

Redefining the sound of efficient invoice flows with MAKIRA Capture

Client profile

Industry: Audio and home entertainment products

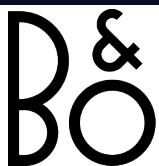
Products: Development and design of high-end headphones, speakers, TV solutions, and soundbars

Employees: 1,000+ operating in 70+ countries (2022)

Website: www.bang-olufsen.com

Why NTT DATA Business Solutions?

- As a long-term partner, NTT DATA Business Solutions knows Bang & Olufsen's processes, which allows them to provide valuable sparring on their continuous journey
- Regular meetings and a continuous dialogue enable an efficient cooperation and full utilization of the modularity of MAKIRA
- Being close to the technological development means NTT DATA Business Solutions can make proactive recommendations so that the company can react faster for, e.g., new opportunities or legislative changes that require their attention



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Today, with MAKIRA, we are in a much better position for exploring further steps to support our automation journey.

Nickolaj Almskou Holler, Director, Financial Excellence & Tax, Bang & Olufsen

Business need

- Bang & Olufsen's manual process for invoice registration and handling was inefficient and cost-heavy
- A high degree of complexity due to the large number of different templates, languages, VAT codes, and more meant a considerable error rate, including duplicate invoices
- The old solution was not compatible with the company's ambitious journey to streamline the organization and focus on their core competences

Solution

- MAKIRA Capture and MAKIRA Approve

Outcome

- Automation and optimization of the invoice registration flow in MAKIRA Capture has delivered significant cost and time savings
- The scalability of MAKIRA Capture delivers full transparency and flexibility in cost structure
- Global roll-out of MAKIRA Approve further optimizes the invoice flow thanks to pre-approved Purchase Order numbers
- The shift away from manual invoice registration has freed up resources now converted to focusing on value-adding process optimization also resulting in an improved sense of purpose for the accounting team

Business need

The journey towards automation

In 2018, the Financial Excellence team at the iconic Danish luxury audio company, Bang & Olufsen, did an end-to-end assessment of their invoice handling system. This was step one on their journey from traditional manual processes and tools to a more agile and automated approach. It was also part of the company's overall asset light transformation to streamline all areas of the almost 100-year-old business in order to focus on their core competencies of innovative product development and design.

Inefficient, time-consuming, and resource-heavy workflows meant they were in the market for a smarter solution for invoice registration. Their solution at the time could read some information, but the rest had to be manually scanned or entered into their ERP system, SAP. This also increased the risk of human error due to, e.g., duplicate invoices or the immense complexity of numerous languages, currencies, VAT codes, etc.

The company went with long-term partner NTT DATA Business Solutions' (NTT DATA) solution MAKIRA Capture – after a business case showed significant time and cost saving potential. In addition to being much more automatic, a key factor was the solution's scalability and the fact that they would no longer have to host, maintain, and pay license fees for their solution.

"We got the most value for money with MAKIRA Capture. It was simply the most cost-effective solution, plus its scalable variable cost structure gives us full flexibility and transparency," says Nickolaj Almskou Holler, Director of Financial Excellence & Tax.

Solution

Optimized flow, costs, and purpose

Today, approximately 40,000 invoices go through Bang & Olufsen's MAKIRA Capture every year. Sent to a no-reply email inbox directly linked to MAKIRA Capture, it scans, reads, and interprets each invoice before automatically exporting it into SAP for accounting and payment. Around 95% go through without any manual handling. If an invoice

does not match the predefined data, it is automatically sent to NTT DATA's service center to establish the cause, e.g., changes in a supplier's invoice layout or wrong currency – before sending it back into the flow.

Automating invoice handling has resulted in a number of benefits for Bang & Olufsen. Thanks to the built-in screening in MAKIRA Capture, the error rate from, e.g., duplicate invoices, has gone down considerably ensuring both compliance and cashflow so that they avoid double payments. Plus, in addition to reducing the cost per invoice, it has freed up both time and resources that are now used for value-adding optimization of other processes and functions – also giving Nickolaj Almskou Holler's team a better sense of purpose.

According to him, both the implementation and ongoing cooperation with NTT DATA has been more than satisfactory and allowed them to react quickly: "Collaborations shouldn't be assessed on whether complications happen – because they will. It's about how you deal with them. The proactive mentality, continuous adjustments, and healthy sense of curiosity on both sides makes this a great partnership."

Outcomes

A launchpad for further automation

Bang & Olufsen is currently examining how to get even more value out of MAKIRA Capture. Here, the modularity of NTT DATA's solution is a great advantage as opposed to a fully customized one. Already today, Bang & Olufsen also use MAKIRA Approve ensuring an efficient approval workflow centered around pre-approved PO numbers. And according to Nickolaj Almskou Holler, there is a quantum leap ahead for his team as they look into also automating the subsequent processes, including exploring an AI approach.

"To become best-in-class, you have to surround yourself with partners that share your ambitions and are closer to the technological development. And our chances of getting to where we need to be 5-10 years from now are much better with a long-term partner."