

CASE STUDY

How Goldman Sachs Transformed its Global Telecom Spend Management Practice with Sakon

sakon



Modernizing The Telecom Accounts Payable Process

Goldman Sachs brought Sakon in to deliver deep change across its global telecom spend management practice, starting with the AP invoice automation process. Together we have been able to measurably improve productivity, decision making and spend control in a short amount of time.

Before Sakon, Goldman Sachs – which has offices in 33 countries across 1,017 locations, had over 3,000 monthly telecom invoices, many still arriving in the mail via physical paper. These invoices cover 65,000 unique service line items that are billed in over 15 currencies and languages. Prior to Sakon, the invoices were handled through disparate processes and resources across the globe.

THE STATS – Goldman Sachs

33 countries with offices

1,017 locations

3,000 telecom invoices per month

65,000 unique service line items covered

15+ invoice languages and currencies

Goldman
Sachs

Having disparate individuals processing their batch of invoices meant the firm didn't have holistic category spend visibility to enable fact based decisions. It also led to a chaotic and inefficient invoice intake, chargeback and payment process.

Sakon's team, backed by an industry leading cloud native platform, came in and helped Goldman Sachs completely automate and take control of the telecom AP processes. The new system systematically reduces time cycles, automatically finds errors and files disputes, reduces late charges, simplifies the approval processes and drives spend control.

Here's how we did it →



STEP 1

As the vendors publish the bills, the Sakon platform ingests the data, translates to English and USD where needed then loads the spend detail down to the service level.

STEP 2

Sakon has integrations with all of Goldman Sachs' global vendors, ranging from China Telecom to Orange to Verizon and many, many more.



STEP 3

Once brought into the Sakon platform, the detailed invoice charges are automatically validated for accuracy leveraging Sakon's automated rules and workflow engine. The process includes a 3-way match which checks the invoice against both the contract and current inventory.



STEP 4

The Sakon platform then allocates the charges to cost centers, business units, GL codes, locations and more before routing for payment approval as required. The user interface provides efficiency and ease with which the designated approver can quickly complete their review and push to pay.

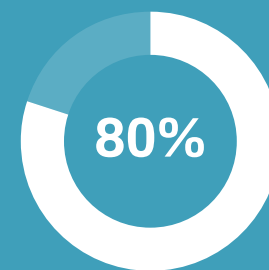
The Goldman Sachs Telecom Accounts Payable team receives the approved to pay invoices and associated GL data so, with just a few clicks, the costs are seamlessly charged back in the ERP. Along the way any erroneous charges are disputed by Sakon and refunded to Goldman Sachs.

These steps may seem simple, but they're also incredibly powerful.

Thanks to the Sakon platform, the Goldman Sachs team can expand their spend view globally or drill down to granular service spend data – allowing them to take full advantage of spend visibility for supporting approval management, control and reporting for vendor contract negotiations.

Goldman Sachs is now running the entire global telecom invoice management process with just 2 in house people.

Working with Sakon reduced the need for manual processes and human intervention by over 80%!



What We Provided

Spend Control

The cloud native Sakon platform provides deep insights into invoices, from roll up to drill down. **It is a single source of truth for all spend and invoicing**, meaning invoices are no longer decentralized, or siloed for each region. Because the Sakon platform helps with consistency and provides the right information in a central hub, Goldman Sachs has full control over spend, and the ability to analyze cuts by region, site and vendor.

Now, when it is time to renew a contract, IT has a total spend picture and can use these numbers to negotiate better. Better data is only the beginning of the benefits!



Workforce Efficiency

Not only is the Goldman Sachs' invoice management process more simplified and streamlined, but it also requires less manual intervention. What used to take a team of over 10 to accomplish is now easily and successfully handled by an internal team of 2. It goes without saying that reducing the number of people it takes to complete a task also minimizes the risk for human error.



Immediate ROI

The Sakon invoice life cycle management process automates invoice validation, checks for billing errors, creates disputes, and tracks them through the refund credit process.

Early in our partnership with Goldman Sachs, our team discovered an issue where the telecom vendor was charging a fee that was supposed to be waived, per their existing contract. The vendor mistakenly billed Goldman Sachs, but in our validation process, we found the error, provided the vendor with contractual proof to validate our finding, and opened a dispute on Goldman Sachs' behalf – tracking it through to the vendor refund.

Sakon found this erroneous billing in the first month of invoice processing – something Goldman Sachs had not found in the previous 12 months. With just this one issue, Sakon was able to get credits in the amount of \$400,000.



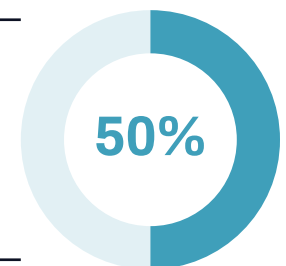
*Savings found
in first month!*



Reduced Service Disruptions

Goldman Sachs is no longer struggling with service disruptions as the invoices are being processed quicker than was previously possible. In fact, **turnaround time has gone from 10 business days to under 5**. By managing the process efficiently, we have also reduced late payment fees, and past dues notifications which required constant follow up.

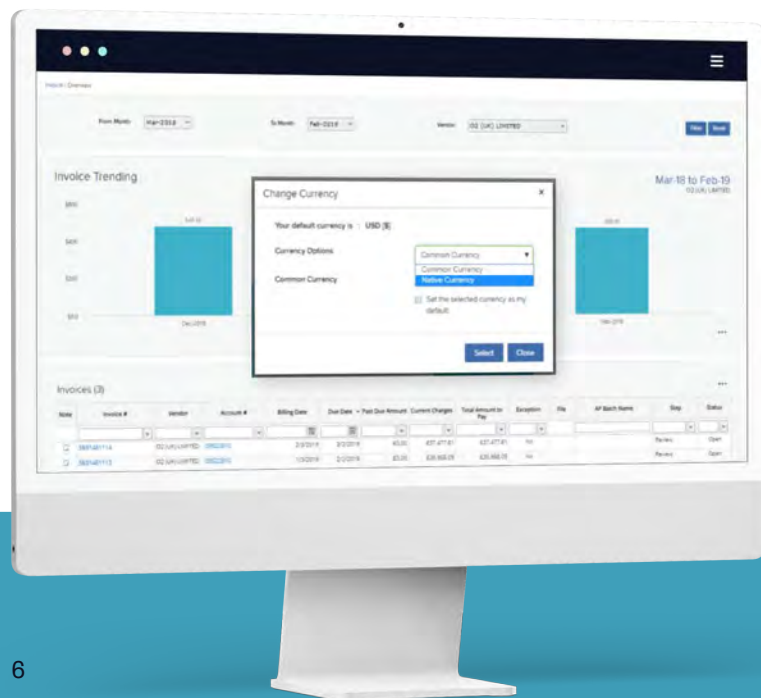
*Process efficiency gain leading
to elimination of late fees, past due
notifications and unnecessary AP work.*



Language and Currency Translation

Some of Goldman Sachs' telecom vendors issue invoices in the local language, including Chinese, Korean, and Japanese, as well as request payments via local currencies. Sakon offers a global invoice process solution, meaning we give Goldman Sachs one view with a common language, English, and currency, the US dollar. This view sits on top of the native invoicing keeping that detail as well.

Consistency among all regions is key. This translation means everyone can have visibility into the invoices, and understand them making the entire process much more user friendly for US- and UK-based accounts payable teams.

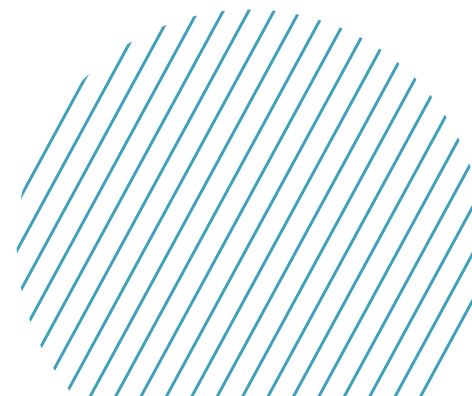
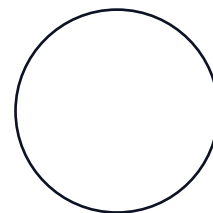


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When we brought on Sakon and began our digital transformation for Telecom, we started seeing quick wins right away. We're able to handle the entire invoicing process more successfully than before, with fewer people.

Chris Vessey

Vice President Spend Management Infrastructure
& Transformation, Spend Management,
Corporate & Workplace Solutions (CWS)
at Goldman Sachs

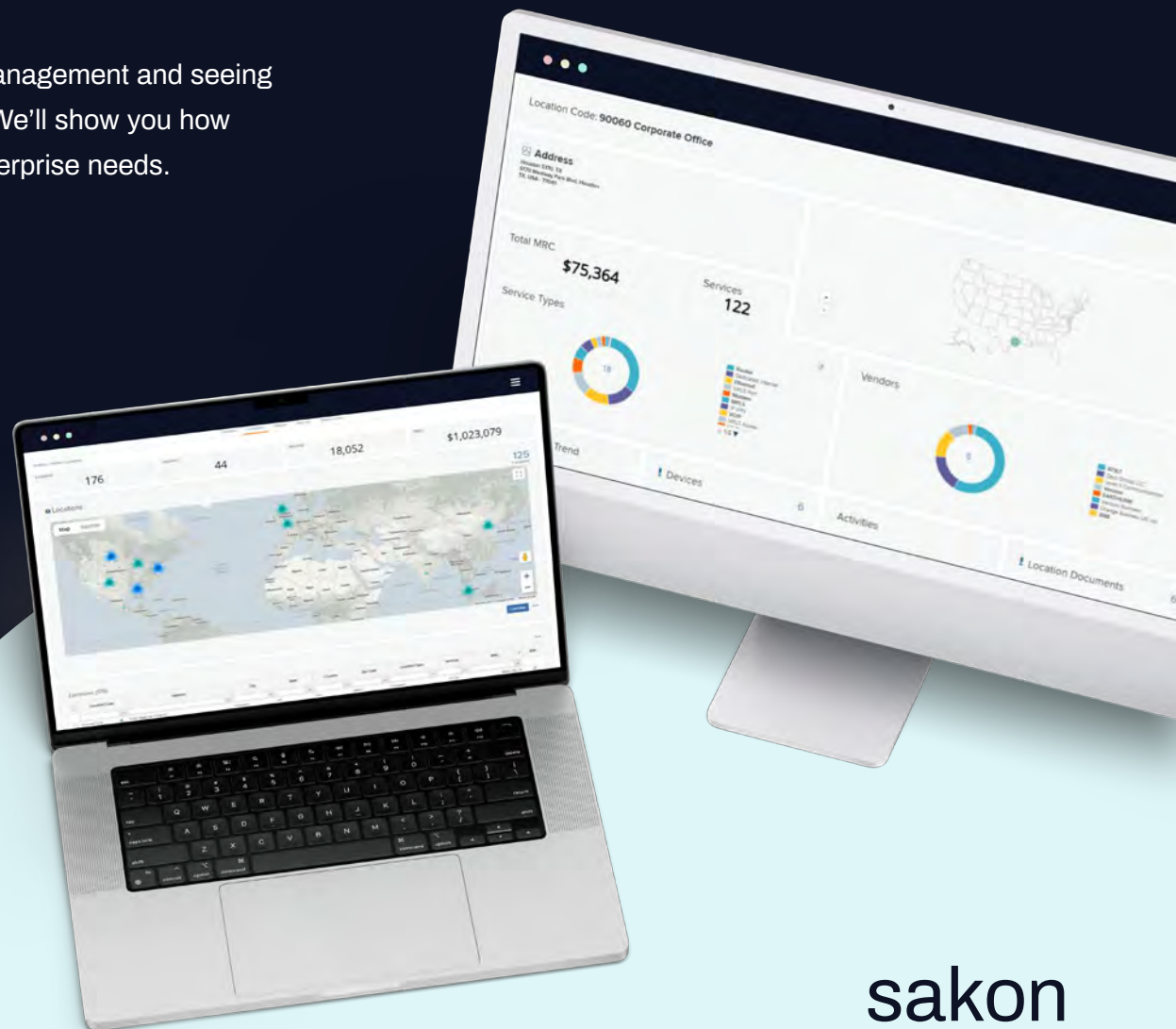


Put Sakon to Work for You

What we've done and continue to do for Goldman Sachs isn't an anomaly. We regularly see our client's transformation of telecom AP invoice processing lead to increased productivity, better decision making and improved spend control.

If you're interested in improving your telecom expense management and seeing what is possible with Sakon, contact us for a free demo. We'll show you how our proven solutions can be tailored to your particular enterprise needs.

Start Your Demo



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