



REDUCING INVOICE COSTS THANKS TO AP AUTOMATION AT A GLOBAL SHARED SERVICES CENTRE

Malaysia Airlines successfully leveraged Esker's Account Payable automation solution to automate the processing of over 28,000 monthly invoices.

The Challenge

Following the implementation of SAP®, Malaysia Airlines was looking for a new solution that could complement its SAP system by automating and streamlining the processing of its vendor invoices. With over 28,000 monthly invoices (increasing at 5% annually), including invoices coming from various overseas locations to company headquarters, the manual invoice process was extremely time-consuming and inefficient.

Malaysia Airlines faced a number of challenges, including:

- Inability to track invoice statuses
- Missing invoices
- Invoice approvers situated in different locations
- High volume of physical document movement

The ultimate goal of the initiative was to improve the flow of invoices around the world and set up a global finance shared services centre in Malaysia.

The Solution

Malaysia Airlines had several conditions for the chosen solution, including: the capacity to handle its growing global invoicing needs, and, the ability to seamlessly integrate with its plans of setting up a finance shared services centre. Also, it was key that the solution work with IATA Simplified Interlines Settlement (SIS), an airline specific electronic invoicing platform designed to remove all paper from invoicing. Additional requirements included:

- Scanning/importing
- OCR
- Data validation
- Invoice verification
- Approval workflow
- Integration to SAP application
- KPI reporting & SIS document management reporting

After having looked at multiple solutions on the market, Malaysia Airlines selected Esker, impressed by the AP solution's flexible workflow functions outside SAP, as well as its on-premises global deployment.

How it works

Using Esker's Accounts Payable solution, Malaysia Airlines' vendor invoice process is now completely streamlined. When an invoice arrives, the document is entered into the Esker system where it's imaged and scanned into SAP — all with full visibility and while minimising the risk for invoice entry errors.



We have successfully transformed our AP process thanks to Esker. We have replaced 3rd party outsourcing for locations outside Malaysia, and adopted a centralised model at headquarters

Choo Jin Yee – Project Manager at Malaysia Airlines.

Esker's solution automatically reconciles SIS EDI invoice batch with its corresponding supporting documents and SAP posting information. Esker generates a consolidated reformatted invoice to facilitate invoice verification. The application pre-matches PO-related invoices to speed up the process. It also helps streamline the process by flagging the documents by importance, based on dynamic criteria. The workflow tracking offers complete visibility from the invoice reception up to rejection and correspondence tracking.

The Benefits

Since implementing Esker, the company has seen a number of benefits, including:

- **Global AP costs reduced**
- **Seamless SAP integration:** Invoice statuses can now be easily updated at any point in time.
- **Workflow related to SIS**
- **Convenient approval process:** Approvers can now access and approve invoices from any remote location.
- **Unlimited user access**
- **Improved visibility and efficiency:** Invoices, including duplicates, can be tracked at any time in the process 24/7 — from submission to approvals.

- **Easy reporting:** The capability to easily generate summary reports, including productivity and KPI tracking, is now available.

Additionally, the company has seen numerous strategic business advantages, including: better integration to financial systems, stronger financial controls, strengthened supplier relations and improved cash flow visibility.

Exceptional support

For Malaysia Airlines, the high quality of support from Esker's Professional Services and Solution Support teams was equally as important as the performance of the solution itself.

Future Plans with Esker

Malaysia Airlines is exploring automating multiple paper-based processes with Esker, including its capital expenditure requisition and approval process, fixed asset disposal approval process, as well as its baggage claim process.



We greatly appreciated the fact that we had the same technical consultants from the beginning of the project to solution Go-Live.

Suzanne Ng – Project Owner at Malaysia Airlines.

About Malaysia Airlines

Malaysia Airlines is the national carrier of Malaysia and one of Asia's largest, serving 50,000 guests on 360 flights to over 60 destinations daily. The distinctive Malaysia Airlines brand is an extension of the special culture of warmth and friendliness unique to Malaysians. This inimitable Malaysian sense of graciousness is branded as "Malaysian Hospitality" and symbolised by the acronym MH, which is also the airline's flight code. Malaysia Airlines operates flights from its home base, Kuala Lumpur International Airport, and offers great connectivity across the globe; including oneworld® hubs.

Malaysia Airlines became a part of oneworld® in 2013, which brings together 13 of the world's biggest and best names in the airline industry and 30 affiliate airlines serving more than 10,000 daily departures. Through this global alliance Malaysia Airlines offers the best connectivity with seamless journeys to almost 900 destinations across 150 countries and access to over 550 airport lounges worldwide.

www.malaysiaairlines.com

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