Underwriters Laboratories Inc.

Accounts Payable
Tax
Audit

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Sarah McNally

Manager of Global Financial Systems

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Underwriters Laboratories Inc. (UL), the ubiquitous independent product safety certification organization, has been testing products and writing Standards for Safety for more than a century. Twenty-one billion UL marks appear on 72,000 manufacturers' products each year. UL's worldwide family of companies and network of service providers includes 6,600 employees serving customers in 99 countries. Relying on the high-quality performance of its team to support this large operation, UL sought solutions to make employees more efficient and effective in their work.

For example, the central accounts payable department processes invoices from five US locations and two in Canada. No matter how diligently the AP team focused on its work, the formerly paper-based process impaired their productivity. The lack of efficiency and content visibility led managers to look for a solution.

As UL evaluated enterprise content management providers, numerous factors swayed their decision toward Perceptive Software enterprise document management, imaging and workflow. The ability to deploy Perceptive Content rapidly in one department, coupled with its flexibility to scale across the enterprise, proved to be key differentiators. Starting small allowed UL to see a quick return on investment and increase value with further expansions.

"Perceptive stood out as a cost-effective solution that allowed us to start small and add on as we refined our processes," says Brian Cunningham, director of financial systems.

Seamless Integration With Oracle Financials

Perceptive Content's tight integration with the company's Oracle Financials system allows employees to access invoices and other related documents directly from the associated transaction record in Oracle. A single click from the Oracle application returns all related documents that have been scanned, faxed, e-mailed or otherwise captured into Perceptive, giving employees instant access to any document, from anywhere.

"The integration between Perceptive and our Oracle system gives employees the ability to instantly view the details of a transaction, so they have all the information they need to do their jobs," says Cunningham.

Gaining Efficiencies

UL used to mail and receive paper invoices between office locations, and gaining approvals often typically took two to three weeks to complete. Now all invoices are faxed or scanned into Perceptive Content and routed through electronic workflow for approvals. Eliminating the time spent waiting for documents has sped up the approval cycle considerably.

Increasing Visibility

When UL adopted a Six Sigma business philosophy and reevaluated its processes, the company leveraged its Perceptive investment to refine and further streamline the AP process. Now, regardless of how they're submitted, all vendor invoices enter the central AP office first. Accounts payable clerks enter the transactions into the Oracle system, and then use Perceptive Content to route invoices to the appropriate approvers. This brings greater visibility to invoices at the beginning of the process and provides a complete audit trail of the approval cycle.

"Perceptive brings us visibility of invoices sooner, so we can accrue for our spending with more accuracy," says Mikhail Gumin, assistant controller.

Creating visibility at the beginning of the process makes end-of-month accruals more efficient, another way UL optimizes its Oracle system and refines its processes with Perceptive Content.

"Our process design basically says if invoices are in Perceptive, they're also in Oracle, which automatically accrues for it. This saves at least three days for four people at the end of the month," Cunningham says.

Realizing Bottom-Line Benefits

Granting authorized users access to AP documents from anywhere at any time empowers employees to do their own research, rather than constantly tie up the AP staff with questions or requests for copies of documents. Employees have access to any document associated with the transaction directly from the Oracle record, including the imaged invoice, e-mail correspondence or other documents. This self-service ability not only gets information to people more quickly, it saves hours for the staff.

"By eliminating inquiries from our tax, audit and general accounting departments, Perceptive saves one person about a full week of work in research time," says Sarah McNally, manager of global financial systems.

In addition to the hours of time saved for the staff, Perceptive has also provided direct cost savings.

"With Perceptive, we can eliminate both the costs associated with off-site storage and the intense filing effort that paper files required," Gumin adds.

Enhancing Relationships

UL managers have also noticed that employees appreciate how the system eliminates barriers to their productivity and have embraced Perceptive Content because it makes their jobs easier.

"Though some employees were naturally resistant to change, now they love Perceptive," McNally says. "We couldn't take it away from them if we wanted to."

For a system to be cost-effective, it must be reliable and easy to maintain, and UL has found that the ease of use extends to ease of administration. Perceptive Software works with UL to provide as much expert guidance as needed on both functional and technical issues.

"Our relationship with Perceptive Software is wonderful," McNally says. "The team is always very receptive and gives us a timely response when we experience any issues."

Opportunities for Greater ROI

The successful deployment in accounts payable has encouraged UL to look at other areas that could benefit from Perceptive and its expanding portfolio. The flexibility of the system makes it easy to configure for any department, so it can be easily rolled out from one department to the next. UL is considering expanding Perceptive Software to the accounts receivable, shared services center in Europe and Asia, as well as the legal department.

"We're exploring opportunities to take Perceptive into our international shared services centers. As we grow, Perceptive grows with us," McNally says.

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Quick Stats

- ⊙ Locations: 5 in the U.S. and 2 in Canada
- ⊙ Employees: 6,600
- ⊙ Integration: Oracle Financials

The Challenges

- ‣ Difficulty keeping up with a high volume of invoices with manual processes
- ‣ Transporting paper invoices slows approval process
- ‣ Integrating solution with Oracle Financials system
- ‣ Proving the solution in one area before expanding to the next

The Results

- ‣ Perceptive Content speeds processing by providing instant access, anytime, anywhere
- ‣ Perceptive Content increases efficiency at every level of the approval cycle
- ‣ Seamless integration with Oracle Financials gives users a complete set of information instantly
- ‣ Starting small allowed managers to see results and expand for greater ROI

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