

Case Study

American Equity Investment Life Insurance Company®

“FileBound was a great solution for us. It brought order to our chaos.”

Tanya Ruden
Accounting Manager
American Equity

About the Company

Located in Des Moines, Iowa, **American Equity Investment Life Insurance Company®** was founded in 1995 on two crucial components, GREAT SERVICE AND SLEEP INSURANCE®. Since the beginning, they have held tight to their principals and grown the company to \$41 Billion in assets; over 35,000

agents; 540,000 contract owners; 500 + employees; and the number three all-time company in indexed annuity sales.



Industry:

- Insurance, Specializing in Retirement Savings and Income Products

Application:

- Accounts Payable Workflow

The Problem:

- Decentralized AP Approval
- Lack of Process
- No Integration to Accounting Software

The Solution:

- TPG Consulting Services
- FileBound Premised Based Workflow
- PSIGEN Advanced Capture Software
- Integration with Accounting System
- TPG Custom Programming

The Benefits:

- Reduced Processing Time
- Complete Control Over System
- Proactive Rather Than Reactive when Addressing Invoice Payment

Business Need

When Tanya Ruden was hired as the Accounting Manager she inherited an Accounts Payable process that was decentralized and lacked definable processes. Having previous experience with document management workflow solutions, she knew that there was a better way to handle the approval process. Needing to change a culture that was rooted in a time when the company was much smaller, Ruden set out to make an impact. The existing process involved a decentralized approach where each department manager ordered their own equipment, supplies and services and received the invoices directly. It was up to that person to review and approve the invoice before sending it to Accounts Payable for payment. As a result, the AP department did not have any knowledge of what invoices were outstanding until they either received the approved invoice from the department, or received a statement from the vendor, sometimes indicating that the invoice was overdue.

In looking for a solution, Ruden found that the company was using FileBound to scan store and retrieve documents in other departments. Although the existing system was not exactly what she was looking for, in that she wanted automated data extraction of invoices and workflow routing, there was enough potential that she contacted Kevin “KJ” McQuerrey in the company’s IT support area to learn more. Together they called the Priton Group to find out more about FileBound’s capabili-

Solution

American Equity consulted with The Priton Group to create a solution discovery, or blueprint for automating the AP process. The discovery began by detailing American Equity's current state of approving invoices, and then working in close cooperation, TPG and American Equity identified a future state that included advanced capture for extracting information from invoices, and workflow processes that were customized to meet the exact needs of American Equity.

"We know where every invoice is at every single moment of the day."

Tanya Ruden
Accounting Manager
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The first step in the process was to capture all of the invoices that came into the company in a centralized manner. Over half of the incoming invoices are received electronically. In the old process these invoices were printed to paper for approval. In the new process, all invoices, whether they are received electronically or in paper form, are routed to a centralized capture area. Electronic invoices remain digital and are automatically imported, while the paper invoices are scanned. Using PSIGEN PSI:capture software, invoices are classified by vendor, and header and footer information are extracted by the software to facilitate streamlined data gathering.

Once the capture process is complete the invoices enter the FileBound workflow. The first stop is the AP clerk, who validates the captured index values and applies the proper codes to the invoice. The system determines where the document then gets routed based on a department value that is associated with each vendor. Department managers or assigned personnel review the invoice and can either approve or route back to the AP clerk for edits. Approved invoices are validated for a total amount of the invoice. If the invoice amount exceeds a specific dollar amount assigned to that department, additional departmental or corporate approval is required. Once all approvals are complete, the invoice is routed to the AP manager for final approval. Again, the overall value of the invoice is reviewed and if the dollar amount exceeds a specified limit it must be approved by a second, different AP manager in the Finance Department. Once the approvals are complete the workflow creates a batch and the transactional data is uploaded to American Equity's general ledger system.

Benefits

"FileBound was a great solution for us. It brought order to our chaos." Ruden stated, "We know where every invoice is at every single moment of the day." Consisting of seven companies, American Equity processes over 600 invoices per month. They have reduced processing from a five-day-a-week activity down to only two days due to the efficiency gains. As Ruden puts it, "we can process invoices at our pace rather than being reactionary because the vendors are asking for something."

About The Priton Group

The Priton Group is focused on providing affordable, yet powerful enterprise content management solutions. We strive to make companies more efficient and competitive through the use of technology.

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