



# For Thames Water, Invoices Flow More Swiftly with Bottomline's Invoice Management Service

Thames Water provides drinking water to 8 million people and sewage services to 13 million people over 5,000 square miles across London and the Thames Valley. The water services provider is responsible for 20,000 miles of water mains and 30,000 miles of sewers – enough pipes to span the globe more than twice.



As a major utility provider, Thames Water is constantly faced with satisfying the dual challenges of the Office of Water Services' (OFWAT) requirement for greater regulatory compliance, and customers looking for cheaper utility services. To meet these challenges, Thames Water began a streamlining initiative to help improve efficiencies, reduce costs throughout the organization and establish itself as a 'best-in-class' service provider.

### Outdated AP Processes Drive Inefficiency

Working with traditional paper-based accounts payable (AP) methods, Thames Water was finding its existing processes laborious, inaccurate and time consuming. Previously the AP department was comprised of 22 full time employees performing manual data entry and other paper processing tasks. With up to 6,000 invoices classed as 'in progress' at any one time, many problems arose, including lost and duplicate invoices. The system was also incapable of providing the visibility required to ensure compliance. As a result, Thames Water began looking into automating its AP processes.

The organization needed a service capable of evolving and developing with the company, while helping to increase visibility. Thames Water's search led to the selection of the Invoice Management Service from Bottomline Technologies. The water provider was impressed with Bottomline's ability to deliver a complete end-to-end solution covering invoice capture, automated electronic invoice processing and reporting capabilities. With nearly two decades of experience in this area, Bottomline Technologies was seen as the ideal choice for a solution partner.

### Paper Invoices Meet Automated Workflow

All of Thames Water's paper invoices are now received at Bottomline's secure, state-of-the-art Transaction Center. Once delivered, all invoices are converted into electronic images and data using an advanced data capture process. Invoices are then automatically validated and matched using Thames Water's processing rules, purchase order data and vendor lists.

Any documents failing to meet these checks are automatically routed to Thames Water's in-house AP team via Bottomline's Web-based invoice management workflow solution for rapid resolution. The service enables an AP specialist to instantly access an invoice's header and line item detail as well as images of the original invoice. This gives the team all the information needed to resolve a query or return it to the



## Customer Challenge

- Increasing pressure to ensure regulatory compliance, while responding to customer demands, required Thames Water to address core process inefficiencies.
- Processing more than 120,000 invoices per year rendered traditional paper-based accounts payable processes labor-intensive and error prone.
- Inadequate visibility into invoice status, reporting and dispute resolution processes.

## Solution

- Bottomline Technologies' Invoice Management Service

## Benefits

- Approximately 57 percent of all invoices are now handled without human intervention, enabling full-time employees to work on other projects.
- Invoice processing costs have been reduced by as much as 50 percent.
- AP staff are immediately alerted to invoice discrepancies, thereby reducing the number of 'in progress' invoices to an average of 220 at any given time.

# About Bottomline Technologies

Bottomline Technologies (NASDAQ: EPAY) provides enterprise payments and invoice automation software and services to organizations seeking more secure and efficient financial processes. The company remains at the forefront of delivering innovative solutions that complement and extend the value of existing financial processes, business relationships and back-office systems. These solutions have enabled industry-leading corporations, banks and financial institutions to automate, manage and control processes involving payments and collections, invoice approval, cash flow, risk mitigation, reporting and document archive. For more information, please visit [www.bottomline.com](http://www.bottomline.com).



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supplier for correction. AP staff can now also assist colleagues in procurement by identifying problems and suggesting improvements to processes. For example, Thames Water has improved its handling of the lifecycle and values of both regular and blanket purchase orders.

## ROI That Speaks for Itself

Thames Water processes more than 120,000 invoices per year and 57 percent of these are now handled without human intervention. This has enabled Thames Water to cut manual handling costs by as much as 50 percent, significantly reducing the utility's overall operating costs.

The amount of invoices classified as 'works in progress' has also plummeted from 6,000 to just 220 and staff can perform a wider range of tasks, leading to an improvement in morale. As a result, workers are able to dedicate more time to improving internal processes and to helping to drive the organization forward.

Thanks to the Invoice Management Service, Thames Water now has visibility and traceability for the entire AP process. The company has also received positive feedback from Her Majesty's Revenue and Customs (HMRC), describing the new process as more accurate, secure and up-to-date than traditional processes.

## Benefits Spread Throughout the Organization

In September 2005, Thames Water decided to bring most of its service center operations back in-house. The Invoice Management Service was so vital to Thames Water, that it was retained at management's request. Thames Water is now looking to move to the next phase of implementation. This will see the Invoice Management Service processing all of the invoices from Thames Water Engineering, a self-contained business unit that still employs manual processes in AP.

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