

# SAP is the benchmark

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## Introduction

When it comes to processing supplier invoices, SAP has long been the industry benchmark, with more than 60 years of experience and development behind its platform. SAP's robust capabilities, compliance features, and deeply integrated financial and procurement modules make it the gold standard for enterprise resource planning (ERP).

This white paper will explore how NXT AP builds upon SAP's foundation, extending its accounts payable (AP) functionality without duplicating or disrupting the processes that organizations already trust. Unlike standalone AP solutions, NXT AP is a native extension of SAP, leveraging its core strengths and eliminating any need for redundant processes or data replication.

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# NXT AP : Not Just Another AP Solution

**NXT AP** is far more than traditional AP automation tools; it is an **SAP-certified add-on** that fully integrates with the existing SAP ecosystem. Unlike third-party solutions that create duplicate workflows and data structures, NXT AP works within the SAP environment to enhance and extend its capabilities.

Here's why NXT AP stands apart from other AP solutions:

- **100% SAP Integration:** NXT AP is built entirely in SAP ABAP, SAP's native programming language. This ensures that all processing—from invoice receipt to posting—is done within the SAP system, with no external systems or databases required.
- **No Duplication of Data Structures:** NXT AP does not create parallel data storage or workflows. All invoice data is stored in SAP's standard tables, ensuring full compatibility with existing SAP modules and processes. This eliminates the need to synchronize data between systems, reducing complexity and the risk of inconsistencies.
- **Seamless Extension of SAP's Capabilities:** Every aspect of NXT AP is designed to extend, not replicate, SAP's core functionality. Whether it's performing 3-way matching for purchase orders, goods receipts, and invoices, or validating supplier data against SAP's current master data. NXT AP leverages SAP's built-in controls, ensuring that compliance and accuracy are maintained.

# The Strength of SAP : More than 60 Years of Experience

SAP has been the global leader in enterprise software for decades, and the processes embedded in SAP's ERP system reflect the insights gained from years of handling complex procurement and financial operations across industries. By integrating directly into this system, NXT AP ensures that none of SAP's strengths are bypassed or compromised.

Examples of how NXT AP leverages SAP's existing strengths include:

- **Standard SAP Transactions:** All invoice processing within NXT AP occurs using standard SAP transactions like MIRO for invoice verification and MIGO for goods receipt postings. This means that any organization familiar with SAP's AP processes will find the NXT AP workflow familiar and intuitive.
- **Native 3-Way Matching:** Instead of replicating the logic for 3-way matching of purchase orders, goods receipts, and invoices, NXT AP directly utilizes SAP's validation mechanisms. This ensures that only invoices that meet the required criteria are automatically processed, maintaining SAP's strict compliance standards.
- **Invoice Posting and Payment:** NXT AP fully supports SAP's standard scenarios for purchase order creation, goods receipt posting, and invoice payment, meaning no limitations are imposed on how SAP processes supplier invoices. From simple purchase orders to complex, multi-account assignments per line-item, NXT AP enhances straight-through-processing (STP) without bypassing any SAP functionalities.

# Advantages of NXT AP's deep SAP Integration

The fact that NXT AP is fully embedded in SAP brings numerous advantages that other AP automation solutions cannot match:

## Compliance and Security:

- **Built-In Compliance:** NXT AP adheres to all of SAP's compliance protocols, ensuring that businesses remain compliant with local tax regulations, including VAT/GST reporting, accounting standards, and data privacy requirements.
- **Data Security:** All data remains within the SAP system, and no invoice images or captured data are stored outside the organization's SAP environment, ensuring data privacy and security.

## Straight-Through-Processing (STP):

- **NXT AP enables full automation** of the AP process, from invoice receipt to posting, leveraging Azure Document Intelligence to capture and validate data. With SAP's built-in validation mechanisms, NXT AP enables real-time processing, significantly reducing manual intervention.
- **Even in high-volume shared services** environments, NXT AP processes invoices in under 5 seconds, ensuring immediate visibility and reporting capabilities while adhering to SAP's stringent validation rules.

## Customization:

- **Flexible Customization:** Because NXT AP is built in ABAP, organizations can easily customize it to meet specific business requirements, using SAP's well-established tools. There is no need for new skill sets, and existing modules can be leveraged to extend NXT AP's functionality.
- **No Additional Infrastructure:** NXT AP operates entirely within your existing SAP landscape, requiring no additional servers, databases, or middleware. This keeps the total cost of ownership low and simplifies maintenance.

## Integration with SAP- Certified Third- Party Products:

- **NXT AP works seamlessly with SAP- certified** third-party products, such as content management solutions or tax engines. These integrations further streamline the AP process, particularly for organizations operating in multiple regions with differentiated compliance requirements.
- Whether it's **integrating with external networks for e-invoicing or working alongside legacy AP solutions** (for exception handling and approval scenarios), NXT AP maintains full compatibility with SAP standards, ensuring a smooth and efficient workflow.

## Support for All SAP Scenarios:

- **NXT AP imposes no restrictions** on how SAP processes supplier invoices. Whether handling complex purchase orders, service entries, or consignment invoices, NXT AP supports all of SAP's standard procurement and financial scenarios. This includes blanket purchase orders, credit notes, and intercompany invoices, ensuring that all types of transactions are processed seamlessly.

# The SAP Advantage: No Disruption, Only Enhancement

By leveraging SAP's existing infrastructure, NXT AP ensures that the core strengths of SAP's AP processes remain intact. There is no need for duplicative systems, data transfers, or new interfaces. Instead, NXT AP enhances what SAP already does best, creating a unified and streamlined solution that delivers superior performance without any of the drawbacks typically associated with third-party AP automation tools.

# Immediate Tangible Benefits

## **Real- World Potential: Transforming AP with NXT AP**

Consider an organization that processes thousands of supplier invoices daily. With traditional AP solutions, processing delays and manual intervention are inevitable, often resulting in approval bottlenecks and payment delays.

However, with NXT AP:

- **Increased Efficiency:** Invoices can be captured, validated, and posted in real-time, without waiting for batch processes to complete. This leads to faster approvals and payments, improving cash flow management and supplier relationships.
- **Improved Compliance:** Automatic validation against SAP's master data ensures compliance with internal financial controls and external regulatory requirements
- **Reduced Costs:** By eliminating manual data entry and reducing errors, NXT AP drives down operational costs, allowing AP teams to focus on more strategic tasks.

## Conclusion

In the world of accounts payable, SAP remains the gold standard for robust, secure, and compliant financial operations. NXT AP builds upon SAP's strengths, offering an embedded, seamless extension that eliminates the need for redundant processes and systems. By leveraging SAP's more than 60 years of expertise in invoice processing, NXT AP delivers a best-in-class solution that combines the power of Azure AI with SAP's proven infrastructure, enabling real-time processing, compliance, and flexibility without compromising the integrity of the SAP environment.

**For organizations looking to optimize their AP processes, NXT AP represents the future of AP automation—fully integrated, fully compliant, and built on the foundations of SAP's unmatched legacy.**



nxt4sap Pte Ltd is specialized in digitalization and automation of finance-related processes in SAP. We are proud to have an experienced team of experts working out of Singapore, Germany, UK, USA and India, all with many years of experience in consulting, implementing, and supporting solutions automating finance functions.

nxt4sap solutions are built on proven SAP-processes and Azure AI-services, which are seamlessly integrated in our SAP-certified add-ons. Find more information about nxt4sap and solutions online **[www.nxt4sap.com](http://www.nxt4sap.com)**.

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