

Case Study

Banking



Investitionsbank Leverages Kofax to Automate Processing of Incoming Invoices and Financial Documents

Kofax Capture and Transformation Technologies Enable Berlin Economic Development Bank to Process More than 150,000 Financial Documents Each Month

The Investitionsbank Berlin (IBB) is the economic development bank of the federal state of Berlin, and operates in the business and property development sectors. The business development activities of the IBB focus mainly on loans and investments developed through revolving loan funds. IBB also offers subsidies for business development, or grants of money to certain industries to promote investment, as well as comprehensive financial advice. The IBB currently serves more than 200,000 customers, providing financial support and advice on all aspects of subsidies and funding.

In the property sector, the IBB is a key partner to the federal state of Berlin for all property-related development and financing issues, ranging from individual properties to a complete financing portfolio. The main objective of property development is to ensure efficient portfolio management and promote Berlin's structural development by providing long-term support to the federal state of Berlin and the Berlin property market.

The Challenge

Intensified regulatory requirements governing access to information and the expansion of the IBB's product portfolio have resulted in sharply increasing volumes of information to be processed. More than 150 types of documents, including invoices, letters, contracts, credit applications and forms, must be recorded, viewed, classified and sent to the appropriate agent as rapidly as possible.

Every month, the bank receives more than 150,000 documents, requiring time-consuming and labor-intensive manual sorting and assignment. The huge volume of complex incoming documents made an efficient automated information capture solution essential to streamline the distribution

“The introduction of Kofax Intelligent Capture & Exchange has given us a standard solution which more than meets our future requirements.”

Klaus Fiedel, Bank Director

of incoming documents, the handling of financial applications for development and the processing of invoices. The main objectives of the bank were to simplify information capture and transformation processes, improve data quality and guarantee rapid access to documents to better serve customers.

The Solution

Together with Ceyoniq, a Kofax Certified Service Provider, the IBB launched the “STEP” project (service-orientation, transparency, electronic support, process optimization). In addition to the automatic classification of documents by type and content, the project specifications encompassed:

- seamless integration into the existing system architecture
- use as a standard solution
- automatic comparison of extracted information with existing customer information from databases, and
- automatic transfer of extracted invoicing data to the Basware financial management workflow and SAP back-end systems.

Intensive analysis showed that all requirements were fulfilled by Kofax Intelligent Capture & Exchange, the foundation for Kofax’s strategy to help organizations streamline business processes.

Key elements of the resulting solution developed by Ceyoniq included:

Kofax Capture, the world’s leading information capture platform, which automates data capture from scanned paper or imported documents.

Kofax Transformation Modules, which intelligently automate the classification, sorting and separation of paper and electronic documents, then extract and validate the information they contain.

Every day, automated processing of incoming mail allows the bank to capture the pages of several thousand different document pages, interpret the contents and make the resulting information available to employees, virtually in real time. An automatic comparison of all extracted customer data, including the customer number or application number, name or application date, with the in-house SAP system also ensures that the appropriate agent immediately receives the required information for processing.

Depending on the document type, the captured information is then automatically stored in an electronic file. This has significantly increased processing transparency and access to information, resulting in greater customer satisfaction.

The modularity of the Kofax Intelligent Capture & Exchange solution means that it is highly scalable and can be gradually rolled out to automate additional business processes. At the IBB, its scope has been expanded to include invoice processing.

The system captures and classifies all incoming invoices, extracts and validates accounting data and then forwards the data to a Basware workflow solution. This allows the time previously devoted to manual processing of incoming invoices to be used for more productive activities. The central storage of all incoming information and the fact that the status of each individual invoice is clearly visible at all times has maximized compliance with regulatory requirements and significantly increased the efficiency of the process.

From the very start, the recognition rate for automatic processing of some old funding application documents, which were accumulated over the course of three decades, was very high and has now reached 92% for selected document types, thanks to the learn-by-example capability of Kofax Transformation Modules. The overall classification rate for the files is around 55%. More than two million pages were processed during the first two weeks alone and are now available in digital format throughout the company.

Results

The Kofax automatically processes large daily volumes of incoming mail, including all invoices, in just four hours, and makes them available to employees in a structured format in a matter of seconds. This frees employees to perform other tasks, increases the transparency of application processing statuses and delivers fast and efficient access to information.

Customer inquiries can now be answered immediately on the telephone, eliminating the need for lengthy searches, decision processes have been streamlined and the parallel processing of applications is possible across organizational boundaries.

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