



Young & Co.'s Brewery, P.L.C. automates invoice processing with Intec SEAS and IBM Lotus Domino

THE CHALLENGE

Young's operates via a network of 220 pubs and hotels across southern England, and was struggling to manage large numbers of invoices through a complex approval process. Paper-based processing was slow, labour-intensive and error-prone – and a lack of transparency made it difficult to track individual invoices through the process.

THE SOLUTION

Young's implemented SEAS (Scanning and Electronic Approval System) from Intec (www.intec.co.uk), an IBM Business Partner, which is based on the IBM Lotus Domino platform. The application provides customisable workflows that help to manage invoice processing from initial scanning through the approval process to entry in the company's ERP system.

THE BENEFITS

SEAS aims to provide complete traceability for all invoices – helping accounting staff deal with internal and external queries, and eliminating the need to copy and re-send invoices. Digitisation and automated workflows help cut printing and postage costs and accelerate the approval process. IBM Lotus Domino provides a reliable, low-administration platform – helping to minimise workload for IT staff.

Established in 1831, Young & Co.'s Brewery P.L.C. is one of the UK's best-known brewing and hospitality companies. Based in Wandsworth, near the historic Ram Brewery, the company now specialises in pub and hotel management, while the brewing itself is handled by a joint-venture, Wells & Young's Brewing Company Ltd. There are around 220 Young's pubs and hotels across southern England, and the company employs approximately 2,100 people.

Problems with paperwork

The day-to-day running of the company's pub and hotel network naturally generates large numbers of invoices from suppliers, which need to be approved, before payment, by the corporate accounts department. Until recently, paper copies of the invoices were circulated for approval – which caused problems in terms of both efficiency and traceability.

"In too many cases, a copy invoice would be requested by head office because the original had never reached the payables team – for example from a building contractor for some refurbishment or repair work at one of the pubs," explains Keith Wilson, Chief Accountant at Young's "We would send a copy of the invoice to the pub or Area Manager so that they could confirm that the work had been done properly or goods had been delivered, and they would then send it back for us to arrange payment. Then we would manually enter the data into the ERP system and scan the invoice into our archive.

"Of course, copying and sending the invoices was inefficient – there were delays while the invoice was in transit, and a risk that the paperwork might be misfiled, damaged or lost. Equally, there was no way for us to trace individual items through the process, so when someone called our accounts department to ask about an invoice, we couldn't always tell them where it was. We often had to send out another copy, which caused further delays."



Meeting the challenge

As the company's business grew, workload for accounting staff was becoming unmanageable. To avoid the significant costs of taking on more staff, the accounts department began looking for a more efficient solution.

"We were looking for IT solutions that would scan and digitise the invoices to help us cut out the paperwork," says Wilson. "Intec contacted us at exactly the right time."

Intec, an IBM Business Partner, is an independent software and solutions consultancy with specialist expertise in best-of-breed line-of-business solutions for sales and procurement. Intec's SEAS (Scanning and Electronic Approval System) immediately impressed Young's with its process management capabilities.

Flexible, automated solution

SEAS is designed to collect and digitise all invoices – whether they arrive on paper or by fax, email or EDI – and helps provide customisable workflows to match them with purchase orders and move them through the approval process. Once an invoice is scanned into the system, SEAS notifies the relevant approvers by email – there is no longer any need to send out physical copies, which completely eliminates postage costs, dramatically reduces transit times, and mitigates the risk of loss or damage.

"SEAS was an ideal solution because it enabled us to start small and build customised workflows to match our processes – rather than imposing a rigid solution that would force our users to dramatically change their way of working," says Wilson. "In fact, Intec has been excellent at including our users in the development process, so they take a real interest in modelling and streamlining our workflows. As a result, we can now automate even our most complex approval processes from end to end."

Improving traceability

The second main advantage of SEAS is traceability. At any time, accounting staff should be able to tell exactly where a given invoice is in the approval process – making it easy for them to deal with inquiries from suppliers. As a result, the volume of phone-calls that need to be handled by the accounts department has declined significantly, and the need to re-send copies of invoices has practically been eliminated.

"Thanks to the time SEAS saves on phone calls and re-work, our existing accounting team is fully capable of handling the invoice-processing workload, and we have no immediate need to hire additional staff," comments Wilson. "This is helping us support the growth of our business without increasing operational costs. The Accounts Payable staff are included in regular reviews with Intec, and all agree it is a more professional and organised way of working. We have made numerous tweaks to the system since go-live as our experience of what is possible grows."

Equally, by providing a full historical record of the progress of every invoice through the approval process, SEAS will help the company to demonstrate its financial control to the auditors at year-end.

Low-impact IT solution

Finally, from an IT management point of view, SEAS is a highly robust and resilient solution. Built on the IBM Lotus Domino platform, it requires little maintenance or support, so IT staff can concentrate on other tasks.

"A lot of our IT infrastructure comes from Microsoft, and our IT team was initially hesitant about adopting Lotus Domino for this solution," says Wilson. "But the results have been excellent. This project has proved that Lotus Domino can be a good option as a platform for applications, even if you don't use it as your primary email system. We would certainly be open to extending our use of Lotus Domino for other applications in future."

Keith Wilson concludes: "With this solution from Intec and IBM, Young's has been able to significantly increase efficiencies and stabilise costs – while delivering a more professional and transparent service to the pubs, suppliers and auditors. The Intec team has been excellent, both during the planning and implementation stages, and in helping us with ongoing development and customisation."

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Keith Wilson,
Chief Accountant, Young's



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