



smartPayables

BMS Case Study

The Business

In 2004 three local retailers joined forces to create the Champions IGA supermarket banner. Starting with just three retail sites, the group has grown to include 12 supermarkets in Victoria and shareholdings in 11 IGA stores in Western Australia. Champion IGA now has in excess of 2000 employees across Victoria and Western Australia with Payroll and Accounts managed from head office in Bendigo.

The Challenge

Suppliers were emailing, faxing and posting their invoices to either Head Office or one of the 23 stores and many invoices were going missing. This often meant that account terms were missed and meaning deliveries were cancelled due to non-payment.

BMS receives 40,000 invoices per month and these large volumes of paperwork required storage and long-term retention, which meant storage space was becoming a scarce resource. The Accounts department were often asked to retrieve old invoices from the files, which was very time consuming. Complicating the matter further were the documents that get lost or misfiled throughout the process, extending search times even further.

document management system



“When you offset the initial purchase cost of the software against the time and cost savings we are enjoying, the return on investment has been outstanding. I expect that the cost of the entire solution will be offset inside 12 months.”

CFO

Due to the distributed nature of the business approvals for payment of the invoice, which typically required confirmation that the stock had been delivered, sees the processing of supplier invoices grind to a halt.

The Solution

BMS chose Redmap to automate the process of capturing, approving and controlling their supplier invoices. The solution was initially implemented under a pilot program in two stores to minimise the impact to the operations. Upon successful completion of the pilot, the system was implemented in the remaining stores and change management was kept to a minimum.

Paper documents received at the stores are now scanned and stamped which communicates to HQ that the delivery is made and complete and forwarded directly to an electronic inbox at HQ. Invoices sent to the stores via email are stamped and forwarded to a single electronic inbox leveraging **smartPayables** Microsoft Outlook integration.

Prior to **smartPayables**, the invoices were copied or printed, and then batched into envelopes and mailed to head office at considerable cost. The daily stock movement sheets were then updated to confirm receipt of the inventory at the stores and in turn were used by the accounts department to initiate the Payables process.

The invoice is entered by AP clerks using dual-screens with the image of the invoices on one screen and Attaché (the finance application) on another. The invoices are then electronically filed into Redmap which automatically captures the supplier name, supplier code, invoice number, date of document and invoice amount.

Upon payment, the invoice status is updated to "Paid" in Redmap and the process is complete. Store managers have real-time access to view the status of their invoices through the Redmap web portal.

document management

Results

Implementing Redmap has positively impacted the business in many areas:

- An individual Accounts Payable Clerk can now process 100 invoices per hour whereas prior to Redmap implementation it was closer to 30 an hour.
- The business now has visibility of outstanding invoices from the moment they are scanned which has improved planning for invoice payments, improved management of cash flow, and mitigated exposure to payment spikes.
- Better control and management of the AP process means that there are far fewer business interruptions with vendors refusing to supply due to lost or misplaced invoices becoming overdue.
- The success of the Accounts Payable solution has led to the HR department moving to a paperless filing system with Redmap and the business is exploring further options to leverage their investment in the technology.
- Electronic filing has halted the expansion of storage space and removed the need for unsightly clutter in the BMS offices and stores.