



Success story

DIC Asia Pacific Pte Ltd

Industry

- Manufacturer of specialty chemicals

Solutions

- OpenText™ Vendor Invoice Management for SAP Solutions
- OpenText™ Capture Center
- OpenText™ Document Access for SAP

Services

- OpenText™ Professional Services

Results



Digitally transformed manual vendor invoice management and capture processes



Implemented auto scan and auto-post capabilities for three-quarters of invoices



Delivered **300% decrease** in invoice processing turnaround times



Drove accuracy and quality of invoices by suppliers



DIC Asia Pacific drives accounts payable automation with OpenText™

Fine chemicals company digitally transforms invoice processing with OpenText solutions and services

"Using OpenText™ Vendor Invoice Management for SAP® Solutions now enables each team member to process around nine invoices per hour, a threefold productivity improvement."

Suk Cheng Leong
Regional Senior Finance Manager
DIC Asia Pacific



DIC Asia Pacific drives accounts payable automation with OpenText

DIC is a global fine chemicals company specializing in the development, manufacturing and sale of printing inks, organic pigments, synthetic resins and compounds. DIC was one of the first Japanese printing ink manufacturers to establish a presence in Asia.

With a strong and rich history, DIC capitalizes on its strengths with a diverse product portfolio to service the automotive, electronics, food, packaging and housing markets. DIC's strong market presence worldwide is seen in the printing inks, organic pigments and PPS product lines. With 110 years in the business, DIC has 171 group entities and operates in 64 countries and territories worldwide.

Over the years, DIC has built a vast business partnership with global and local suppliers as well as customers worldwide. Among other things, this led to the need for improved streamlining of business processes. In 2012, the company responded through an initiative to roll out SAP as the standard ERP tool.

DIC also looked at opportunities to provide more automation and use business rules to further enhance productivity, envisioning a concept of 'doing more with less.' After reviewing available vendors in the marketplace, the company chose OpenText as its business partner to achieve its digitization goals. Accounts Payable departments were targeted as the first function for the initial digital transformation project.

A project team was formed and Ms. Leong Suk Cheng, regional senior finance manager of DIC Asia Pacific, was identified as the project lead.

"After the SAP implementation, we realized that entities took localized divergent processes in managing the standard AP function," said Ms. Leong. **"To address this, we decided to standardize and centralize**

invoice processing by leveraging a combined solution—OpenText™ Vendor Invoice Management for SAP® Solutions and OpenText™ Invoice Capture Center."

DIC also leverages OpenText™ Document Access for SAP® Solutions to manage archiving of all invoices moving forward. Leveraging these solutions from the OpenText Suite for SAP allows DIC to digitize and automate the entire Procure-to-Pay (P2P) process.

Processing invoices quickly and efficiently

Offering a digital approach to invoice processing, Vendor Invoice Management for SAP Solutions enables DIC to process vendor invoices quickly, accurately and efficiently.

The solution optimizes and simplifies the process of receiving, managing, routing and monitoring invoices and related documentation. Invoice Capture Center automates manual invoice capture, then matches in Vendor Invoice Management for SAP Solutions.

Vendor Invoice Management for SAP Solutions supports any input channel, whether digital or analog. Invoices received on paper or as PDF attached to emails, benefit from Invoice Capture Center. The deep integration into SAP fully automates the data extraction, eliminating manual keying and human processing errors.

This integration reduces the need to process documents manually and capitalizes on the SAP 'three-way match' process. The overall result is enhanced productivity, effective and accurate cash flow management and improved vendor relations.

"OpenText™ Vendor Invoice Management for SAP® Solutions has driven the incredible transformation of our finance processes and improved overall business productivity throughout multiple countries in a relatively short timeframe."

Mitchele Yap
Shared Services Manager
DIC Asia Pacific

“We looked at competitor offerings, however standardizing on one centralized solution from OpenText across our entire operations made the most sense,” explained Mitchele Yap, Shared Services manager, DIC Asia Pacific. ***“When you consider that we are digitally transforming an entire region consisting of seven very different entities from manual processing to digital processing, it was important that we chose a robust, easy-to-use platform to form the backbone of a critical process.”***

“We do this now with just four accounts payable processors using OpenText and are about to expand this solution to Thailand and Indonesia to scale up and manage up to 200,000 invoices per year,” continued Yap.

Through standardized processes and experiences learned from the project internationally, the Asia Pacific team conducted concurrent geographic roll-outs. Each region took between two and four months to implement the solution, train their staff and customize the OpenText platform to adapt to any local specifications required. They also took opportunities to utilize embedded business rules (robotics) to further automate and control manual processes and improve productivity.

DIC leveraged the OpenText Professional Services (PS) team for the implementation. One of the many benefits of working with the Professional Services team was the implementation of a ‘Management by Exception’ dashboard for each operation or function. This allowed the team at DIC to view the root cause of errors and exceptions that would prohibit invoices from flowing through Vendor Invoice Management for SAP Solutions or Invoice Capture Center via an automated process.

One key area that Ms. Leong asked the team to address was the logistic (freight) invoices to ensure they were processed automatically for both the purchase order (PO) and non-purchase order invoices. For POs, Vendor Invoice Management for SAP Solutions automatically allocates amounts to freight and duty—a tedious and time-consuming task if performed manually.

For the non-POs, the freight amount will be distributed based on delivery orders. Previously it required dedicated manual calculations and handling, sometimes taking up to 30 minutes per invoice. The OpenText Professional Services team customized a process to fully automate the allocation. This entailed a business review and a computational framework to be embodied in the solution.

DIC also implemented a two-phased approach to handle invoices submitted without a PO or with the incorrect invoice total to ensure they do not get held up or lost in the system. More importantly, the system automatically alerts and helps educate the creator regarding the correct process for future accuracy.

The Professional Services team created a solution to automate the non-PO process as well by enhancing the auto code function. This helped improve the accuracy of processing to above the 75 percent threshold accuracy—a KPI identified at the start of the project.

Leveraging the OpenText solution also drastically improved auto-match functionality—an additional benefit beyond moving ingestion and automation from a manual to digital process in the first instance. Almost all of the invoices scanned via OpenText are validated within one business day, ensuring that all liabilities are recorded and processed in a timely and effective manner.





DIC Asia Pacific drives accounts payable automation with OpenText

Significant time savings

An average of 76 percent of invoices are scanned and auto-posted, leading to significant time savings as AP processors only need to manually code and match the remaining exceptions (e.g. unmatched 3-way match invoices). ***“Using OpenText Vendor Invoice Management for SAP Solutions now enables each team member to process around nine invoices per hour, a threefold productivity improvement,”*** noted Ms. Leong.

Hard copies are still maintained where required by country legislation (e.g. Malaysia and Singapore) but have been automatically processed and are digitally stored to vastly reduce time and the opportunity for duplication and human error. In addition, this helps in the audit process since company auditors can review and audit the AP processing online.

“OpenText Vendor Invoice Management for SAP Solutions has driven incredible transformation of our finance processes and overall business productivity throughout multiple countries in a relatively short timeframe,” said Mitchele Yap.

“This ultimately impacts our many suppliers who we value greatly, while also providing an opportunity for our team to focus on higher value work and deliver more innovation back to the business. We greatly appreciate the benefits that the technology and Professional Services team have provided to DIC, and anticipate even more benefits as the relationship matures and business partnerships blossom and grow,” concluded Yap.

DIC is further evaluating opportunities for future productivity in its supply chain and sales operations. One area being explored is to extend the digitization process with key suppliers, allowing them to input invoices via OpenText™ Active Orders. This will facilitate better efficiency and transparency, enhancing effective business partnering.

DIC continues to look at new and innovative ways to transform and implement digitalization on a wider scale.



About OpenText

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