SAPinsider

Increase Profit by Enabling Informed Decision Making

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Now more than ever, the speed with which corporations can make financial decisions has a direct impact on bottom-line profits. However, several factors can hinder the ability to make these kinds of quick yet informed business decisions, including:

- Limited or no access to the unstructured data that supports master and transactional data

- Stakeholders' inability to view correct and up-to-date information that includes emails, procedures, and policies

- The need for time-consuming manual efforts to track down pertinent information

As a result of these obstacles, financial decisions are all too often based on limited information from within data silos. To overcome this and help companies make more informed financial decisions, companies can turn to tools like the enterprise content management (ECM) solutions from OpenText.

Advantages for All Stakeholders

A significant portion of the information related to SAP master data exists in an unstructured format, from a scanned document or email, for instance. OpenText ECM solutions provide companies with a secure repository where they can digitize, store, and link these types of documents to the SAP back-end transaction. This enables immediate, centralized access to SAP metadata and supporting unstructured information, while at the same time reducing costs associated with storing paper documentation and electronic files in a separate system.

In addition, the application's record management capabilities ensure that content is deleted when necessary based on corporate policy, which means that decision makers won't have to waste time searching through older, irrelevant documents. These solutions also provide a platform for collaborative workflow that gives all decision makers full, up-to-date visibility of documentation. This improved information access brings benefits to stakeholders across the company. Let's take a look at some examples.

Sales Teams: Streamline Sales Orders and Collect More Revenue

Unfortunately, in today's more turbulent economy, companies must keep a close eye on every customer, even those who have previously always paid in full and on time. In this kind of environment, applying corporate credit procedures has taken on a whole new level of importance.

In a typical SAP sales order process, a customer must pass a credit check before order confirmation. OpenText ECM solutions ensure full and immediate access to all information that may affect the credit decision. Without this information, you run the risk of providing credit when it should be withheld or denying credit that should be given because you did not have accurate client information. In a worst-case scenario, you could lose the sale due to indecision from a lack of information.

Other critical sales components are dispute management and potential sales write-offs. Corporations might dispute required payment for a variety of reasons, but in any case, the longer it takes to settle a dispute, the less likely your company is to recover 100% of the billing. While SAP provides a strong dispute management system, billing disputes often require numerous supporting documents, such as sales orders, emails, goods receipts, warehouse receipts, freight bills, and more. With ECM solutions, sales personnel can quickly create a virtual folder comprised of electronic documentation that can be assembled and routed to the customer, increasing the win rate for dispute management. Additionally, in the case of a write-off, the documentation folder can be used as part of an audit trail.

Suppliers: Streamline the Procure-to-Pay Process

Another critical component of a company's financial endeavors is the acquisition of goods and services.

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Businesses too often focus only on the procurement aspect of this process. As part of the transition to more informed financial decision making, however, it is essential that corporations consider the entire procure-to-pay process.

To support these kinds of transactional processes, companies typically maintain a large collection of unstructured data that is related to vendor and material master records. Generally, there is a huge amount of this kind of unstructured documentation, including pricing based on external, third-party information, contractual changes from email correspondence, billings that are dependent on delivery documents, materials reference formula sheets, and services recorded on spreadsheets, just to name a few.

Major decisions, including choosing the right vendor, require a full understanding of not only the SAP metadata, but also the unstructured variables like analyst reports, due diligence documentation, and referral letters. ECM solutions provide the ability to image, store, and process this kind of unstructured documentation, delivering a full, 360-degree view of information that is always tied back to the SAP transaction for making enterprise decisions that affect the cost of goods and services.

In addition, SAP and OpenText provide the SAP Invoice Management application by OpenText and the SAP Travel Receipts Management application by OpenText to ensure prompt and accurate payment for goods and services. This increases profit by helping companies obtain early payment discounts, boost staff efficiency, eliminate duplicate payments, and decrease fraud opportunities.

Investors: Reduce Closing Cycle Time

When considering financial decisions, corporations sometimes overlook the importance of keeping outside investors in the know. Variables, such as how quickly financial statements are prepared, the accuracy of balance sheets, and the management of cash, can greatly affect investors' decisions. OpenText's ECM solutions, combined with SAP's closing activities functionality, ensure that all corporate guidelines and procedures are followed by providing all participants with immediate access to these types of documents.

This means that decision makers can be sure they are using the most current documents tied to the transaction. In addition, the ability to immediately review invoices not yet posted to the financial back end reduces closing cycle time while full visibility of payables improves corporate liability accuracy. Days sales outstanding (DSO) and days payable outstanding (DPO) also become more controllable.

Auditors: Locate Critical Information to Reduce Audit Time and Costs

Many financial decisions are scrutinized by both internal and external auditors. Modern audit techniques assess not only the accuracy of the numbers, but also the efficiency and control of the process. Yet the vast amount of structured and unstructured data, combined with many SAP transactions, can make the audit task difficult and time consuming. Just as virtual content folders help companies win billing disputes, they also assist auditors by helping them quickly locate relevant information.

This significantly reduces the time it takes to perform an audit, thus reducing billable audit hours, and reduces the chance of overlooking critical data. Collaborative workflow logs can also streamline the process by eliminating the need for hand-written comments and providing a single source for tracking and record keeping.

Get Informed

When all involved stakeholders do not have full access to critical information, your enterprise runs the risk of making only partially informed financial decisions. SAP and OpenText provide the means to replace paper-intensive documentation stores with a compliant, secure digital repository.

Linking archived documents to relevant processes and master data in your SAP and non-SAP systems, combined with a platform for comprehensive workflow collaboration, creates an environment in which financial decision making is both accurate and timely. In addition, SAP is a reseller of OpenText financial solutions, so you can rest assured that this software meets all of SAP's rigorous testing and quality standards.

For more information on enterprise content management solutions and the functionality and benefits they provide, visit:

- **www.ecm4sap.com**
- **http://ecohub.sap.com/catalog/ #!solution:ExtendedECM**
- **www.opentext.com/2/global/products/ products-opentext-ecm-suite-for-sap.htm** ◾

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