EUROPEAN MOTOR DISTRIBUTORS
DRIVING AP PERFORMANCE WITH CLOUD-BASED ACCOUNTS PAYABLE AUTOMATION

BACKGROUND

European Motor Distributors (EMD) is a subsidiary of Giltrap Group Holdings, a large automotive group in New Zealand. Consistent growth over the recent years created a challenging workload for the company's accounts payable (AP) team.

EMD relied heavily on paper-driven processes. This included manually entering data from the 3,500 invoices received each month in PDF format, into EMD's financial software. On receiving the documents, the AP department printed out and circulated each invoice for approval. The approval process included verification of the invoice amount and coding. Once approved, invoices were handed back to the AP team for data entry and processing.

As well as wasting valuable time, the lack of transparency elevated the risk of costly errors such as double-payments or overpayment. "If an invoice was being chased for payment, we wouldn't know if it was because we'd missed it, if it was on hold, or if it was already in the system and we couldn't find it because of incorrect data entry," says Zainab Mussa, Financial Controller at EMD. "It was all too easy to print out another copy and put it into the approval cycle all over again. Then, of course, we'd have approvers saying 'I've already signed off on that invoice two or three times — what's happening with this bit of paper?' It delayed invoice processing and created frustration for the AP team."

The AP team spent far too much valuable time in a seemingly endless cycle of trying to track down and manage the flow of invoices in the approval phase.

> "**With the paper-based system,** there was so much of the unknown. We had no accurate idea of how many invoices were awaiting approval. We **could only estimate our monthly expenses**. Although our managers tracked the major invoices, we were concerned about the smaller ones which could be **slipping through the gaps.** Even simple things like filing invoices, then trying to find them for auditing purposes, or looking something up for a vendor query, took unnecessarily longer than it should."
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> **Zainab Mussa | Financial Controller**

SOLUTION

By the end of 2016, EMD knew it had to seriously look at automating its AP process to reduce time and costs. EMD evaluated several solutions and it was Fuji Xerox's Esker Accounts Payable automation solution that won over the business users. Solution implementation started in November 2017 and was up and running three months later in February 2018.

Esker's easy and functional interface won the approval of EMD's AP team and business users, providing them with comprehensive reporting and dashboards customized to the specifics of the motor business. Alongside archiving and image retrieval for the audit trail, Esker provides the transparency the company needs.

"We were really impressed with the interface that the approvers would see and the ease of use from their end," says Mussa. "We didn't want to only focus on the benefits to the AP team; it was about how it would be embraced by everyone in the business. We knew our people would love being able to use it on their mobile devices, too. Everything about Esker seemed to fit with what we wanted."

Invoice data is captured digitally regardless of format, over and double payments have been eliminated, and invoices are tracked in real-time. Staff and business partners retrieve invoices with just a few clicks, and there is a reliable and continuous flow of information throughout EMD's business applications.

With Esker Anywhere™, Esker's mobile application, EMD's business users can review and approve invoices from anywhere, at any time. It's not unusual to see invoices being signed off when the approver is traveling overseas.

EMD can now better manage cash flow because it can see exactly what its outgoings are. The solution's workflow engine supports multi-level approval across multiple operations and data entry is now 100% accurate due to intelligent capture by the system.

"The whole implementation process was excellent," says Mussa. "And the feedback from our staff has been great. We were given really clear guidelines of what we needed to do, and how to best prepare ourselves for it. Fuji Xerox took the time and effort to understand what we needed early in the process, and we were very honest with our requirements and expectations. At no time did I feel that they overpromised things."

BENEFITS

Within a few months of implementing Esker's solution, EMD has achieved numerous benefits, including:

Increased speed of invoice processing

Full visibility into the entire AP process

Improved relationships with suppliers as invoices are not lost and always paid on time

Eliminated the need to print out invoices

A simple invoice approval process via computer, smartphone or tablet

"We've gone from dedicating 3.5 employees spending time manually processing invoices to 2.5 employees using Esker. We have been able to repurpose the additional employee," says Vaughan Taylor, CFO at EMD. "Even with an extra company coming under EMD's umbrella, there's still **no need to add further AP headcount.**"

*"Due to the automation Esker provides, we have **eliminated the need to print** out invoices and **removed the growing frustration** around the business at the paper-based system."*

Vaughan Taylor | Chief Financial Officer

ABOUT EUROPEAN MOTOR DISTRIBUTORS

European Motor Distributors (EMD) distributes vehicles. The company was incorporated in 1977 and is based in Auckland, New Zealand. EMD operates as a subsidiary of Giltrap Group Holdings Ltd. EMD are the import agents and hold the national distribution rights for Volkswagon, Audi, Porsche and Skoda.