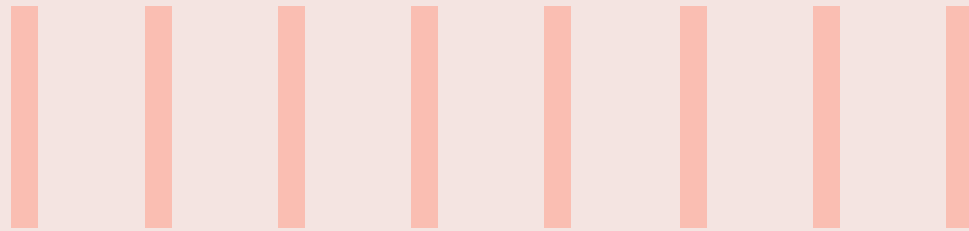


## PAVING THE PATH TO IMPROVEMENT, WITH AUTOMATION



### Abstract

When a logistics giant wanted to move away from their incumbent vendor's processes and transformation initiatives, they partnered with Infosys BPM to standardise their processes and enhance productivity.



The client is a global logistics and supply chain giant, headquartered in Europe. Prior to partnering with Infosys BPM, the client had an over 10-year long partnership with another service provider.

## The widening gap

The client's key finance and accounting (F&A) accounts were being handled by another external service provider. Despite a decade-long relationship with the incumbent vendor, the client was not very satisfied with them, due to the lack of control on majority of the processes over the past few years.

The client operated across multiple geographies and lacked standard operating procedures across locations. During their partnership, the transformation that was promised by the vendor was not shared with the client, leading to lack of visibility on the changes.

The vendor had implemented automation across processes, but they did not share any of the intellectual properties (IPs) with the client. This resulted in a lack of control over the processes, which made the client uncomfortable.

In 2020, the COVID-19 pandemic impacted businesses across sectors. As a result, a majority of organisations, including the client's, allowed employees to work from home (WFH). To that end, there was a need to change the transition plan from the incumbent location (onsite model) to remote location (WFH model). This further delayed the transition timeline

by 3 months. There was also a backlog in IP for Q4'20, with over 80,000 invoices requiring surge staffing. Further to this, the application accesses demanded a lead time of 3–5 weeks.

The client's incumbent vendor was unable to manage such transitions as the SLAs showcased in the monthly dashboards were not reflecting the right output on the ground. Additionally, the client felt that the vendor had not sufficiently explored or tapped the opportunities to replace manual activities with automation tools.



## A change in guard

With the incumbent vendor delivering less-than-satisfactory services, it was a matter of time that the client began zeroing in on another vendor. Being well aware of Infosys BPM's strong history in delivering BAU and beyond benefits to their clients, the client chose them as the new service provider to initiate their transformation journey. The client expected Infosys BPM to:



**Leverage the client's existing investments on tools and technologies**



**Eliminate manual processes**



**Standardise and optimise the operating model**



**Automate processes using digital technologies**

The Infosys BPM team needed to replace the tools deployed by the incumbent vendor with Infosys in-house tools and third-party tools. However, the process was not entirely smooth, and the team faced the below challenges:

- Resistance from the incumbent vendor as they were reluctant to share process documentations and impart knowledge transfer
- Huge backlog generated by the incumbent vendor, which was also transferred to Infosys BPM during the volume ramp up.
- Lack of automation leading to ramping up additional staff with over 60 FTEs to bridge the productivity gap



Infosys BPM decided to operate from one of their delivery centres (DC) in India. The choice of the location meant that Infosys BPM could leverage their IT and business process management (BPM) synergies to support future growth and expansion for the client. The overall scope of work included over 600 FTEs, including the 3 key towers of F&A – procure-to-pay (PTP), order-to-cash (OTC), and record-to-report (RTR). The knowledge transfer (KT) process began in May 2020 at the client's US-based location and then moved on other global locations. To deliver efficiency and replace non-client tools, the team used a combination of tools such as accounts

payable on cloud (APOC), Operational Excellence Management System (OEMS), Blackline, ServiceNow, and RPA.

Infosys BPM took this project as a great learning experience, especially as they needed to have a deeper knowledge about the logistics industry. Despite all the setbacks, the team implemented automation and process standardisation across all client locations. The team successfully delivered the following transformation initiatives to the client:

- Enhanced the timeliness of scheduled payments to 100%

- Improved urgent payment timeliness to ~99% despite over 30% increase in volume
- Significantly enhanced the IP and helpdesk performances
- Implemented over 30 bots and 16 uses cases with more than 100 APOC enhancements, resulting in increased efficiency
- Improved bot penetration as well as success rate
- Cleared ~75% open items in the RTR area

## The final show

In January 2021, the team leveraged automation to standardise 40 mailboxes, ensuring touchless processing and further helping to reduce 100% of the backlogs. Automation and APOC enhancements in the mid of 2021 resulted in automation of ~60% invoice posting while improving productivity by 30%.

Towards the end of 2021, the client

witnessed the implementation of AI/ML on non-invoice and duplicate checks, which resulted on 75% volume on automated data extraction and over 50% improvement in productivity. The improvement journey continued in 2022 with the integration of API with ERP, EDI, and vendor self-service portal. Overall, the team achieved 24% productivity in the

first two years of contract. The team also enabled the client to clear open items to the tune of \$1.4 Mn.

Thanks to the robust transformation expertise of the team, Infosys BPM was able to smoothly complete the transition and deliver benefits to the client, despite all the backlogs and resistance.

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