FinesseCost

accelya

Contents

FinesseCost

Airlines operate numerous flights and incur various operational costs. Direct Operating Costs (DOC) represent 50-60% of an airline's overall cost structure. Today, it is challenging for an airline to verify and validate each DOC invoice against operational data and complex vendor contracts. Most airlines adopt sampling methods to verify vendor invoices leading to vendor overpayments. A recent research indicates that airlines typically overpay their vendors to the tune of 0.5 – 2.5% depending upon DOC category.

Accelya's FinesseCost helps airlines efficiently manage their DOCs. It streamlines the payables process by automatically processing e-invoices from various DOC vendors such as airports, ATC and fuel companies. FinesseCost accurately estimates flight's operational costs based on actual operational data and vendor contracts. It reconciles these estimated billings with the actual invoices to identify vendor overbilling. Near real-time reports help airlines in vendor analysis and facilitate enhanced flight planning, expense budgeting and forecasting.

Airlines have the flexibility to implement individual categories such as fuel, airport, navigation, catering, ground handling, passenger handling, passenger security, and cargo handling – allowing them to phase the implementation as per their business needs.

Prevent overpayments to suppliers and efficiently manage Direct Operating Costs (DOC)

Key Benefits

✅ **Prevent overpayment**

FinesseCost has a powerful contract management engine for managing vendor contracts. Expected billing, generated using the contract information and operational data, is reconciled with actual inward invoices at a granular level (e.g. – station, flight date, flight number, etc). The accurate reconciliation results highlight vendor overbilling. This ensures that appropriate measures then can be taken to prevent vendor overpayments.

✅ **Accurate expense outlook**

All flight-related costs are calculated based on actual operational data and vendor contracts, way before the actual invoices are received from vendors. FinesseCost can post these as accruals in the books of accounts thereby helping timely and accurate month closures.

✅ **Vendor cost analysis**

FinesseCost facilitates vendor analysis over a time period and across stations. This is an effective tool for airlines to avail volume discounts/negotiate better rates with their vendors.

Key Benefits

✓ Increase operational efficiency

It centralizes and standardizes invoice receipt/workflow processes across business units. It automatically captures actual invoice data from scanned documents, paper invoices, emails etc. It validates this data against the expected billing putting exceptions for specific approvals through configurable workflow. Auto posting to ERP minimizes manual efforts, errors.

✓ Accurate flight-level cost analysis

FinesseCost provides near real time reporting of operating costs at flight level. This facilitates flight profitability analysis, budget planning, forecasting or simulation of individual flight events. It provides valuable insights for cost control and rationalization.

FinesseCost is available on SaaS model.

Key Features

✔ Ability to capture complex vendor contracts including taxes, surcharges, discounts, group contracts, pricing based on parameters and slabs

✔ Capability to process data from various e-invoicing formats such as XML, CSV, excel, PDF

✔ Pre-packaged vendor contracts for ATC and airport charges, published by IATA

✔ Seamless integration with operations systems like flight operations, SITA Message Interface and so on for sourcing self-flight operations data

✔ Capture operations data at source, especially at stations using iPAD application

✔ Automated vendor invoice verification based on tolerance limits, various reconciliation rules

✔ Ability to reconcile billings across multiple supplier invoices

✔ Flexible accounting engine to post accurate accruals, payables to ERP

✔ Configurable workflow to incorporate airline's rules for invoice approvals

"With FinesseCost, we have taken a major step forward towards paperless invoice processing and heavily improved our cost control. The 'digitalization' of invoices and the subsequent automated approval flow has changed our direct operating costs invoice flow and made it extremely efficient. It allows us to focus on exception management rather than repetitive processing activities, which means lower costs and more meaningful jobs."

Mr. Jan Derycke, Vice President,
Finance Accounting – Brussels Airlines

accelya

Accelya is a leading global provider of technology products and services to the travel and transport industry. Founded in 1976, Accelya delivers financial, commercial, cargo and analytics solutions designed for a world on the move. Formed through the merger of Accelya and Mercator, Accelya provides the mission critical solutions that account for and manage more than 5 billion financial transactions and 75 million tons of cargo annually. Accelya is headquartered in Barcelona, with offices around the world, and serves as a strategic partner for more than 400 airlines, travel agents and shippers.

For more information please visit
www.accelya.com