CASE STUDY

STREAMLINING SOURCE-TO-PAY IN SAP FOR A GLOBAL MANUFACTURER

A Fortune-500 industrial producer running SAP ECC (MM, SRM, FI-AP) faced rising material costs, late supplier deliveries, and an avalanche of blocked invoices. Requisition-to-payment averaged more than a month, undermining working-capital targets and forfeiting early-payment discounts.

Executive Summary

A 10-week mindzie rollout connected SAP tables (EKPO, EKKO, MSEG, BKPF, BSEG) plus supplier-quality dashboards to build a digital twin of the Source-to-Pay (S2P) process. Data-driven insights and real-time alerts transformed a reactive, ticket-driven workflow into a proactive engine for cost control and supplier collaboration.

Key Outcomes

- 61% faster requisition-to-payment cycle – 32 days → 12.5 days
- Touchless invoice rate up 46 pp (29 % → 75 %)
- Blocked invoices ↓ 78 %; release time cut from 9.2 days to 1.8 days
- Early-payment discounts captured on 92 % of eligible spend (up from 38 %)
- Supplier on-time delivery ↑ 23 pp; defect PPM ↓ 37 %
- $6.1 M annual working-capital & price-variance benefit

Business Challenge

Fragmented hand-offs between purchasing, receiving, and accounts payable hid where approvals stalled, duplicate POs were raised, or pricing mismatches triggered three-way-match failures—driving up cycle time and blocking millions in payments.

Project Scope

mindzie ingested 18 months of SAP S2P data. Analyses centred on cycle time, process bottlenecks, supplier performance, re-work/loops, compliance/SLA, and finance invoice payment milestones. Live alerts now hit Teams and email whenever an exception threatens SLA, cash discount, or line-stop risk.

Key Analyses

- Cycle Time & Bottlenecks - A heat-map showed the Goods Receipt → Invoice Verification step consumed 48 % of total lead time, driven by serial quality checks. Implementing a parallel inspection workflow and auto-GR posting via handheld scanners cut the delay by 11 days.
- Supplier Management - mindzie's variant analysis revealed that five suppliers accounted for 64 % of late deliveries. Quarterly scorecards tied to contract penalties lifted on-time delivery from 71% to 94 %.
- Procurement Re-work & Compliance - 12 % of POs required price or quantity changes after release, creating loops and blocked invoices. Auto-tolerance rules and guided change-order workflows reduced PO re-work by 73 %.
- Finance / Invoice Payment - Three-way-match failures fell from 18 % to 4 % after mindzie flagged mismatched tax and freight charges in real time, allowing AP to resolve discrepancies before due dates and secure early-payment discounts.

“mindzie gave us x-ray vision into our Source-to-Pay flow. We didn't just see the delays —we eliminated them and put live guards in place to keep them from coming back.” — VP, Global Procurement & Payables

OPERATIONAL HIGHLIGHTS

Metric	Impact
Requisition → Payment Cycle	**12.5 days** (↓ 61 %)
Touchless Invoices	**75 %** (↑ 46 pp)
Blocked Invoices	**2 %** of volume (↓ 78 %)
Early-Payment Discounts	**92 %** captured
Supplier On-Time Delivery	94 % (↑ 23 pp)

Continuous Improvement

mindzie now predicts discount-loss risk on open invoices, escalates aging approvals, and alerts buyers when cumulative line performance slips—keeping the S2P process under constant optimisation.

Conclusion

This success story shows how quickly mindzie's process intelligence platform can convert raw ERP data into lasting operational excellence and bottom-line impact. If you're ready to uncover hidden inefficiencies, hard-wire compliance, and drive similar ROI in your own processes, contact mindzie today:

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Let mindzie turn your process data into your next competitive advantage.