

CASE STUDY:

DNA

DNA DEPLOYS BASWARE PURCHASE TO PAY TO SPEED UP P2P PROCESS

DNA, ONE OF FINLAND'S LARGEST TELECOMMUNICATIONS COMPANIES, HAS WORKED PERSISTENTLY TO INCREASE THE EFFICIENCY OF ITS PURCHASE-TO-PAY (P2P) PROCESS. THE EFFORTS HAVE BORN FRUIT, AND WORK HAS BECOME MORE MEANINGFUL THROUGH THE ELIMINATION OF UNNECESSARY MANUAL TASKS. PRODUCTIVITY HAS INCREASED, REPORTING HAS IMPROVED, AND SPEND IS EASIER TO CONTROL THAN EVER.



DNA began developing their purchase-to-pay process years ago. Key drivers for change came from external and internal reporting requirements which required them to speed up financial administration processes and month end. There were many recurring invoices and much unnecessary work related to invoice processing in business operations. A "digitized manual process" was not enough: they wanted to increase the degree of automation throughout the purchase-to-pay process.

In addition, there was no integration between the procurement and finance functions. Procurement was scattered in several separate systems and had no connection to the finance function. Moreover,

there was a significant amount of maverick spending.

The development work has yielded the desired results. DNA now enjoys better predictability and faster month end closing - thanks to well-defined automated processes.



SUPPLIER CONTRACTS UNDER CONTROL

Previously, individual Procurement Managers were responsible for managing supplier contracts. This made information about contracts and their content difficult to access.

DNA solved this problem by adopting uniform contract templates, and centralizing contract management into the Basware Contract Lifecycle

CUSTOMER:



INDUSTRY:

IT/Telecommunications

LOCATION:

Finland (HQ Helsinki)

BASWARE SOLUTION:

- Purchase-to-Pay with Order Matching and Contract Matching
- Contract Lifecycle Management
- Banking
- Group Consolidation

basware

Simplify Operations, Spend Smarter.



COLLABORATION ACROSS FUNCTIONS

Management system. Now, contracts are easily available to both Procurement and Legal departments.

The Basware solution generates automatic alerts when contracts are close to expiration - making them considerably easier to manage. Employees save a lot of time now that contracts are all in one place and can be searched using relevant criteria. "For example, we can search for all contracts that are valid until further notice, or for all contracts with a particular supplier - regardless of which business group the contract is with," explains logistics department head Mikko Lampinen. "If needed, the original contract can be accessed immediately."

AUTOMATION ENABLED BY EASY PROCUREMENT



At DNA, all purchasing is done using the Basware solution. Users can create free-text form orders or pick out products from catalogs. Users prefer using catalogs because they make buying quick and easy: all they

have to do is input the quantity they want.

"WHEN ORDERING FROM A CATALOG, YOU ALWAYS KNOW THAT PRICES AND ACCOUNT CODES ARE CORRECT, SO PURCHASE ORDERS (POs) ARE AUTOMATICALLY MATCHED TO INVOICES, THUS ELIMINATING THE NEED FOR MANUAL INVOICE APPROVAL,"

Development Manager Kyösti Bergdahl explains.

The user's cost center is automatically added to free-text form orders too, which reduces the amount of account coding required by the user. The system ensures that valid account coding is used to allocate each purchase correctly against the budget. DNA does not have any one-off suppliers anymore: users can find

contract suppliers for all existing purchasing categories.



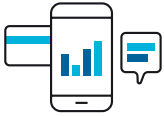
EASY SUPPLIER INTEGRATION WITH THE PURCHASE-TO- PAY SYSTEM

Suppliers' understanding of the procurement process and its requirements have increased.

"In the beginning, we had to explain to suppliers what integration of their web shop to our e-procurement system with a punch-out solution meant, and in which format we wanted the catalog," Lampinen explains. Today, a supplier's online store can be integrated with DNA's purchase-to-pay system in less than an hour, and catalogs can be delivered in minutes.

In fact, the number of catalog and punch-out integrations is continuously increasing.

The next step is to automate the exchange of e-orders with suppliers.



AUTOMATED PROCESSES ARE NOW TAKEN FOR GRANTED

DNA employees are already so used to purchase-to-pay automation that they immediately give feedback if something is not working the way it should. "No one wants to do manual processing here anymore - they are used to the Basware solution taking care of it automatically," Bergdahl explains. In early 2015, DNA received an astonishing 67% of its invoices as true e-invoices.

"We have instructions for e-invoicing included in our supplier contracts," Lampinen says. "We are still not receiving e-invoices from all our foreign suppliers, but this will change."

"Over 50% of recurring invoices are automatically matched, while we've achieved a 40% automatic matching level with non-recurring invoices. We have also implemented a rule by which invoices over a certain amount must be reviewed and approved separately - even if the PO and invoice quantities match."

"THE BENEFIT OF AUTOMATED ORDER MATCHING IS THAT INVOICES DON'T GET STUCK WAITING FOR REVIEW AND APPROVAL - AND WE CAN GET THEM PAID ON TIME."

- Kyösti Bergdahl, Development Manager, DNA

Unmatched invoices are automatically forwarded to the buyer who manually codes the invoice and then forwards it to Accounts Payable for payment.

Coding templates are often used when an invoice cannot be automatically processed. Only approved coding combinations are accepted when posting an invoice: the system will not accept incorrect coding combinations. This process is continuously monitored and improved. Next, DNA will focus on improving the goods receiving process.



ABOUT: DNA

DNA provides high-quality voice, data and TV services for communication, entertainment and business. Cost efficiency, streamlined structure, agility and innovation are at the core of DNA's operating model. DNA's net sales for 2014 was €833.5 million, and operating profit €29.4 million. DNA has over three million mobile and fixed-network customer accounts. DNA and WELHO are DNA Oy's registered trademarks.

DNA's nationwide 3G network, which covers over five million Finns, is expanding further. DNA's 4G LTE network covers more than 40 cities and four million Finns.

ABOUT BASWARE

Basware is the global leader in providing purchase-to-pay solutions, e-invoicing and innovative financing services. Basware's commerce and financing network connects businesses around the globe. As the largest open business network in the world, Basware provides scale and reach for organizations of all sizes, enabling them to grow their business and unlock value across their operations by simplifying and streamlining financial processes. Small and large companies around the world achieve significant cost savings, more flexible payment terms, greater efficiencies and closer relationships with their suppliers.

Find out more at:

WWW.BASWARE.COM

