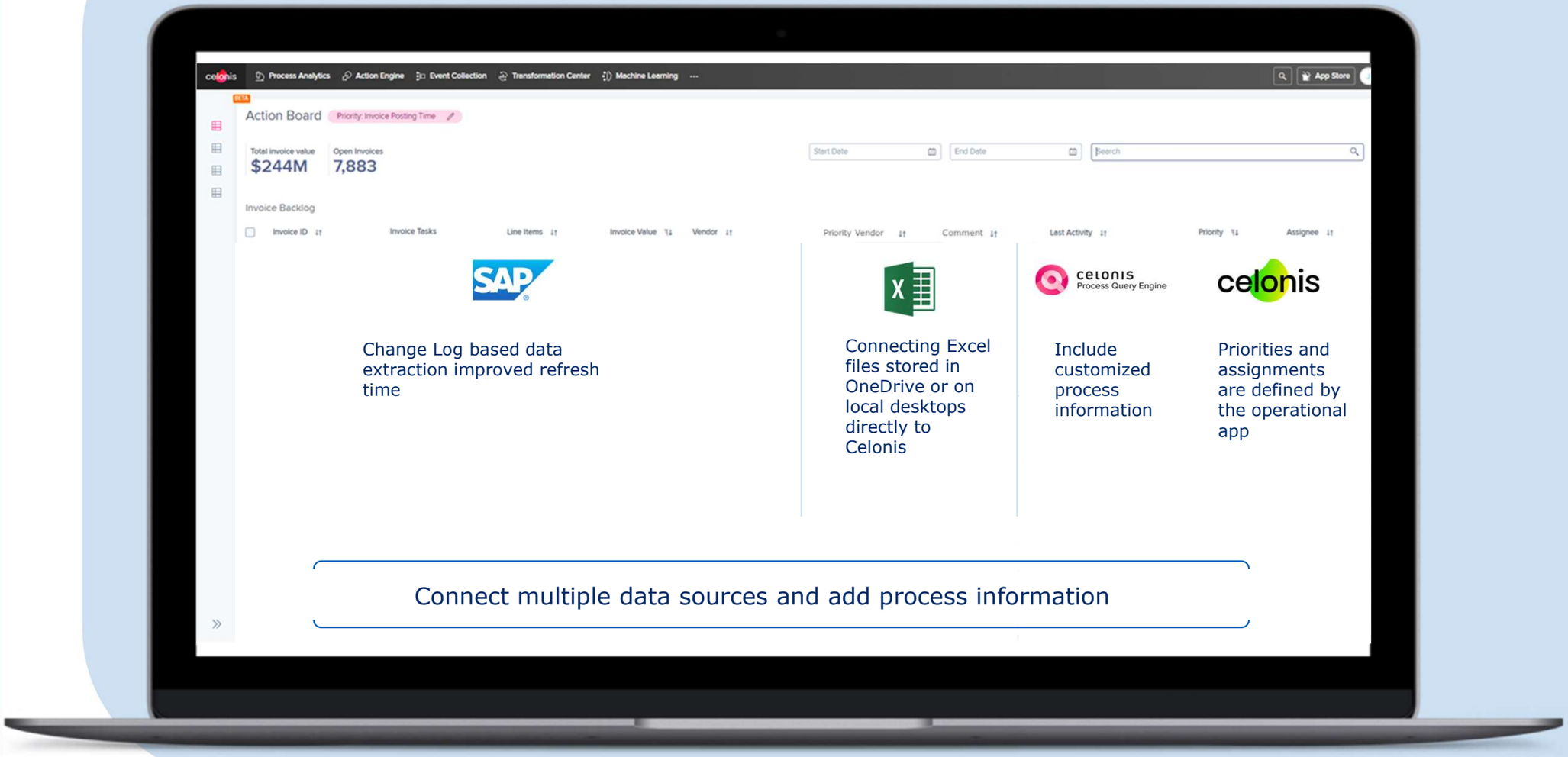

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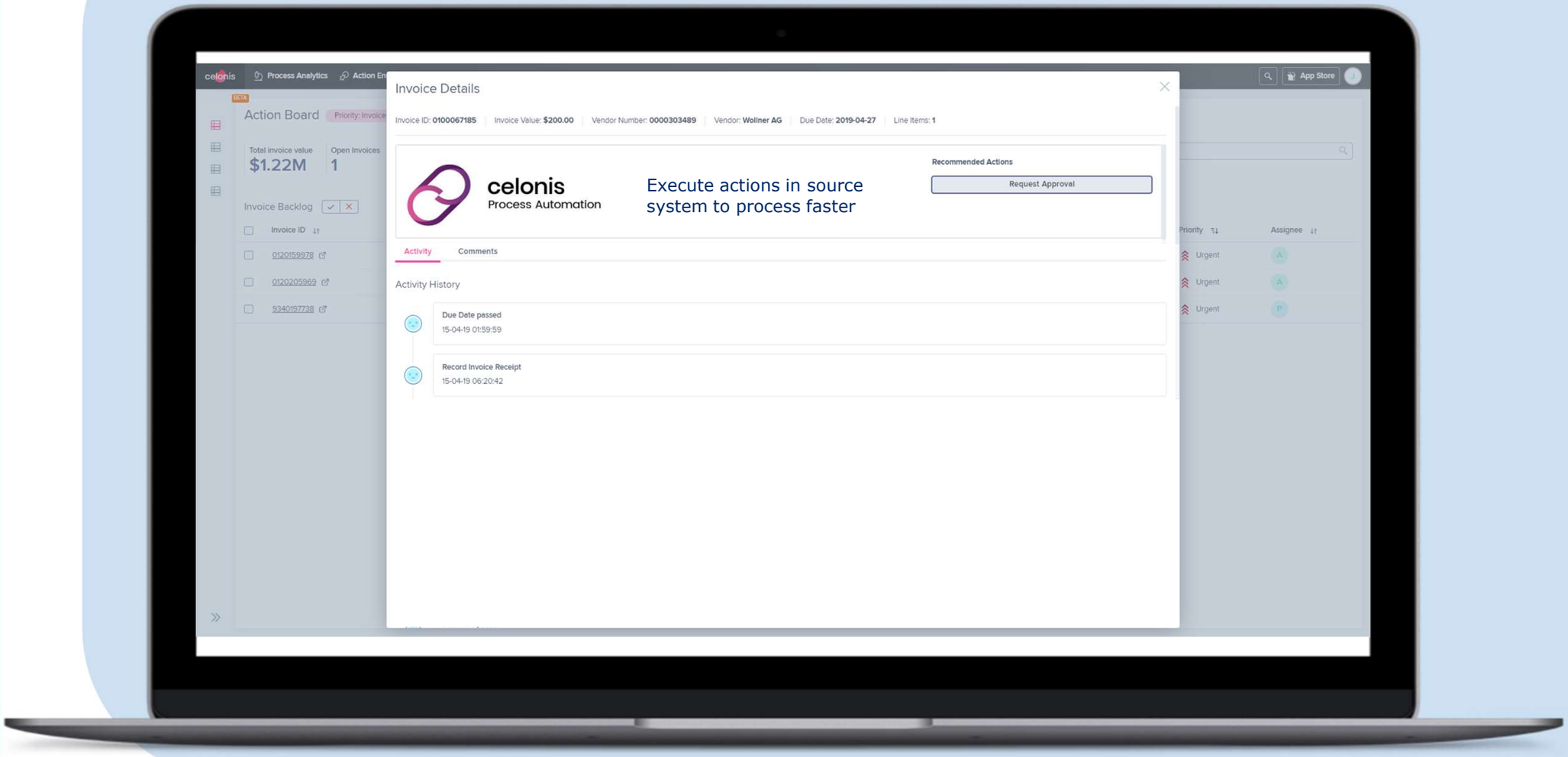

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Operational App for Accounts Payable

Managers act more proactively

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FROM

- "It takes so much time to track exactly what everyone's working on and adjust."
- "It's hard to know exactly what's going wrong."
- "Changing a process requires so much time and it's difficult to see if it's had any impact."

A	B	C	D	E	F	G	H	I	J	K	L	M	N	
ZBUKR Paying company code	HBKID Short Key for a House Bank	HKTID ID for account details	LAUFI Additional Identification	LAUFD Date on Which the Program Is to Be Run	LIFNR Account Number of Vendor or Creditor	ZNME1 Name of the payee	RWBTR Amount Paid in the Payment Currency	RWSKT Total Cash Discount for the Pmnt Transactn in Pmnt Currency	WAERS Currency Key	PRIDT Print Date	PRUS Print User	PRTI Print Time	BARCD Check encashment date	Street and
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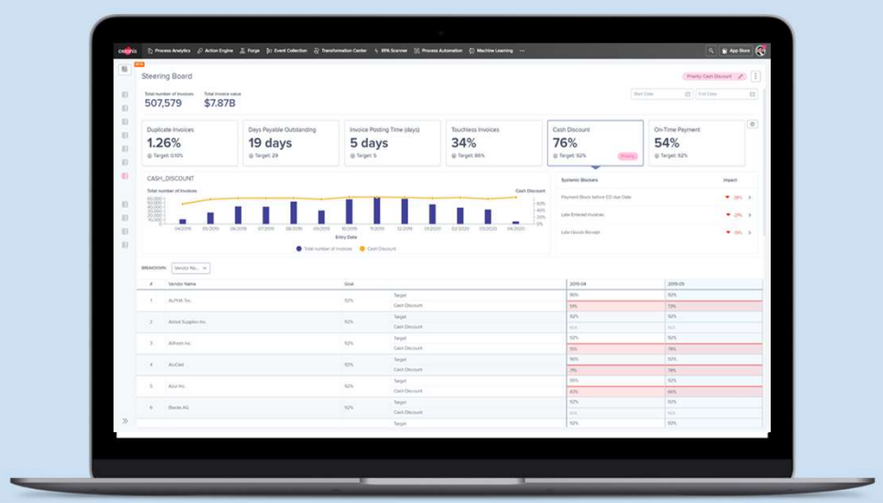
TO

- Daily management dashboard with intuitive KPI drill-down
- Systemic blockers surfaced to catch and kill before they impact performance
- Prescriptive action flows with built-in automation to rapidly remedy root causes, not just symptoms



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Managers act more proactively

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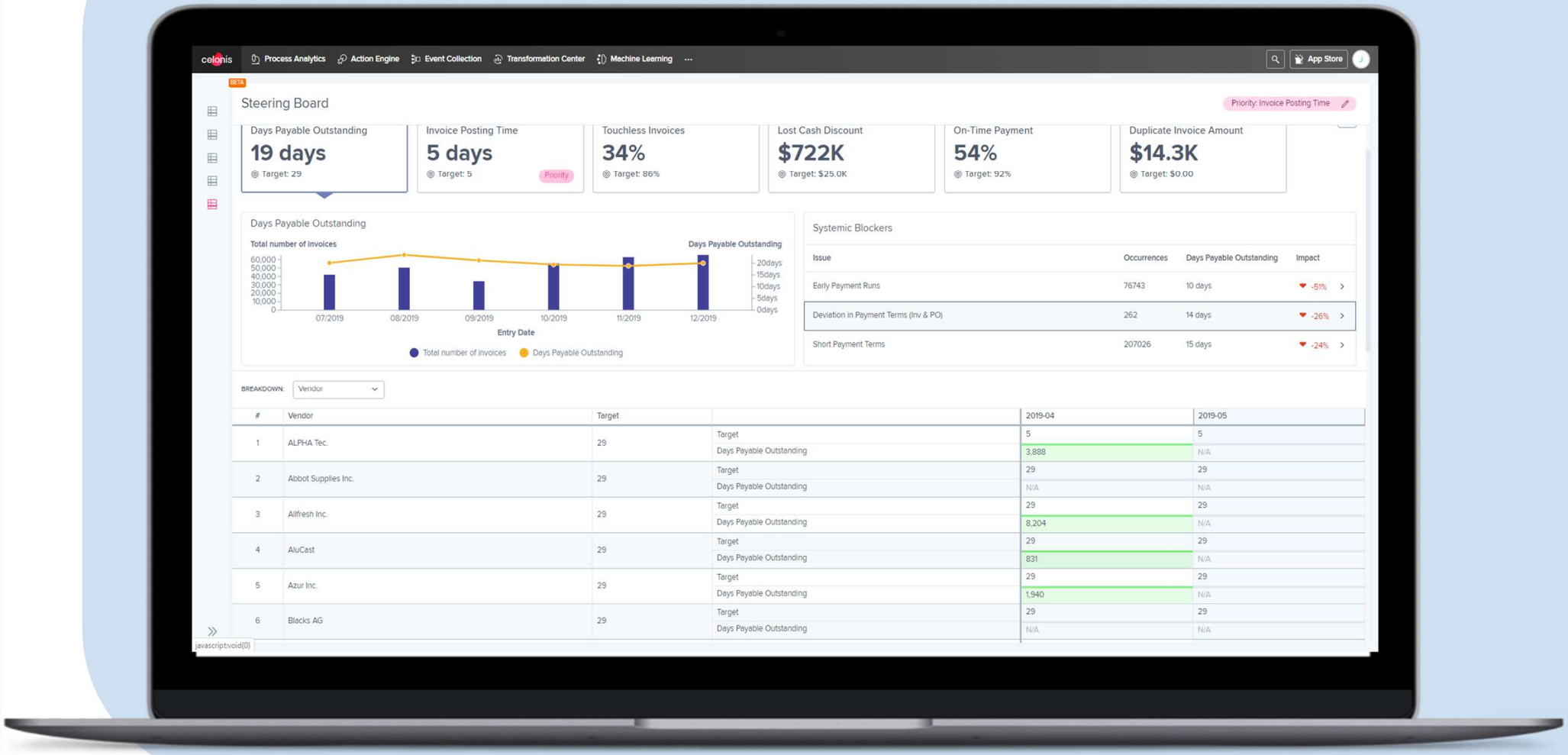

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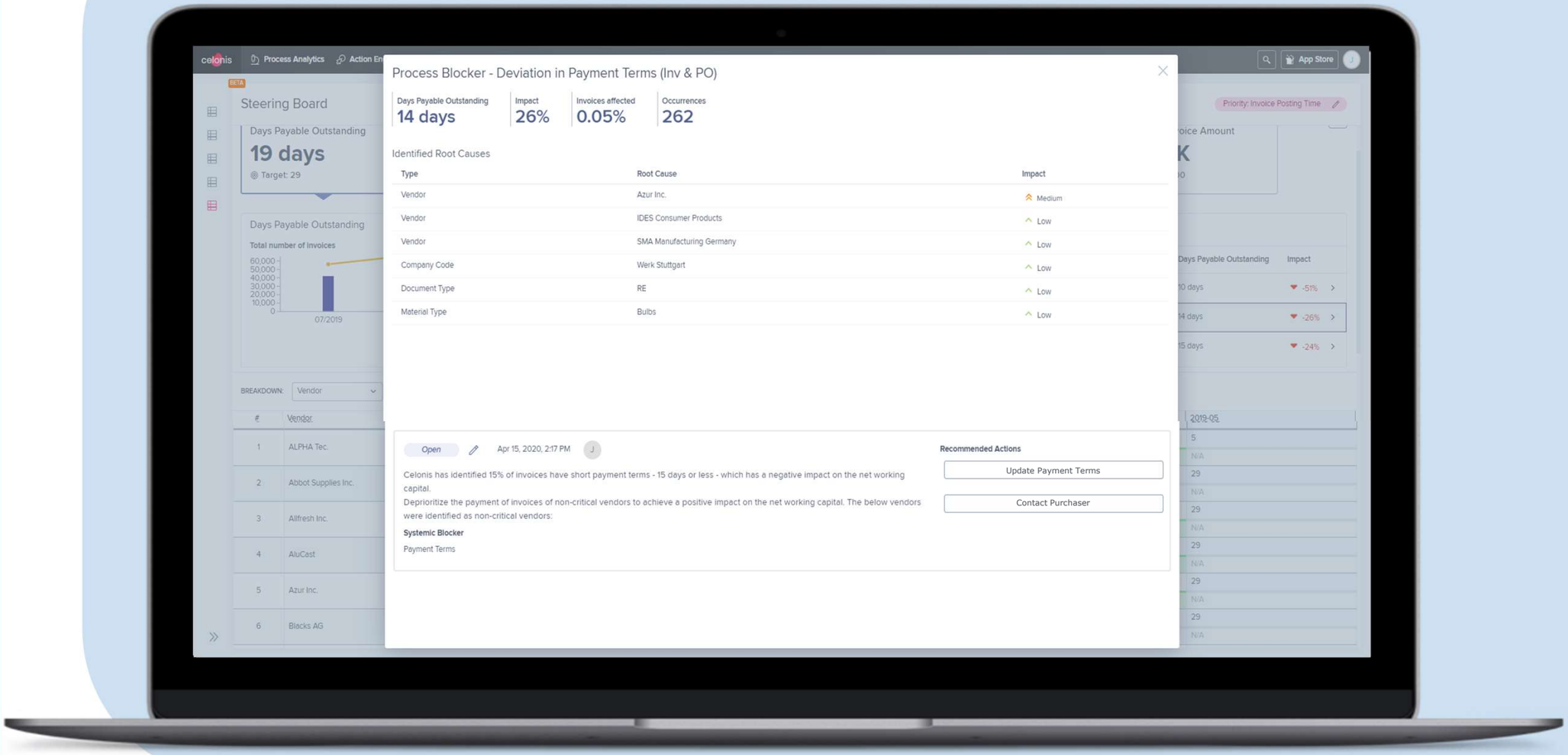

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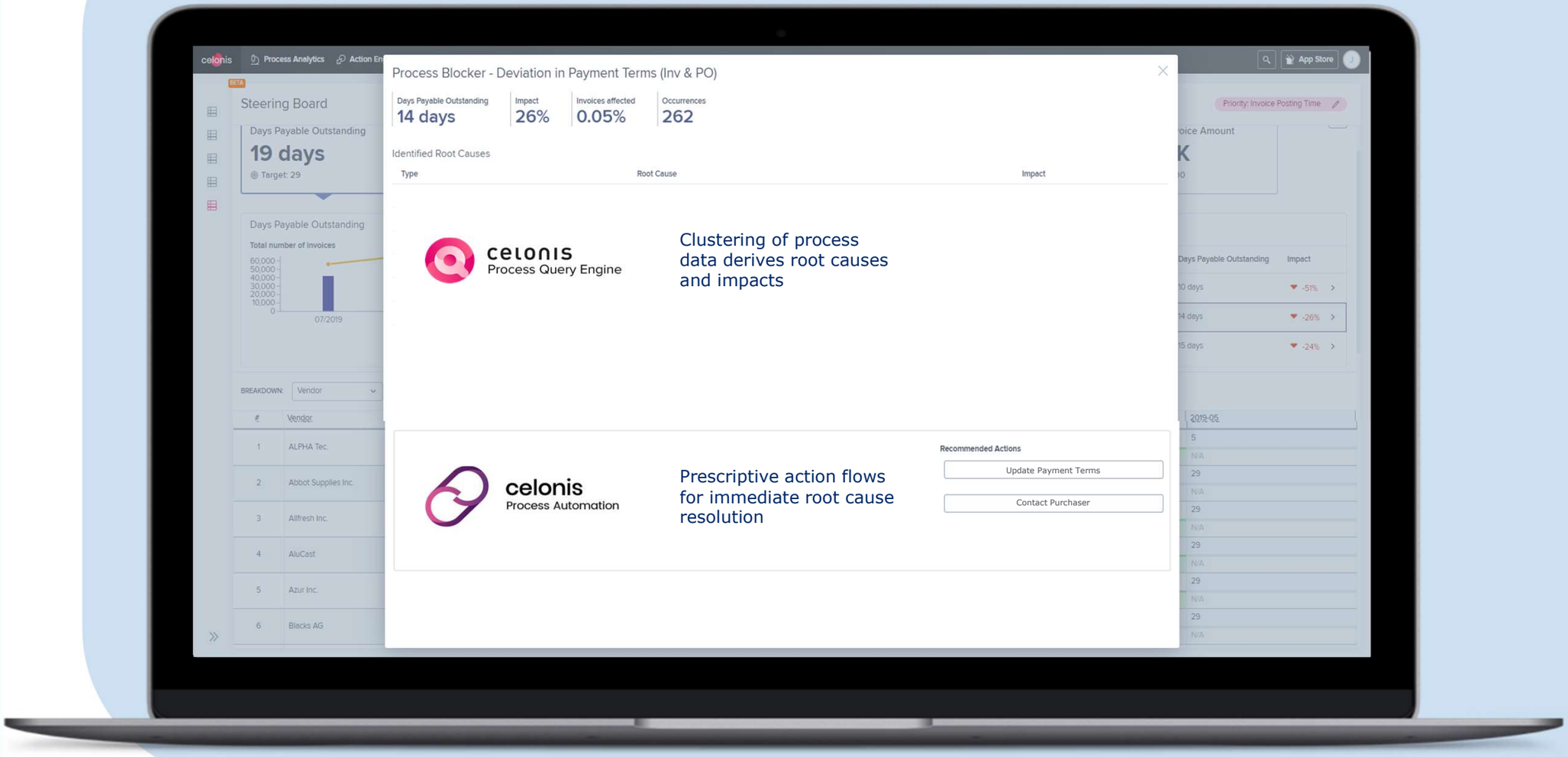

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What we achieved so far

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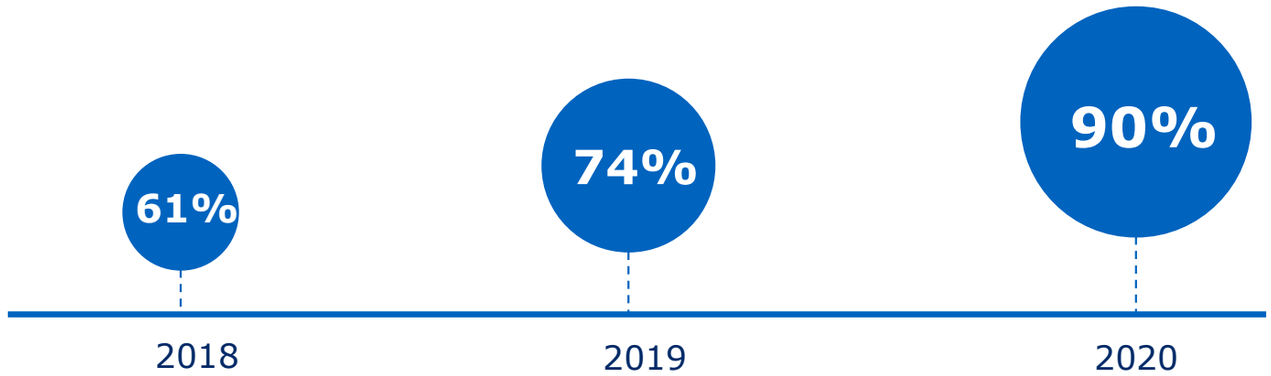
Cash Discount Ratio



with Operational App for Accounts Payable

15%
higher On-Time Processing

100k
accelerated process activities

500k€
Capital Cost reduction