

# Schneider Electric

Case Study

**TUNGSTEN**  
AUTOMATION

**Schneider**  
Electric

## Case Study

# Introduction

Schneider Electric is a French multinational enterprise specializing in digital automation and energy management. Combining innovative energy technologies, real-time automation, software and services, and provides integrated solutions for homes, buildings, data centers, infrastructure and industries. Schneider first approached Tungsten Automation in 2008. At the time, Schneider was processing 650,000 invoices at three AP locations, with paper-based invoices accounting for 90% (585,000) of all invoices received.



## CUSTOMER SNAPSHOT

INDUSTRY: Sustainable energy management & industrial automation

COUNTRY: International.

## KEY OBJECTIVES

- Use e-invoicing to automate their large financial processes
- Reduce invoice processing costs while delivering better service
- Improve the quality of the invoices being received
- Enable a quick and simple process for onboarding suppliers

## RESULTS

- Annual savings of \$500,000 in the first year
- 85% STP rate for e-invoicing
- Reallocation of headcount and resources necessary to run AP
- Enabled multiple submission methods for suppliers

## The Challenge

“First and foremost, we needed to improve the invoice-to-pay process” noted Pam Carper, Manager of Disbursements. “Handling such a huge volume of paper naturally led to errors”. If dealing with that amount of paper wasn’t enough of a challenge, each North American AP center utilized up to two different legacy accounting systems and multiple vendor master files.

Although Schneider was in the process of implementing SAP for its accounting systems, the transition was still two years away. “We were stuck with legacy systems, but our process improvement goals couldn’t wait years,” says Carper. The team had already optimized payment processing, so the focus was on optimizing invoice processing, including process streamlining, increasing controls, reducing processing and payment errors and reducing paper handling and labor costs.

## Solution

The team needed a better approach and while researching OCR and Imaging, they were introduced to Tungsten Automation and identified three important advantages:

- 1. Tungsten implementations proved faster and cheaper than EDI.**
- 2. OCR didn’t remove the paper; e-invoicing would eliminate paper from the process.**
- 3. No loss of control over the process and the supplier relationships.**

Having established that e-invoicing would provide the best strategy for improving the AP process, Schneider Electric issued a proposal request that enabled them to compare the benefits that each could bring to Schneider Electric. “There are two distinct components to a successful e-invoicing initiative: the technical and the supplier enablement services,” says Carper. “When evaluating options, it’s critical to consider all the capabilities and costs.” The answer for Schneider Electric was e-invoicing with Tungsten Automation.

## The Impact

Within six months, 38% of suppliers had converted to e-invoicing, with a further 16% in the process of switching. By that time, Schneider Electric had already realized \$200,000 in operational savings and could project \$500,000 in annual savings with Tungsten Automation fully deployed. With e-invoicing, Schneider has experienced fewer errors, faster cycle time and more invoices processed straight through without requiring manual intervention. "Tungsten Automation's pre-delivery validation transfers the burden of resolving errors to the supplier responsible for the error" noted Carper.

Tungsten routes each invoice to the correct Schneider Electric processing center and transfers the e-invoice in a no-touch, automated format. In addition to the core e-invoicing service, Schneider Electric uploads purchase order data to the Tungsten Automation, enabling suppliers to utilize the PO Convert service.

**500k**

Annual Savings  
in Year 1

**85%**

STP rate

**54%**

of Suppliers Switching  
to e-invoicing

## KEY BENEFITS OF TUNGSTEN AUTOMATION

- Neither Schneider Electric nor its suppliers needed any new hardware or software: Tungsten Automation works with the client's existing systems
- There are multiple e-invoice submission methods for suppliers, enabling all suppliers to participate, regardless of size or technical sophistication
- Supplier enrollment is managed by Tungsten Automation, not Schneider Electric; and Tungsten Automation can provide enrollment services globally
- E-invoicing is tax compliant in the EU, enabling other Schneider Electric operations to utilize Tungsten Automation as well

## About Tungsten Automation

Tungsten Automation, formerly Kofax, is the global leader in intelligent automation solutions with a trusted legacy of nearly 40 years, with a team of 2,000+ employees in 40 countries, serving 25,000+ global customers. Our dedication to innovation and customer success has earned us industry recognition, including being named a leader in Intelligent Automation (IA), Intelligent Document Processing (IDP) and Process Orchestration by top analysts. We are trusted to help businesses gain unprecedented efficiencies and reduce costs through AI-powered workflow automations that propel their businesses into the future.

To learn more, visit [www.TungstenAutomation.com](http://www.TungstenAutomation.com)

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