CASE STUDY: AP AUTOMATION SUCCESS

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INTRODUCTION

May through June of this year, the Elire team successfully launched the second half of the Canon Information and Imaging Solutions (CIIS) Accounts Payable (AP) Automation Solution implementation project with our client, Prologis. The first half of the project was discussed previously, in our "Case Study: Preparing for AP Automation", where we detailed how Elire prepared for the design and implementation of this solution during the first phase of the project. This case study discusses key details to successfully building the future state of the solution which include key mobilization activities, current state review, and a disconnect assessment.

Upon completion of the first phase of the project, the combined Elire, Canon, and Prologis team moved onto the second phase which included future state process design, future state system design, implementation, and support. Future state process mapping had the goal of bringing key resources together to create a globally unified AP solution process. This meant discussing how future business processes could be improved, while also using the future state system design to flush out more of the system specifications and requirements. Implementation and support of the final solution was the final part of this project, with the goal of launching a stable AP solution while ensuring end user adoption was supported efficiently and effectively.

The Go-Live rollout came in two parts; North America launched on April 24, 2019, while the European Union (EU) and Asia launched the solution on June 17, 2019. The overall goals of implementing the AP Automation Solution from CIIS were to reduce data entry errors, improve traceability in the end-to-end process, and integrate the Canon solution with Prologis' ERP software (PeopleSoft). All of these goals were accomplished and more during both phases of the project.

FUTURE STATE PROCESS DESIGN
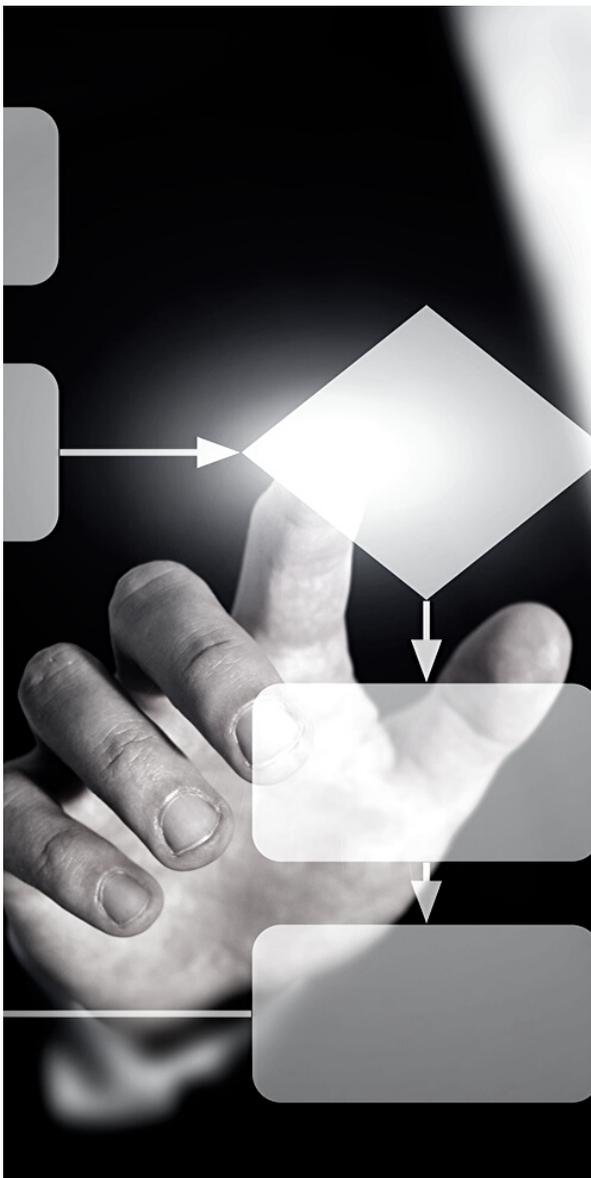
The second phase of the project began with a week long workshop to create the future business process for AP invoice processing. Canon and Elire conducted this workshop that included AP managers and key resources coming together in one room at the Prologis headquarters in Denver. These resources came together from Amsterdam (EU headquarters), Japan, China, Singapore, Mexico, and the United States. Having global representation ensured we could establish the unique requirements for each region of the business operations.

Many sessions were held throughout the week to thoroughly discuss process improvement in each part of the end-to-end process. Process discussions included technical and security requirements that would be needed for the system. The end-to-end process consisted of invoice intake, Optical Character Recognition (OCR)/data extraction, account coding, Value Added Tax (VAT) for the EU, Asia, Mexico, supplier identification, integration to PeopleSoft, and voucher build. After the conclusion of gathering the process, technical and security requirements, Elire and Canon worked together to document a complete design document. This end-to-end AP processing design document was reviewed with the client's global team and verified before we concluded our design week and moved into system design and creation.

FUTURE STATE SYSTEM DESIGN

After building out the requirements and desired future process with Prologis, we began to work with Canon to build the system and define any other requirements that would spring up. Since the solution leverages Canon software, the development and build was handled by members of the Canon team. Elire's role during this phase was to work closely with the Prologis team members to flush out remaining details of the future system, analyze and recommend account coding tags to automate the invoice coding using OCR, and collaborate with both parties to build key data integration.

Although the hosted global workshop dedicated to future state design effectively accomplished the goal for creating the new, improved state of the business process, there were still many intricate requirements that needed to be discussed and solutioned. The Project Team gathered requirements with a series of ad-hoc meetings and recorded the requirements to be communicated with the Canon development team. Many of these requirements were specific to regional intricacies such as China's and Mexico's government requirement to track business transactions. Another key activity from this phase of the project was to work with Prologis to recommend and create Accounting Tags. These tags are meant to streamline applying accounting line details to invoice vouchers.

Since the capture part of the Canon solution can extract and verify the invoice information against the company's ERP data, this was a huge part of successfully achieving the project goal for minimizing AP invoicing errors and reducing the overall processing time. Elire worked to analyze the global invoice data from our client's ERP system and recommend tags that greatly increase the efficiency for the vouchering process. In many cases we were actually able to fully automate the voucher creation for particular vendors.

While Canon worked to develop the Prologis unique functionality, Elire worked with both parties to ensure proper data integrations were built between the systems to communicate necessary data. Some key activities here included data cleanup, data mapping, technical architecture setup, and creative solutioning for custom field requirements. Some of the custom information couldn't be passed from system to system, so the project team had to creatively solve this issue by building custom business rules.

This phase of the project included many discussions with both business users and technical personnel to build the most efficient end-to-end system. Once we had the intricate requirements built out, data reconstructed and the integrations built, we were ready to launch the implementation and following system support.

IMPLEMENTATION SUPPORT

The North America and EU/Asia launches required a proper framework of support to ensure successful end user adoption with as little down time as possible between systems. Canon presented the training materials to the user population, while Elire worked hands on with the AP processing team to reinforce the training from Canon and build out system defect support and system enhancement requests.

The first introduction to the new AP solution for the Prologis AP processing team came during User Acceptance Testing (UAT). The goal for UAT was to slowly introduce the functionality of the new Canon solution to the Prologis team, while ensuring key functionality was working properly. Canon came onsite for two days (both phases of the Go-Live) to give detailed hands-on training with the AP processing team. After the training was completed, Elire worked closely with the AP processing teams to ensure they learned key functionalities of the system.

While the users were learning the new system and testing out the functionality, the Project Team worked to track system defects and work out the root causes. The system defects could be many things from data not integrating between systems, inaccurate OCR results, incorrect date formats, etc. The Elire team worked to uncover the true issue of the defects and quickly communicate the issues with the proper resource who could solve.

Throughout UAT and post Go-Live, Elire kept in close communication with the Prologis team to address any potential enhancements that could be made to the system. These enhancements were meant to increase productivity, or address user requirements that weren't called out during the design phase.

PROJECT ROADBLOCKS

Though the project was a success, this didn't come without a few roadblocks that needed to be tackled. The overall challenge that both the Canon and Elire team had to adjust to was that this was the implementation was global in scope. This presented unique challenges to each region of the global business. Elire and Canon worked to meet this challenge by collaborating with the Prologis International Teams. This often included meetings at all hours of the day, including many 2:00 AM- 4:00 AM meetings to interact with both the Asia and EU regions during their business hours.

The other large roadblock of the project was an unforeseen security requirement. A few days before Go-Live, the team learned that the system architecture wouldn't meet Prologis security requirements. The overall architecture was reviewed in detail at the beginning of the project, but unfortunately a key personnel change created a stronger security requirement prior to Go-Live. To quickly overcome this issue, Elire worked with members of both Canon and Prologis for a few very long days to make sure we could adjust for a successful Go-Live.

SUCCESS
DELIVERED

The Elire team worked closely with our partner Canon to successfully deploy a global business solution for AP processing automation for Prologis. The keys to success through this project were having a well defined project plan, executing according to plan, and most importantly, developing and maintaining a close and productive working relationship with the Prologis team. These three items were necessary for collaboratively creating a future state business design, building the future state system design, as well as successfully launching and supporting the Go-Live solution.

With the Go-Live of the solution we were able to provide a solution to each of the disconnects that were called out during Phase 1 (Current State Review), as well as successfully fulfill each of the project goals. Over 30% of disconnects were associated with system issues which include invoice intake, payment terms, faulty supplier data, etc. Another 20% of disconnects that we were able to solve as well relating to manual work. This manual work included the manual coding of invoices, updating supplier information, and attaching invoice images to the corresponding voucher.

ABOUT THE AUTHOR

Brandon Benner is a Consultant in Elire's Strategic Advisory Services Practice and a Certified Oracle Procurement Cloud Implementation Specialist.

Mr. Benner assists his clients in current state mapping to gather their current process and disconnects, as well as developing solutions for process improvements to get them to their desired future state. Mr. Benner is currently completing the Implementation of Canon's AP Automation Solution for a global real estate client.

Elire's Strategic Advisory Services practice offers services in the areas of Strategic Roadmaps, Business Process Improvement, Accounts Payable Automation, and Training and Change Management. These ares combine to help our clients understand their organization's Current State problems and develop the necessary solutions to move to their desired future state. The Elire methodology allows our clients to move forward with confidence and also develops the materials necessary to win internal support for the project.

Elire and Canon have a proven partnership of delivering success to our Clients. Elire is a Solutions Partner of Canon Information & Imaging Solutions, re-selling and implementing AP Automation in the marketplace. As the industry PeopleSoft experts, Elire also provides guidance for the future of the Canon solution, assisting the Canon development team to continue to add maximum value to the tools PeopleSoft Users. Elire was also recognized as Canon's Partner of the Year in 2018.