



ARMTEC

ACCELERATING AP INVOICING PROCESSING SPEED BY 50% WITH CLOUD-BASED AUTOMATION

THE CHALLENGES

As a leading global infrastructure and construction materials company, Armtec receives up to 120,000 accounts payable (AP) invoices annually. Prior to utilizing Esker, Armtec's staff had manually processed these invoices, which presented a number of challenges for the business.

Ultimately, Armtec performed a comprehensive "value stream mapping process" to identify its AP department's biggest pain points and determine an appropriate course of action. The main challenges Armtec hoped to overcome included:

- **Workflow efficiency:** Because Armtec is such a geographically diverse company, manual processing made it difficult to deal with duplication and exception handling associated with large volumes of invoice within its SAP® system. Additionally, a lot of valuable time was spent servicing customers at decentralized offices.
- **Effects of seasonal volumes:** Seasonal invoice peaks are natural in the construction industry; unfortunately, this previously meant hiring 1-2 temporary staff members during high-volume seasons, which required a lot of extra training and cost increases for Armtec.
- **Lack of visibility:** With a mostly paper-based process, Armtec had limited visibility into its AP invoices. At any given time, there was a backlog of vendor invoices that AP reps could not easily find which forced them to request multiple copies and led to greater account analysis.

Joan Carter, Business Process Improvement Manager at Armtec, explained: "Our process of scanning invoices directly into SAP was anything but optimal. It was extremely dependent on human intervention and contained no real workflow or ability to develop the metrics that we needed in order to improve."

WHY ESKER?

While searching for a solution online, Armtec happened upon Esker's Accounts Payable automation offering. In contrast to other solution providers, Esker offered a solution that had all of the features Armtec was looking for:

- **Reporting and dashboard capabilities:** Esker offered a significant amount of reporting features that provide invoice processing metrics and helps with the management of vendor relationships.
- **Strong functionality:** Scanned invoices automatically go through Esker. Data is intelligently extracted via OCR and a corresponding document is entered into an electronic workflow for easy archival, tracking and reporting.
- **Software as a Service (SaaS):** Esker offered a true SaaS solution that could be implemented quickly with lower upfront costs, fewer IT requirements, and no ongoing cost of ownership or costly maintenance fees.

*"Esker is so much **faster** and **efficient** than doing things manually. Now, with all of the **visibility** we have **into our process**, even having a core team member gone for a month didn't affect us at all."*

BENEFITS

After just four months post-implementation, Armtec is well on its way to achieving its business case objectives. Among the biggest benefits are:



Fewer invoice entry errors due to the Esker validation process and 24/7 access to all invoices



Accelerated AP invoice processing speeds by 50%, going from an average of two minutes down to just one minute



Cost savings equivalent to 1.5-2 full-time employees



Increased productivity with the invoice backlog being virtually eliminated and the number of invoices out for approval significantly reduced



Faster payment proposals generation, going from an average time of 1-2 days down to 1-1.5 hours



Reduced hiring of temporary staff

FUTURE PLANS

After experiencing the benefits brought by Esker's cloud-based Accounts Payable solution, Armtec is leaving the door open for further utilization of Esker, specifically on the accounts receivable (AR) side of its business.



*“Besides all of the workflow benefits we've seen with Esker, one of the biggest advantages has been all of the **free time** our reps now have to **spend on higher-value tasks**. Rather than wasting time on data entry, we're able to **focus more on the customer service side and getting our vendors paid in a timely fashion.**”*

Tracey Le | Accounts Payable Supervisor

ABOUT ARMTEC

Founded in 1908, Armtec is a manufacturer and marketer of a comprehensive range of infrastructure products and engineered construction solutions for customers in a diverse cross-section of industries that are located in every region of Canada, as well as in select markets globally. These markets include Canada's national and regional public infrastructure markets and private sector markets in agricultural drainage, commercial building, residential construction and natural resources.

Armtec operates in two business units: Drainage Solutions and Precast Concrete Solutions. Drainage manufactures and markets corrugated high density polyethylene pipe, corrugated steel pipe and other drainage related products including small bridge structures. Precast manufactures and markets highly engineered precast systems such as parking garages, bridges, sport venues and building envelopes as well as standard precast products such as steps, paving stones and utility vault.

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