

Mouchel Chooses Esker and Significantly Reduces Document Processing Costs



Mouchel provides consulting and business services to a largely public-sector customer base in the UK and overseas. Mouchel plans, designs, constructs, maintains and operates the physical and administrative infrastructure that underpins modern society; infrastructure ranging from roads and railways, through water and energy, to local government property, schools and back-office support functions.

Services are provided primarily in the UK but Mouchel's businesses in Ireland and the Middle East are developing rapidly to meet a growing demand for its principal service offers.

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Local Government

“ An extensive analysis over one year indicated we had achieved automatic delivery of 77% of the total annual Remittance Advice volume. ”

The Challenge

Mouchel provides services across Middlesbrough Council including IT, Facilities and Property Management, Energy Management, Finance, HR, Quality Assurance, PR and Marketing. Mouchel is also responsible for a diverse range of services within Middlesbrough Council's Business Process Management, from Pensions and Payroll to Revenues and Benefits.

Mouchel quickly recognised the benefits of implementing SAP as the new Enterprise Resource Planning system for Middlesbrough Council in order to centralise many of their business processes as well as allowing more transparency and visibility to be gained across the organisation.

With all the benefits gained from the SAP implementation one drawback quickly became very apparent within the finance department, as already identified by many other organisations similar to Mouchel.

Although a new ERP system can dramatically decrease processing costs and the time it takes for producing business critical documents, the information flowing into and out of an organisation is often still produced on paper-based documents. This meant heavy costs and long periods of wasted time are still impacting the organisation in terms of efficiency and bottom line costs.

Management within the Finance Department, identified such inefficiencies existed within the procurement and debtors sections. Daily production of Remittance Advice, Purchase Orders, Debtors Invoices and Dunning Letters generate an average of 170,000 business critical documents per year. As a result, the Finance Department and Mail Room continue to absorb manual processing and postage costs on a daily basis.

The Solution

The required solution for automating this document process would need to work seamlessly with the current SAP system and not affect the SAP user's current workflow processes. Ultimately, the solution would need to enable documents to be sent and received directly from and into the SAP system.

A number of solutions were evaluated, but Esker DeliveryWare exhibited all the attributes required to address the issues encountered. Esker Deliveryware is a SAP certified solution which is designed to integrate with SAP; it uses specific business rules to intelligently process documents into numerous formats and can deliver the document using extensive transport methods. Esker Deliveryware's reference ability is substantial and has been implemented by many of the world's largest companies, including Microsoft, SAP and numerous banks.

Graham Cartwright, Electronic Data Specialist at Mouchel explained; *"Initially, Esker Deliveryware was deployed to address Remittance Advice automation. The solution proved so successful, an additional project was initiated to complement the Remittance Advice solution. The scope of which included acquiring internal development skills capable of deploying automated Purchase Orders, Debtors Invoices, Dunning Letters and internal delivery of SAP's 3 way matching notifications to procurers."*

“ Esker DeliveryWare is so flexible we have been able to quickly move forward with an in-house development which now also provides automated email delivery. ”

Graham Cartwright ■ Systems Analyst ■ Mouchel

Esker DeliveryWare has proven an integral component within our transformational programme here in Middlesbrough.

Lorraine Dixon ■ Head of ICT (Middlesbrough)

The Benefits

"Analysis indicated overall efficiency gains have greatly increased due to the number of manual touch points being significantly lowered and cashable savings resulting from reduced postage and materials consumed." said Cartwright.

Cartwright continued; "Recently we carried out analysis using annual volumes of Esker DeliveryWare processing. The analysis indicated we had achieved automated delivery of 77% of the total Remittance Advice volume, resulting in substantial savings, as 61% was delivered by email. This emailed volume represents a minimal cost to the business as email delivery costs virtually nothing".

Lorraine Dixon, Head of ICT (Middlesbrough) commented; "Esker Deliveryware has proven an integral component within our transformational programme here in Middlesbrough. The solution provides benefits on numerous levels and has been a key enabler addressing customers desired strategic objectives, including efficiencies and service delivery improvements."

Benefits Overview:

- **Assisting with addressing the R9 E-Government requirement** of appropriate e-procurement solutions being in place, including invoicing and payment.
- **Provides greater efficiency** improving collections processing and contributing to better cash flow.
- **Suppliers and customers are informed sooner**, increasing the perception of Middlesbrough Council.
- **Contributes towards Mouchel and Middlesbrough Council's e-government** and environmental obligations.

As a direct effect of Mouchel automating Middlesbrough Council's paper-based document processes, wider economic, social and environmental impacts have been gained. Automating paper-based processes instead of printing and posting tens of thousands of paper documents per year, allows an organisation such as Middlesbrough Council to consider some of the aspects raised in the Government's CSR agenda by addressing both its own competitive interests and environmental responsibilities.

The Future

"We are currently evaluating Esker's SAP Accounts Payable solution which streamlines processing of inbound supplier invoices. The product, again, is SAP certified and follows industry best practices incorporating invoice validation, workflow and patented dynamic OCR capture. The solution is capable of receiving inbound invoices via scanner, email, fax, EDI and the web. The solution has the potential to automate invoice processing if all business rules and conditions are satisfied, the solution could then post directly into SAP without requiring the manual processing of finance staff.", concluded Cartwright.

Julie Thompson, Exchequer Manager at Mouchel commented; "From my perspective the automatic faxing and emailing of SAP correspondence enables Mouchel to streamline the working processes finance staff have to undertake every day. With Esker's document process automation solution there is far less 'hands on' involvement in processing our correspondence, which is definitely in line with our overall systems requirements."

Having an automated solution saves Mouchel large amounts of wasted processing time by reducing the time needed for staff having to manually print off, check for any errors and deliver them to the mail room. Mouchel have also realised savings due to less telephone calls from suppliers and customers enquiring about 'when will orders and payments be made' due to the process now being immediate.

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