

Fact Sheet: Procurement One Purchase Order Automation



ABOUT SAPPHIRE

Sapphire Systems plc is the number one partner for SAP Business One in EMEA, Global No.1 Infor FMS SunSystems Channel Partner and 2009 Partner of the Year for Professional Advantage. During the past 20 years, Sapphire has built a team of technical and services personnel who have led some 2,500 system implementations - from single-user systems to large, multi-national finance and ERP applications.

Sapphire has global rollout capabilities that are available across all continents and that are backed by a large team of software specialists. With consistent, double digit revenue growth over the last several years, Sapphire joined the ranks of the Deloitte Fast 500 EMEA Technology Providers in 2005 and were awarded the SAP Pinnacle award in 2009.

Headquartered in London with offices in Manchester, Edinburgh and the Isle of Man in the UK, as well as New York and Los Angeles – USA, the group today provides solutions, services and support to over 650 companies worldwide.

Manual purchase ordering processes

The vast majority of organisations still use a manual purchase order generation process and recognise the limitations:

- It is difficult to implement any control over the suppliers used or to negotiate corporate wide pricing with suppliers to drive down costs.
- Approvals have to be sort against a physical copy of the order which takes time.
- Unless a copy of the approved purchase order is captured within the accounts, there is not record of the commitment until the purchase invoice is received, often a considerable time later.
- All budget management is manual and usually maintained by the budget holder, which is prone to errors and often slows the purchase ordering process whilst budget availability is sort.
- The manual nature of the process also impacts the speed and ease of receipting of goods and services and many organisations forgo receipting and rely on purchase invoice approval as the only check of the accuracy and completeness of the purchase order fulfilment.
- Purchase invoice approval requires the manual matching of each purchase invoice with the original purchase order, prior to being physically sent out for approval.

Purchase Order Automation

The primary objectives of purchase order automation are:

- Centralise control over purchasing to consolidate suppliers, products and services to drive down purchasing costs and grow the value of corporate spend under proactive management
- Centralise and fully automate budget management to ensure that every request to purchase is within budget and escalate out of budget requests to the appropriate level of management for approval
- To capture every request for purchase at source and fully automate the approval process and budget checking whilst ensuring any preferred supplier and associate prices are used
- To automate the generation of purchase orders, complete with the appropriate terms and conditions of supply and automatically deliver it to the supplier in what ever format is appropriate
- To generate a commitment transaction in the relevant accounting period to reflect the liability to increase the accuracy and completeness of management reporting and cash flow management.
- To automate the subsequent processes of receipting, purchase invoice approvals and update of the financial accounting system.



A richly functional and integrated purchasing, approvals and invoice entry solution without complex controls for purchasing lockdown. Can be operational within 2 weeks delivering ROI



- To generate significant productivity gains in multiple areas through automation—time that can be better spent in negotiating better and smarter purchasing, or simply dealing with a great volume without increasing headcount.

Procurement One Requisition and Supplier Management

Procurement One enables organisations to consolidate their preferred suppliers and drive an ever increasing level of “spend under management” (purchasing from suppliers on the best terms that can be negotiated) and have 100% confidence that those suppliers are used every time across the organisation with the correct prices and terms.

Procurement One Dynamic Approval Workflow and Budget Management

The requisitioning process is extremely fast and very easy to use, as almost all the users will have little to no experience of the use of an integrated financial application. Every requisition (request to purchase) is dynamically checked against available budget in the relevant period. The calculation includes all existing commitments (unfulfilled purchase orders), accruals (delivered purchase orders) and posted transactions (approved purchase invoices) including recurring costs such as maintenance contracts.

The approval process will dynamically determine the appropriate workflow, whether self approving for low value items, or offering multiple approval steps for significant spend, or purchase of assets. Every user of Procurement One has complete visibility of the current status of their requisitions within the dynamic workflow 24x7 on demand. Approval workflows can be as simple or as comprehensive as is required. At each stage of the approval process the originator and all participants in the chain can enquire on the current status of each requisition, removing the constant queries on manual processes.

Every step of the approval process is recorded providing a complete audit trail of the purchase approval process, including comments, attachments, time and date stamps by individuals.

Purchase Order Generation




The purchase order is generated automatically upon requisition approval and a secure PDF document is generated. The order can be automatically emailed, printed or electronically forwarded to the appropriate supplier by email as PDF, XML, text or by web-service exchange.

As each purchase order is generated, the hard commitment is confirmed and written to the Procurement One database as well as posted to financial accounting software that supports commitment accounting journals.

Full commitment accounting manages the automated reversals and accrual generation on delivery, plus automatic reversals of accruals on purchase invoice posting.



Need More Information?

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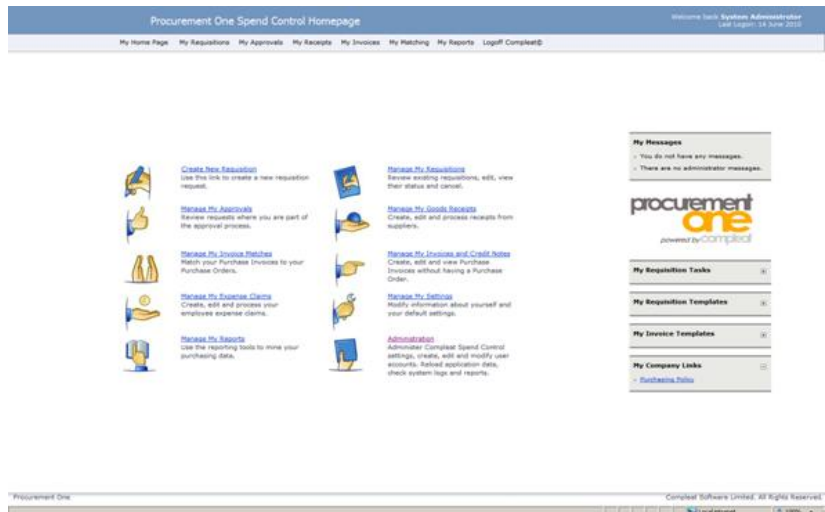
Email Integration

Email can be used as a means of notification to all involved in the workflow for a specific transaction that an action is required. The email provides a summary of the transaction plus a instant link direct to the document for swift action.

Total Cost of Ownership / Return on Investment

Procurement One meets the business requirements of small, medium and large organisations that recognise the need to make better use and take control of corporate cash, as the potential savings are significant.

The pricing of Procurement One , the very fast deployment profile and the ease of use means that most organisations will achieve ROI in less than six months.



For more information on Procurement One please call our Product Advisory Team on 020 7648 2000.