

MA 6

Service provider MA 6 worked with SmartCAP IT-Solutions to introduce a sophisticated document capture solution from Lexmark Enterprise Software, which has transformed invoice processing into a highly automated and streamlined function. Using this solution, MA 6 captures more than 1.2 million invoices quickly and efficiently every year and unlocks major time savings, because more invoices than ever can be processed without manual intervention.

Challenge

Every year, MA 6 processes more than 1.2 million invoices. It is vital for the organization to make sure that these documents are processed quickly and accurately, so that suppliers are paid on time.

In an attempt to manage the enormous workload more efficiently, a few years ago MA 6 deployed a data capture solution for the city's municipal authority. The aim was to collect as much data as possible from the invoices automatically, reducing the need for staff to manually key in and verify the information. However, a rise in the number of daily incoming invoices for the Wiener Krankenanstaltenverbund and the Allgemeines Krankenhaus hospital stretched this system to its limits.

"As the number of incoming invoices rose, it became clear that the existing tool was unable to cope with the volume of documents we receive," said Andreas Divjak, Project Lead at MA 6. "To ensure that we could process all invoices received each day, we introduced major customizations to the software to boost performance. That was no easy feat, as the tool was difficult to modify.

With the Wiener Wohnen housing association yet to be migrated, we were worried that any further increase in document volumes would overwhelm the solution. Our software vendor offered us software upgrades and performance boosts to fix the problem, but these came at an additional cost and were not included in the support contract that we had purchased along with the solution."

Making matters even more frustrating, the solution was unable to automatically capture as much data as MA 6 had hoped. As a result, the organization still had to rely heavily on manual data entry and verification. The search was on for a solution that could better support the organization.

Solution

After evaluating data capture offerings from a range of vendors, MA 6 selected a cutting-edge solution based on Kofax technology.

"When we tested the solution in a Proof of Concept, it soon became clear that it was the best choice for MA 6," Andreas Divjak recalled. "It offers highly accurate data capture, is easy to use and maintain, and provides excellent value for money."



Meet MA 6

Among its duties, Magistratsabteilung 6 (MA 6) is tasked with capturing, processing and managing payments for supplier invoices on behalf of the city of Vienna's municipal authority, the major Allgemeines Krankenhaus hospital, a group of smaller healthcare providers called the Wiener Krankenanstaltenverbund, the Wien Kanal sewage disposal unit and the Wiener Wohnen housing association. MA 6 employs around 1,200 people, including a 50-strong team in the scanning department for capturing invoices.

Products in use:

Kofax® Capture™
Kofax Transformation™
Kofax Analytics for Capture™

Focus:

Invoice processing

Partner:

SmartCAP IT-Solutions

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To ensure a smooth deployment, MA 6 tasked SmartCAP IT-Solutions, a Lexmark Enterprise Software partner based in Vienna, with the implementation.

“For me, the excellent collaboration with SmartCAP IT-Solutions was a highlight of the entire project,” Andreas Divjak explained. “The SmartCAP team listened carefully to all of our needs and desires, and worked methodically to deliver a solution that would be a perfect fit for our organization.

“Thanks to the SmartCAP team’s expertise and dedication, we were able to complete the project ahead of schedule. That success was particularly remarkable given that the scope of invoice capture grew by around a third when MA 6 began serving the Wiener Wohnen housing association.

Now, all invoices received each morning are scanned, and the images are transferred to a file server. Next, MA 6 uses Kofax Capture™ and Kofax Transformation™ to automatically gather as much information from the documents as possible. Any information that cannot be read automatically is entered by a staff member in the scan center. Following this, the file is sent to the relevant client’s accounting system, where the appropriate finance team checks and approves the invoice and makes the payment.

The solution comes equipped with many features that make life easier for staff at MA 6.

“In the past, we had to engage an additional external service provider to process invoices that arrived by email,” Andreas Divjak said. “With the new solution we can capture documents from virtually any source—whether they arrive on paper or electronically—saving us the time and cost of involving a second vendor.

“What’s more, SmartCAP has helped us introduce enhanced search features. This enables employees to find the relevant payee by entering information such as address, bank details and tax identification number, which is unique to each supplier. In addition, staff can perform fuzzy searches, which detect results similar to the term entered—giving them a better chance of finding the data record corresponding to an invoice the first time. Our employees are very happy, because the Kofax solution enables them to work much more productively than before.”

Results

With the new solution in place, MA 6 can manage its enormous workload much more efficiently and deliver much higher data quality.

“Because the new solution captures much more information automatically, we are less dependent on manual data entry and validation,” Andreas Divjak said. “We have boosted the proportion of invoices we can process without manual intervention from 10 percent to 25 percent. With the software’s machine learning capability, we will further increase this value. The increase might sound small, but considering we process 1.2 million invoices a year, even modest percentage improvements translate into major time savings. Increased automation is particularly useful during busy periods such as year-end, when we typically receive around half of the invoices from that year.

The time savings help MA 6 significantly boost staff productivity and to offer even better service thanks to the solution’s accuracy.

“Since switching to this solution we have been able to boost the proportion of invoices we can process without manual intervention by more than 15 percent.”

Andreas Divjak, Project Lead
MA 6

“Previously, we often received requests from finance teams to verify information or re-scan documents, because the previous solution had not captured the data correctly,” recalled Andreas Divjak. “That’s now an extremely rare occurrence—proof that we are providing a better service to our partners. If there is anything wrong, we’re able to identify and rectify the issue much faster.”

Building on its success, MA 6 is currently working to introduce Kofax Analytics for Capture™, which delivers a real-time overview of all invoices in the system. The solution will offer fresh insights into factors such as when large quantities of invoices are likely to arrive, enabling the organization to plan accordingly. What’s more, MA 6 will be able to see how efficiently each team is processing invoices, and offer additional training where necessary.

In the future, MA 6 plans to expand its use of Kofax technology to drive further digitization. For example, by scanning all incoming post, the organization aims to make it easier to store and search the documents, and digitize further workflows across the municipality.

Andreas Divjak concluded: “Our success with Kofax and SmartCAP IT-Solutions is turning heads in Austria’s public sector, and several other organizations are thinking about following suit.”

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