

CASE STUDY



Turners & Growers



A fresh approach to Accounts Payable automation.

Background

The Turners & Growers Group is New Zealand's leading distributor, marketer and exporter of premium fresh produce. Comprising more than 30 companies worldwide, they sell approximately NZ\$1 billion of fresh produce globally each year.

Challenges

"We recognised our Accounts Payable processes were reactive, we had no control of the end-to-end process, and the Accounts Payable department had no visibility of invoices out in the business."

*Kate Marshall, Turners & Growers,
Finance Manager*

With 50,000 supplier invoices to process each year, the Accounts Payable team was being swallowed by paper, and was run off its feet having to work with the manual and paper-based system.

Supplier invoices were being received by Turners & Growers' 17 different business units throughout New Zealand, where the coding and approval details were handwritten on each invoice and then placed in the internal mail and sent to Accounts Payable department in Auckland.

Accounts Payable Staff manually keyed the invoice data into SAP Financials and the paper invoices were then physically filed. Staff were spending a lot of time answering supplier queries about expected payment of invoices which had not yet been received and were still lying on desks at business units across New Zealand.

Turners & Growers Finance Manager Kate Marshall recognised the need to revolutionise the accounts payable processes and engaged Ricoh Consulting, a long term business partner, to assist with the transformation.

Solution

A Kofax invoice scanning solution was implemented within Turners & Growers' Accounts Payable department which kicks off the electronic workflow. Relevant invoice information is extracted from each invoice and validated by Accounts Payable staff. Integration between Kofax and SAP ensures only valid invoice data enters the workflow.

The extracted data is then passed into the Basware software where, based on business rules, invoices are automatically matched to purchase orders and contracts without any human intervention, or routed to the respective business units for coding, review and approval.

Solution Continued

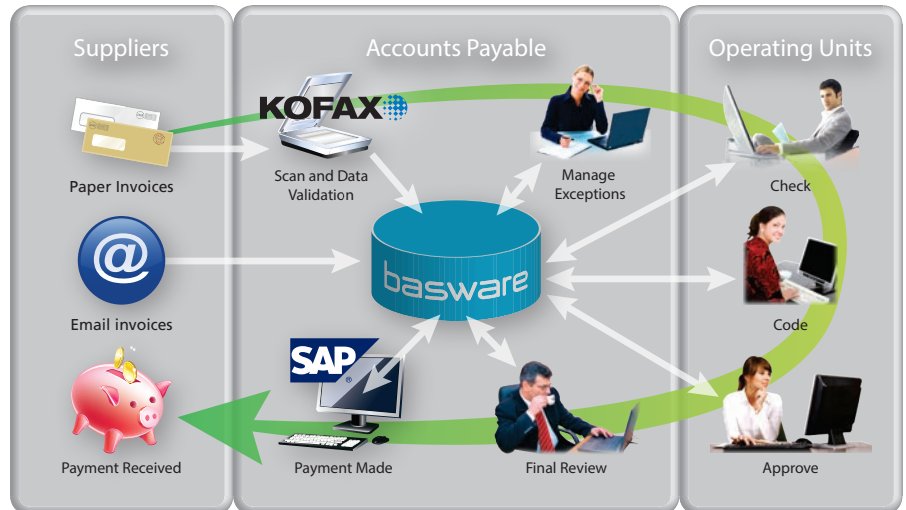
Invoice coders and approvers receive email notifications informing them of invoices waiting for review or approval. Irrespective of their location, reviewers and approvers can log in to Basware's browser based software to verify and approve invoices.

Once approved, invoices join the already matched invoices in the pending payment queue and invoice data is transferred into SAP ready for payment.

Workflow

"Accounts Payable now has complete visibility and control over the entire end-to-end accounts payable process"

Kate Marshall, Turners & Growers, Finance Manager



Benefits

"Ricoh's solution provides the platform to drive behaviour change in the business. We now have tools to measure performance, such as the percentage of on-time invoice payments, by cost centre and by business unit."

Kate Marshall, Turners & Growers, Finance Manager

"Accounts Payable now has complete visibility and control over the entire end to end accounts payable process," says Kate. "We know how many invoices are out at the operating units awaiting review and approval, and the automated reminders give staff a little nudge reminding them to approve invoices sitting in their queue."

The process controls and automated workflow delivered by both the Kofax and Basware software have dramatically reduced the risk of human error and ensure suppliers get paid on time.

Old Workflow	New Workflow
Data Entry by Accounts Payable Staff.	Data Validation by Accounts Payable Staff.
Paper based processes - Physical mailing of paper invoices for authorisation.	Digital process - Authorises receive automatic email notifying them of invoice to be authorised.
Invoices authorised by physical signing and writing account codes and cost centre details on paper invoice.	Invoices electronically authorised through web browser.
Multiple invoice receipt and authorisation processes across the T&G group of companies.	Standard Accounts Payable processing and authorisation process across the organisation.
Lack of visibility of where the invoice is (ie. lost or still lying un-actioned on someones desk).	Full audit trail of what stage the invoice is at within the authorisation and payment cycle.
Processed invoices stored in filing cabinets and then sent to offsite storage.	Scanned invoices stored electronically and immediately available to view.
KPI and performance data very limited (SAP centric).	Full suite of KPI reports enabling continuous improvement.

Project Summary

Client: Turners & Growers
Based: Nationwide
Sector: Fresh Produce, Accounts Payable
Challenge: Paper based invoice payment workflow, time consuming, costly, high error risk.
Solution: Automate accounts payable process digitise invoice information.