



## Success story

### Mondi Group

#### Industry

- Paper and Packaging Manufacturing

#### Solutions

- OpenText™ Archive Server
- OpenText™ Vendor Invoice Management (VIM)

#### Partner Support

- Datacentrix

## Results



**Improved compliance**  
to South African Revenue  
Service requirements



**Seamless integration into SAP®  
platform** with access to both  
invoice data and documents  
accelerated enquiry handling



**Vendor invoice  
process automation**  
led to cost reductions



# Mondi wraps up its vendor invoice processing with OpenText

**Automation, audit and ease of access speed up invoice  
processing, reducing costs and aiding compliance and reporting**

*"We're able to process the same volume of invoices  
each month, with a team half the size it was previously,  
having redeployed a number of staff to other areas  
of the business."*

**Craig Barrett**  
Financial Accounting Manager  
Mondi South Africa Division



**Mondi Group is an international packaging and paper group, with production operations across 30 countries and over 25,700 employees. Key operations and interests are in central Europe, Russia and South Africa, with over 100 operating sites.**

The supply chain at Mondi South Africa Division (MSAD) involves numerous suppliers to many delivery points. With this comes a high volume of vendor invoices, around 120,000 each year. The volume of paper and the manual processes involved were highly distributed, repetitive and labor intensive. This made it difficult to know where any particular invoice was in the inefficient processes, delaying supplier payments and impacting their inability to utilize early settlement discounts. MSAD needed to find a better, more streamlined and automated way of working, against a backdrop of continual pressure to reduce costs.

### **Proven integration to SAP® a key factor in selecting OpenText**

As with so many technology based solutions to business problems, there are numerous vendors purporting to offer the perfect solution. MSAD use SAP as their finance and ERP system, so this helped reduce the number of potential candidates, as the invoice processing solution would have to work closely with SAP. ***“We evaluated solutions from OpenText, ReadSoft® and Kofax®, but ultimately chose OpenText™ Vendor Invoice Management (VIM) as the strongest solution with the best SAP integration,”*** said Craig Barrett, financial accounting manager, Mondi South Africa Division.

MSAD worked with a local implementation partner, Datacentrix®, for the deployment of VIM. The successful track record of integrating OpenText with SAP meant the implementation was swift, helping to keep project costs to a minimum, with cost control and reduction a key objective for MSAD.

Datacentrix, through their extensive experience with SAP and OpenText deployments, recommended that MSAD break their requirements down, with an initial project being to build a blueprint as a foundation that could be utilized elsewhere in the organization, again speeding up the time to value for the solution.

### **Implementation to strict timelines**

With buy-in and support from the Executive Board, the green light to proceed was given with a self-imposed tight timeframe. Total commitment from all parties involved would be crucial to success. Working very closely with MSAD’s business and technical teams, the implementation began; check pointing at each key stage to ensure the client was happy and ready to proceed to the next step.

Regular meetings involving all relevant stakeholders helped to ensure the project remained on track, with the project teams on both sides making themselves available whenever needed, a true partnership. By doing so, any decisions that were necessary were made quickly, without impacting the already strict timelines.

Implementation of the VIM solution took just 11 weeks, including two weeks of coaching and support following the go-live date. ***“Our accounts payable staff reacted positively to the solution once deployed, immediately seeing the benefits to themselves as well as the business,”*** added Amy Nagiah, accounts payable manager, Mondi South Africa Division. There would be far less manual data entry, and servicing enquiries would be much quicker and simpler as less time would be spent searching for invoices and establishing their status. Having invoices accessible within the familiar SAP environment, there was no new user interface to contend with either.

***“Our accounts payable staff reacted positively to the solution once deployed, immediately seeing the benefits to themselves as well as the business.”***

**Amy Nagiah**

Accounts Payable Manager  
Mondi South Africa Division



***“It was extremely pleasing to work with a customer that saw the benefit of a great partnership between the two companies, which allowed us to break down the barriers of change and ensure the project was delivered on time and within budget,”*** said Shakeel Jhazbhay, EIM business unit manager, Datacentrix.

### Improving compliance with South African Revenue Service (SARS) requirements

The VIM solution set out to enable a much higher degree of automation in areas of invoice matching and data extraction, including supplier company details such as VAT numbers and bank details. This was a key requirement following a South African Revenue Service (SARS) audit that insisted that these items be diligently checked on each and every supplier invoice. To do this manually had been time-consuming and very labor intensive, impacting MSAD’s ability to take advantage of early settlement discounts with their suppliers and increasing operational costs.

### Better reporting and analysis

From the outset of the project through to go-live and beyond, MSAD have worked to keep their staff informed, outlining the long term benefits of the VIM solution. In doing so, they have been able to bring staff on board with a high level of user adoption and little if any disruption to the business.

***“We process around ten thousand invoices each month. Having more complete and accurate data not only reduces the time taken to process invoices by at least half, but opens up greater opportunities in the areas of reporting and analysis,”*** added Barrett. It’s now possible to obtain a much more accurate picture of the current accounts payable status, drilling down into the detail for more in depth analysis.

### A system for all users, regardless of location

Once invoices have been electronically captured, either by scanning physical paper or by processing invoices received via email, personnel in any office are now able to view the extracted invoice detail from their desk. They also have the ability to call up the invoice document on screen to handle more in depth queries.

With the head office in Durban and seven remote offices at locations such as Richards Bay, Hilton and Piet Retief, it’s not only the scanning clerks and accounts payable personnel who now have fast, accurate and up-to-date information at their fingertips, but also purchasing, logistics and other decentralized finance departments. This helps enormously with approvals and other notifications as there is no longer any delay in paper being processed and information being made available to others.

### Streamlined operations lead to time and cost savings, now and in the future

The time to benefit of the solution was almost immediate, with invoices being automatically processed in the first month. Processing times are down, information is more readily available, early settlement discounts can now be realized, operational costs are down, SARS compliance has been improved and vendor relationships are also improving. ***“We’re able to process the same volume of invoices each month, with a team half the size it was previously, having redeployed a number of staff to other areas of the business. The target for payback on the overall project of just 15 months is already on track and expected to be met,”*** added Barrett.

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**Craig Barrett**  
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Many other benefits are also materializing, such as early detection and rejection of duplicate invoices and automated payment notification to vendors. This all paves the way forward for wider use of the OpenText VIM solution throughout MSAD as well as utilizing other capabilities of the solution, such as automating supplier reconciliations.

### About Datacentrix

Datacentrix is one of South Africa's leading empowered services-led solution integrators. The company's focus is the provision of infrastructure and business solutions, including cloud computing, high-end storage and security, outsourcing and other related IT services. Datacentrix is one of the most highly skilled and certified business partners for a number of leading international and local vendors. For more information, visit: [www.datacentrix.co.za](http://www.datacentrix.co.za)



### About OpenText

OpenText, The Information Company, enables organizations to gain insight through market leading information management solutions, on-premises or in the cloud. For more information about OpenText (NASDAQ: OTEX, TSX: OTEX) visit [opentext.com](http://opentext.com).

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