



The Global e-Invoicing Network

# Aviva processes over half of invoices electronically

## Introduction

Previously known as Norwich Union in the UK, Aviva is the world's fifth largest insurance group and the largest insurance provider in the UK today.

## The challenge

The original invoice process for Aviva was completely paper-based prior to the introduction of e-Invoicing. This made the process entirely manual, requiring 10 full time employees to enter invoices onto an Oracle system.

One of the main issues with this process was that there was no tangible audit trail. Invoices would be sent to Aviva and often not to accounts payable so could get lost and not found for days simply because they would be on someone's desk. This would lead to suppliers getting frustrated as many would not know when they would be paid, or even if their invoice had been received.

Aviva's objectives were simple. Firstly, it wanted to reduce costs in the invoice process while maintaining the control framework that it worked within. Aviva was also looking to increase the number of suppliers who were being paid on time by processing invoices quicker and to reduce the costs of archiving.

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**Tom Boosey**  
Accounts Payable Services





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## The Solution

Aviva looked into a number of different methods to help improve their invoice process and to meet their objectives. Scanning, OCR and an in-house solution were all considered, but refused for varying reasons. OB10 was selected on a number of criteria; OB10's experience with Oracle, its reputation for handling supplier enrolment and its global capabilities, Aviva felt that OB10 e-Invoicing was the only option. Additionally, with OB10's **ANY-TO-ANY DATA FORMATTING** it meant that OB10 would not just work with Aviva's existing Oracle and workflow systems, but also that of its suppliers. It was key to Aviva and the success of the e-Invoicing project that suppliers of all sizes were able to send invoices via the network.

The other reason OB10 was chosen was due to its expertise and proven results achieved with supplier enrolment. This meant that Aviva did not have to worry about enrolling suppliers to the network as OB10 would do this on their behalf.

Tom Boosey, Accounts Payable Service Development Manager at Aviva said: "Thanks to OB10's supplier enrolment scheme, signing up suppliers was made easy. This also presented us with the prospect of implementing the network globally in the future as suppliers could be enrolled and supported in their local language."

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Aviva's objectives for e-Invoicing was to achieve 66% of invoices being processed electronically, to pay suppliers on time, reduce the cost of archiving paper invoices and reduce the overall cost of invoicing and improve the value added to the organisation across the AP department.

### Benefits

Since working with OB10 Aviva has rolled out the e-Invoicing network to all suppliers who send 12 or more invoices per year. Since the beginning of the project, OB10 have managed a series of supplier enrolment campaigns, steadily increasing supplier participation and the invoice volumes delivered across the network. Currently, 55% of Aviva's invoices are processed electronically and with additional supplier enrolment campaigns, managed by OB10, this number is predicted to increase to 65-70% - exceeding their original target. This increase is forecast to be achieved in just 2 months.

Aviva also uses OB10's online archive, enabling them to reduce costs even further. Along with the invoice data, OB10 creates a digitally signed invoice image. This is the tax compliant invoice. A copy of this invoice is sent to both Aviva and their suppliers and is stored on the OB10 archive. Aviva is able to store all of their invoices received via OB10 on the archive for the legal period and are able to access the archive 24/7 to use the images for workflow and tax audit purposes.

Finally, cost reduction of the overall invoice process has been achieved by a 40% reduction in head count, with many of the staff being reallocated to other areas of the company. As the invoice process is more streamlined, people within the Accounts Payable team are able to focus more

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clearly on their principal role and add value to the organisation.

Mr Boosey said: "Since joining the network we've seen our relationship with suppliers improve. Additionally, the cut in costs has been a huge benefit. Obviously in the current climate your overheads are always a concern, and the fact that we have managed to reduce them whilst improving efficiency is a credit to OB10."

### The Future

Due to the success of e-Invoicing and to meet with Aviva's global brand presence, the company can look to the future with the hope of expanding the use of the network globally, firstly in Europe, and then across other continents.

By doing this, Aviva will be able to cut cost savings further, as well as improve supplier relationships as more clients will be paid on time.

Mr Boosey added: "We're confident that the success of e-Invoicing can be transferred from our UK accounts payable department across to our other countries across Europe. At the moment we are looking into this, but hopefully it is something we can carry out in the near future that will help cut costs and improve efficiency."

### About OB10

OB10 simplifies and streamlines the complex invoice-to-pay process. Neither client organisations nor their suppliers are required to implement any hardware or software, and OB10 is independent of data file formats.

Operational across Europe, North America and Asia, OB10 is compliant with the requirements of VAT, tax and e-Invoicing legislation and exchanges invoices between thousands of customers in over 100 countries.

To ensure unrivalled and rapid supplier enrolment, each new customer's suppliers are supported by an implementation services team responsible for getting them up and running on the OB10 network.

**Customers include:** Agilent Technologies, Aviva, Barclays, BP, Cargill, DHL, DSG International, Eli Lilly & Company, East Riding of Yorkshire, Fisher Scientific, General Motors, GlaxoSmithKline, Hewlett Packard, IBM, Imperial College, Kellogg's, Logica, Deutsche Lufthansa AG, Mohawk Industries, SaraLee, Shaw Industries, Steria and VWR International.

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