



## CASE STUDY:

# Invoice Management Optimization

Toro is a leading worldwide provider of innovative solutions for the outdoor environment including turf maintenance, snow management, landscape, rental and specialty construction equipment, and irrigation solutions.

The company was facing ongoing challenges with labor-intensive and time-consuming vendor invoicing processes. Additionally, the absence of automation created additional hurdles in achieving an optimized invoicing process, compounding the difficulties faced by the company. With Auritas' expertise, the company achieved impressive results in their invoice management optimization project. They **processed over 700 thousand invoices**. The **touchless process increased** from 0-20% to over 85% globally. Finally, the company also experienced **improved relationships with suppliers**.





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The company was founded in 1914 and by 2023 has expanded to 125+ countries. It has over 6,800 worldwide employees and as of 2021 has an approximate annual revenue of \$3.96B.

“ We want to grow a digital future whilst eliminating key touch points and standardize towards common efficient processes globally. ”

- Bobbi Black, Sr. Manager Finance Systems





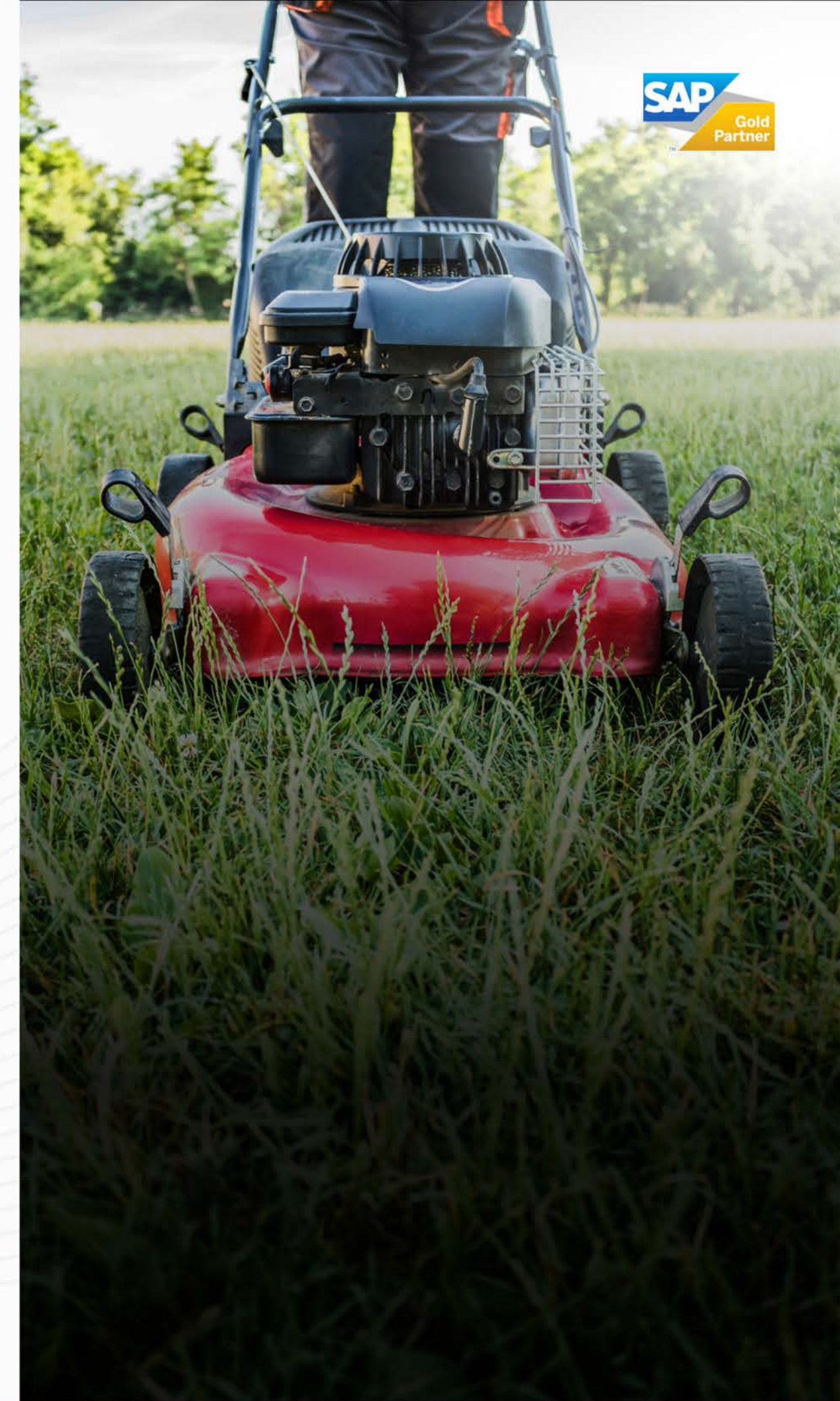
## **THE BUSINESS PROBLEM**

In 2021, Toro undertook an important endeavor to digitize its invoice processing operations. Having expanded its presence to over 125 countries since its establishment in 1914, Toro had experienced several modernizations throughout its history. Despite these advancements, the company's team still grappled with the labor-intensive nature and lengthy duration of its vendor invoicing processes.

The absence of optimization in their financial workflows impeded Toro's scalability and hindered their ability to effectively measure performance. Moreover, the lack of automation presented numerous challenges in achieving an optimized invoicing process, further exacerbating the situation.

## **PAIN POINTS**

- ✦ Heavy manual labor needs to complete tasks
- ✦ Long cycle/processing time
- ✦ Challenges to measure supplier performance
- ✦ Large number of exceptions
- ✦ Customizations were being used in the place of business rules





## AURITAS SOLUTION

Toro connected with Auritas to get assistance in the process. Auritas' experts drafted an action plan to address the company's pain points. Starting with an assessment of the current invoicing process, the project focused on enabling the company to scale its operations with ease. By implementing standard global practices, the experts invested on developing and tracking performance metrics to trends progress.

Another important aspect of the solution was focusing on leading the change with business process, not technology; building cross functional change coalition to root the cultural change. Auritas' experts also focused on implementing SAP validation, rejection, exception handling, workflow, approval and posting minimal SAP customizations. It also in integrate EDI and auto ingest emailed invoices, automating and simplifying the process. Finally, it also architected a future state supplier portal integration.

### **Phase 1:** **Digitalize**

- Grow EDI invoices
- Automate email
- Paper reduction

### **Phase 2:** **Standardize**

- Standardize process
- Review & update Policy
- Eliminate touch points

### **Phase 3:** **Accelerate**

- PO Driven
- Line-item match acceleration
- Minimum touch exception path
- Robust business rules
- Digitized workflows
- Analytics

### **Phase 4:** **Operate**

- Establish SSC
- Measure performance
- Benchmark
- Vendor Adoption

### **Phase 4:** **Optimize**

- Actionable Improvements
- Supplier Portal Integration
- Continuous Improvement



## RESULTS AND BENEFITS

In just over 12 months, the project drove a comprehensive list of benefits for Toro:

- ☑ Over 700 thousand invoices processed – EDI 55% and email and paper 45%,
- ☑ Touchless process went from 0-20% to 85+% globally.
- ☑ Cycle time was reduced from 18 to 4.5 days.
- ☑ Relationships with suppliers were greatly improved.

Toro also plans to continue investing on growing and improving their processes:

- ▶ Implement and integrate a supplier portal.
- ▶ Extend standard POs for Maintenance, Repair and Operations (MRO) expense.
- ▶ Grow digital invoicing, target paper reduction with new vendors and non-PO.
- ▶ Root cause and resolve vendor exceptions via supplier performance meetings.





## ABOUT AURITAS

Auritas is a global ERP products and services company specialized in data management, process optimization, and product innovation, with a focus on SAP Enterprise customers. Since its inception in 2003, Auritas has been closely aligned with SAP & has established itself as a leading pioneer in the market for all things data & process.

In its two decades of experience, the company specializing in sophisticated approaches to Information Lifecycle Management (ILM), Legacy Decommissioning, Enterprise Information Management (EIM), Enterprise Content Management (ECM), Business Transformations for AP/AR, and SAP S/4 HANA. Auritas help clients actualize the benefits of IT footprint reduction, landscape optimization, process simplification and digital transformations using SAP® and core and key solution extensions.

Visit [www.auritas.com](http://www.auritas.com) for more information about Auritas' products and services.