



## Financial Shared Services Center of YUM China Reaches a New Level with ABBYY FlexiCapture®

### Customer Overview



**Name**

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YUM! Restaurants (China)

**Location**

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Shanghai, China

**Industry**

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Wholesale & Retail

**Web**

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yum.com

### Challenge

Process more than 20,000 invoices of different types per day

### Solution

Implementation of a solution based on ABBYY FlexiCapture Distributed.

### Results

- The volume of invoices processed per day increased by 4 times.
- The workforce involved decreased by 9 times.
- Significant improvement in the quality and accuracy of extracted data.

YUM! Restaurants (China) is the Shanghai-based Chinese division of the international company YUM! Brands, Inc. It is the leading retail developer in the country, with more than 7,100 restaurants in over 1,100 cities — chief among them company-owned KFCs and Pizza Huts. KFC® was the first quick-service restaurant chain to enter China in 1987, and is currently the number one Western QSR brand in China; Pizza Hut® introduced pizza and Western-style dining to China, and is nowadays the leading Western casual dining brand in the country. The growth of YUM brands in China is driven by their highly experienced local team, a country-wide distribution system and ultimate dedication to innovation and product quality that provides the basis of the brands' strategy.

### Challenge

As a large enterprise, YUM faces the issue of extensive document flow on a daily basis. The processed documents are chiefly made up of invoices, including VAT and shipping invoices.

Previously, all the papers used to be processed manually by financial department employees in various YUM offices all over China. The entered data were matched to a contract in the ERP system, which determined whether the payment had been made. Manual input caused numerous mistakes; moreover, due to the large quantities of invoices from different providers the company could remit payments only after manually matching invoices and contracts; this obviously lowered the speed of document processing.

To reduce the amount of manual work and raise efficiency and accuracy, the company made the decision to centralize their financial processes and automate the extraction of information from invoices by using data capture technologies.

### Solution

Like the majority of modern companies with a wide network of branch offices and a large number of separate divisions, YUM opted to switch to the Financial Shared Service Center (FSSC) model. Delegating support processes to a centralized back office allows to cut operational costs while increasing the quality of results. For automating business processes at the FSSC, YUM decided to implement a data capture solution.

## ABBYY Solution Partner



abbyy.cn

After trying out several data capture solutions, YUM chose ABBYY FlexiCapture, presented by ABBYY country partner in China — Shanghai Taibi Information Technology LTD. The project was implemented within 1 year, which included template development and testing, integration with financial system, the POC stage for small batch processing and, finally, full-cycle processing.

Today, the documents are scanned in branch offices with flatbed or high-speed portable scanners, and the resulting images are transferred through FTP into ABBYY FlexiCapture deployed in FSSC. The software automatically classifies the scanned invoices (VAT or shipping type) and applies corresponding templates to them. The relevant data are extracted and exported to the custom financial system developed by the company (ERP) with the help of a special module. At the same time the invoice's PO number is matched to a contract in the YUM ERP system, allowing the financial department to double-check the payments.

ABBYY FlexiCapture has made this step faster and more reliable, with automatic recognition quality being higher than manual data entry. To increase the accuracy for critical data fields even further, YUM collaborated with Taibi Information Technology technical consultants to introduce automatic validation rules and additional methods of verifying and matching data.

YUM found the FSSC model of workflow organization to be the most efficient. ABBYY FlexiCapture collects and automatically sends the data to the joint processing center, where operators perform the verification. Thus, the FSSC not only helps to streamline the working process, but also saves time for documents delivery and minimizes mistakes thanks to the standardization and simplification of invoice processing.

At the first stage after the launch the quantity of documents processed by the system was 5,000–8,000 per day, later the volume grew to more than 20,000 per day. In the long term the company plans to scale the system to process even larger volumes.

*“A rise in workforce expenses and data accuracy requirements made us switch to new technologies. However, having tried out different data recognition solutions, we found out that there was no opportunity to achieve the necessary accuracy level while using them. Then we opted for the international brand ABBYY and its data capture solution.*

*Now, almost a year after the project's deployment and optimization the quantity of invoices that are processed on a fully automatic basis (that is, there are no mistakes in data recognition, and invoices do not go through a verification stage involving an operator) has risen to almost 70%. The results have exceeded all our expectations. At the present moment we are completely satisfied with the stability of the software and the high efficiency of recognition. ”*

*YUM Project Manager John Zhou*

## About ABBYY

ABBYY is a leading global provider of technologies and solutions that help businesses effectively action information.

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## Results

Before the project was launched, there had been 16 offices around China, and more than 900 people had been engaged in document processing and data input. Since ABBYY FlexiCapture was deployed, the same amount of work has been done by less than 100 people in the FSSC.

Moreover, ABBYY software has enabled the company to release the workforce, significantly improve the quality and accuracy of the extracted data and raise the effectiveness of business processes.



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