

# AUTOMATE INVOICING PROCESSES

Encana Gains Operational Visibility with Accurate Financial Reports and Reduces Invoice Upload Time



# Success at a Glance



## The Challenges

---

- Use of two different legacy financial systems and workflows caused a disconnect between financial operations in the company.
- The manual process of routing and approval was taking up valuable staff time and it was becoming necessary to hire additional accounts payable clerks.
- There was a lack of detailed data required to perform spend analysis.



## The Solution

---

OpenInvoice software allows oil and gas suppliers and buyers to collaboratively create, exchange, and process invoices and service delivery tickets.



## Results

---

- 2,570 invoices processed
- \$21.2 million worth of spend captured
- Average invoice approval time from submission to upload into the financial system 7.9 calendar days

Speak to an Expert



# Customer Challenge

Encana Oil & Gas (USA) Inc. undertook a project to determine how new technology could be introduced to streamline workflow processes. Encana's operations had largely been formed through the acquisition of properties from two different operating companies. This resulted in duplicate legacy financial systems and processes within the organization.

Rather than implement one of the two existing legacy workflow processes across the organization, Encana determined it wanted a completely new solution. An evaluation of Encana's current invoice reconciliation processes indicated that the manual process of invoice routing and approval was taking up valuable staff time and it was becoming necessary to hire additional accounts payable clerks. These process delays caused Encana to miss out on many available early payment discounts.

In addition to the labor-intensive processes, the current system was unable to provide the level of detail required to perform spend analysis. There was no mechanism in place to capture spend data in a user-friendly format.

Speak to an Expert



# Customer Solution

Encana began researching technology options for invoice automation to streamline its business processes. The company identified the following requirements for a new invoice reconciliation process:

- Streamline the invoice receipt, coding, routing, adjudication, and approval process
- Require no workload increase for field personnel
- Integrate fully with their financial system
- Dramatically improve invoice cycle time
- Provide a benefit for suppliers utilizing the technology.

After researching options, Encana chose OpenInvoice, an internet-based software application that allows suppliers and buyers to collaboratively create and process invoices and delivery tickets. The solution automates paper driven processes between suppliers and buyers by automatically coding line items, tracking inquiries, resolving disputes, and seamlessly linking spend information to corporate financial systems.

The solution was integrated with Encana's back-office financial system to allow for an electronic transfer of approved invoices into the payables system (eliminating re-keying of vouchers), and to provide OpenInvoice with a nightly update of valid AFE's (Approvals for Expenditure) and cost centers. This in turn provided suppliers an up-to-date listing of these options from which to select when creating an invoice.

Prior to launch, suppliers and Encana personnel were trained on how to use OpenInvoice. Then vendors started using OpenInvoice to generate invoices, with those invoices being coded, routed, adjudicated, and approved. As invoice volume increased, weekly spend and invoice volume totals were tracked. Issues raised by suppliers and Encana users were tracked and used as the basis of product enhancement. Follow-up training was provided over the phone as necessary.

Speak to an Expert



# The Results

The OpenInvoice application proved to be robust and capable of handling invoice approval workflows with minimal maintenance. After several months:

- 2,570 invoices had been processed; average weekly volume was 80 invoices
- \$21.2 million worth of spend had been captured; average weekly volume was \$410,000
- Overall auto-coding success during the pilot was more than 90%
- Average invoice approval time from submission to upload into the financial system was 7.9 calendar days.

# Conclusion

Within months of rollout, Encana had key suppliers using the OpenInvoice system. The result was a dramatic increase in reporting accuracy, an increase of invoices processed, and a significant reduction in time for the submission to upload process.

[Speak to an Expert](#)

Drillinginfo delivers business-critical insights to the energy, power, and commodities markets. Its state-of-the-art SaaS platform offers sophisticated technology, powerful analytics, and industry-leading data. Drillinginfo's solutions deliver value across upstream, midstream and downstream markets, empowering exploration and production (E&P), oilfield services, midstream, utilities, trading and risk, and capital markets companies to be more collaborative, efficient, and competitive. Drillinginfo delivers actionable intelligence over mobile, web, and desktop to analyze and reduce risk, conduct competitive benchmarking, and uncover market insights. Drillinginfo serves over 5,000 companies globally from its Austin, Texas, headquarters and has more than 1,000 employees. For more information visit [drillinginfo.com](http://drillinginfo.com).

[Learn more at drillinginfo.com](http://drillinginfo.com)

