Implementing Efficiency and Innovation for Invoice Processing for a Large Movie Theater Company

ARDEM Incorporated
Success Delivered

Eliminating In-House Inefficiencies of Invoice Processing

A large movie theater company was looking for help to process the large number of invoices received each month. A total of 100,000 to 120,000 invoices were processed internally each year, all with varying complexity. There was an average of 8 different fields which were required to approve and process the payment of each invoice. Completing this work in-house became too inefficient. This movie theater company needed a way to automate this time-consuming process, decrease cycle times, and reduce overall operational costs.

Key Benefits

- **Scalability along with Automation technology**
- **Innovation for continuous efficiency development**
- **Extensive Quality Assurance**

Tackling the Challenges of Invoice Processing

One of the biggest challenges that this company faced was the complexity of bills due to the varying formats of each vendor. About 10-20% of all invoices were considered to be "low complexity". Higher complexity invoices would be more challenging in determining fields such as Invoice Number or Cost Center. Invoices of a higher complexity would require a good amount of interpretation to determine the values of each field and may require additional validation routines to ensure the accuracy of data.

Skilled team members were hand-picked based on their accounting background and industry experience to fully understand and improve the process.

Can OCR Automate Your Invoice Processing?

⇒ One of the biggest and most common challenges with OCR technology revolves around the quality of the handwritten or printed text.

⇒ The lesser the quality, the more interpretation is necessary

⇒ A combination of automation technologies such as OCR and Data Capture, combined wit a well defined process and highly qualified staff increases the efficiency and accuracy of automation technologies.

ARDEM started the outsourcing process by handling the "low complexity" invoices of 1,000 per month and scaling upwards to handle the total volume as well as the complex invoices. The invoices were uploaded onto the cloud network and by using automation technology. The extraction of data was streamlined to improve cycle time. Each invoice was logged to track the progress, status, and to ensure complete visibility. Using a technical approach, a combination of automation and data validation checks would be used to assure the highest accuracy of data.

ARDEM's Solution for Continuous Growth

The data extracted from the invoices was delivered daily onto a CSV file with specified formatting for easy ingestion into their current system. The movie theater company saw an average of a 30% cost reduction and a significant reduction in cycle time by removing the pressure of in-house invoice processing. Having a high level of quality assurance also allowed for invoices to be approved quickly.

Further discussion for increasing efficiency was made to ensure the future growth of the company, while reducing the costs. When working with the more complex invoices, ARDEM suggested a plan to validate calculations to ensure the data extracted from each invoice is correct. Additionally, by taking over the receipt of paper invoices to eliminate the need for manual in-house data entry, ARDEM could further reduce the costs of invoice processing compared to the current operational costs. The movie theater company not only valued ARDEM's ability to complete their invoice processing at a fraction of the time and cost, they also valued how ARDEM continued to add innovation to improve their current process.

Did You Know?

Businesses that have inefficient invoice processing methods can spend up to 5 times more than businesses that utilize a combination of automation and validation routines?