Canon

CANON BUSINESS PROCESS SERVICES, INC.

BUSINESS PROCESS OUTSOURCING
- -
ACCOUNTS PAYABLE OUTSOURCING
- -
AUTOMOTIVE
- -
CASE STUDY

/99%

of invoices paid on time

On the Road to Success – Part 2

Car Rental Company Teams with Canon to Drive Accounts Payable Process Efficiency

A global car rental company known for innovation needed to improve its accounts payable (AP) processing. The company, which uses Canon Business Process Services to scan and index its auto rental documents, noticed the significant business benefits it was achieving. These include improved operational efficiency and reduced costs. Based on these and other gains, the company turned to Canon to help advance its AP processing to a higher level.

THE CHALLENGE

The car rental company's ongoing mission is to be the industry's highest-quality and most customer-focused company. An efficient, cost-effective AP processing operation is critical to fulfilling this goal. The company's AP operation, however, was challenged by a significant backlog of invoices.

The backlog was caused by the company's manual, paper-based processing system and by staff reductions for which the AP department was not prepared. The situation could have potentially compromised vendor relationships and raised costs due to penalties for late payment of invoices. The car rental company needed to find a solution quickly.

The industry leader tapped the expertise of a services provider it already knew well—Canon Business Process Services. The auto rental company had been leveraging Canon's expertise implementing a range of integrated solutions from mail management and document imaging to print/copy management in order to improve efficiency, quality and customer service worldwide.

Canon also brought extensive Six Sigma expertise and methodologies to the table. The plan was to leverage Canon's process improvement skills to eliminate the invoice backlog and transform the accounts payable process into an efficient, cost-effective business function.

THE SOLUTION

A key reason the car rental company asked Canon to help improve its accounts payable processing was due to benefits Canon had already achieved scanning and indexing the company's rental documents. Canon's experts, now focused on the AP operation, saw that the company's manual process of collecting and paying 35,000 invoices every month was a system based mainly on slowly shuffling paper from desk to desk.

The Canon team began by implementing an intelligent optical character recognition (OCR) solution to convert one invoice type into electronic, searchable documents that are stored in the company's electronic content management (ECM) system. This enabled the AP team to more quickly search for, retrieve and process the invoices. Over time, Canon began processing more invoice types and, leveraging the knowledge of its Six Sigma experts, implemented a new accounts payable workflow that includes centralizing the intake of invoices.

Canon receives the invoices in two ways. In one method, invoices are sent from suppliers directly to the Canon processing center (via a PO box) for scanning and indexing. The Canon processing center is located on-site at the car rental company's facility and the majority of invoices are received in this manner. In the other method, invoices are received at the car rental company's field locations. Company employees either mail these invoices to the Canon processing center or the employees scan the invoices to email box addresses. The latter system automatically routes the invoices, in PDF format, to the Canon processing center for data conversion and entry into the AP workflow.

In addition to digitally converting and entering the invoices into the AP workflow, the Canon team does much more. This includes validating invoices and resolving exceptions (e.g., an invoice with incorrect or missing data), vendor maintenance and help desk support (e.g., managing a call from a supplier about the status of an invoice) and obtaining approvals for invoices that need authorized general ledger codes. Managed as a separate process in the onsite print center, Canon also prints and mails the checks for invoice payments.

From receiving the invoices to printing and mailing the payment checks, together the car rental company and Canon have redesigned AP processing in ways that have yielded significant business benefits.

ADVANCING BUSINESS PERFORMANCE TO A HIGHER LEVEL

Canon Business Process Services, a wholly owned subsidiary of Canon U.S.A., offers managed services and technology for information and document management, business process outsourcing and specialty workforce services. We help clients improve operational performance while reducing cost and risk. Canon Business Process Services has been named a Global Outsourcing 100 Leader by IAOP for the past eleven years and recognized in the Gartner Magic Quadrant for Managed Print and Content Services for five consecutive years. We have also been acknowledged by CIO-Review magazine as a "20 Most Promising Legal Technology Solution Provider."

Learn more at cbps.canon.com and follow us on Twitter @CanonBPO.