

CASE STUDY



CUSTOMER
Rokon

INDUSTRY
Construction

CHALLENGE
Inefficient processing of an
overwhelming number of invoices

OUR SOLUTION
Supplier Invoice Processing

OUTCOME
Strengthened supplier relationships
& credibility, alleviated burden on
staff & expansive process visibility

ROKON IMPROVES SUPPLIER RELATIONSHIPS

Rokon is a civil contractor that builds partnerships with developers to work together on projects across Victoria. From road reconstructions and wetland developments to industrial and residential subdivisions and bulk earthworks, Rokon has a proven track record of delivering projects on time and within budget.

ADAPTING TO EXPONENTIAL GROWTH

In the last 18-24 months, Rokon has seen unprecedented growth rates of up to 500%. This has taken the business from a small operation to a large enterprise in a short space of time. Rokon needed to manage this growth effectively without simply hiring more people to perform the same-old-manual processes.

For example, difficulties in managing supplier invoices saw Rokon consistently missing payment deadlines, which was negatively impacting Rokon's relationships with suppliers.





Andrew Chapman, IT business analyst, Rokon, said, “As the business has grown, the amount of data that needs to be managed has exploded. The impact on the accounts team has been significant, leading to an inability to process supplier invoices quickly enough to meet the usual 45-day payment terms. This caused relationships with some suppliers to deteriorate to the point that they were withholding deliveries, which affected projects. It was clear this couldn’t continue as the impact on the business was severe.

“The challenge for Rokon was to find a solution that could automate the data entry process and facilitate oversight that would allow the finance team to spend more time on validation and processing of invoices to get them paid on time.”

Rokon had an M-Files solution in place, which helped it manage document storage more effectively. The accounts team used M-Files as a dumping ground for invoice-related information. The team would then manually match invoices to purchase orders and other information. This process was time consuming, inefficient, and prone to errors. With each individual in the team following their own methods, it was important for Rokon to standardise these processes and digitalise them for greater efficiencies.

“ This project has already delivered full return on investment, so we’re exceptionally happy. By the *end of this financial year, we’ll* be automatically controlling more than 5,000 invoices every month using the Upstream solution with all invoices being processed by one person within an hour or so. This is exceptional and we are excited to continue working with Upstream.”

— Andrew Chapman —
IT Business Analyst

70% previously manual workload
now fully automated

WORKFLOW AUTOMATION & INSTANT DATA EXTRACTION

Rokon's finance team realised that using M-Files to streamline the process of marrying up invoice details to purchase order information, and put in checks and balances, would lead to a mostly-automated process that would save time and let the company pay invoices ahead of deadlines.

Andrew Chapman said, "We could see that automating most of the process would alleviate the burden on the team and let us overcome our supplier relationship issues by simply paying on time. After a comprehensive market review, Rokon chose to work with Upstream to develop a solution using M-Files. As M-Files leading partner, Upstream had large development teams and big ideas, both of which Rokon needed to help overcome our challenges."

The solution Upstream developed lets Rokon scan or email supplier invoices to a dedicated inbox. The solution then monitors incoming invoices and recognises and extracts specific fields from within the document such as the vendor, total amount, GST, purchase order number, and applies business rules automatically. For example, it matches the purchase order amount to the amount of the invoice and flags discrepancies. This process was previously done manually, which took a huge amount of time. The solution now does it automatically in an instant.

It also incorporates an approval workflow that determines the level of approvals required based on rules set by the business. For Rokon this is set by the invoice value. The invoice is then sent to the relevant manager authorised to approve expenditure up to a set amount.

Importantly, Upstream ensured the solution could export all that data to Rokon's ERP, Jobpac, automatically for payments within the same system.

Andrew Chapman said, "The implementation process was very smooth because Upstream had knowledgeable engineers and a strong focus on businesses just like Rokon. Meetings were productive and collaborative, with clear communication. Rokon needed a partner that could guide us on our journey and Upstream just kept delivering."



Resources better allocated
with 6 people processing
invoices reduced to 1

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ACCURATE & TIMELY PAYMENTS

The solution Upstream developed is working perfectly with 70% of the workload that was previously manual now totally automated.

Andrew Chapman said, "The team no longer spends time matching invoices to dockets and making sure all the information is there. Instead of 6 people doing data entry and manual checking, there is now a single person in charge of invoices and they only need to get involved if there is an issue or error. Invoices are checked and matched, then processed with better oversight and control. It's amazing."

Rokon has also gained unprecedented visibility into the status of any invoice at any time. This lets the business better understand its debt to suppliers and forecast around cash flow.

Andrew Chapman said, "Previously, we could have invoices coming in with 300 dockets associated with it. The team would need to find each of these 300 dockets and match them to the invoice. The Upstream solution now does this automatically and only flags if there is an issue such as a missing docket. This has resulted in a massive time saving when it comes to processing invoices. Instead of taking weeks, it now takes just a few minutes. Even exceptions can usually be resolved in less than a day."

Rokon has been able to redeploy the team members who were previously stuck validating purchase orders and invoices. They can now contribute to more valuable activities.

Furthermore, Rokon has been able to repair and strengthen its supplier relationships by paying them on time and accurately.

THE BOTTOM LINE



Supplier invoices are managed more effectively for on-time payments



Supplier relationships improved and strengthened



Significantly reduced business risk and identified areas for cost savings



5,000 invoices processed every month on time within an hour or so



70% of previously manual workload now totally automated



6 person task now completed by 1 through automation, allowing resources to be repurposed

Andrew Chapman said, "Before the Upstream solution, it was impossible to meet the 45-day payment deadline. Meeting that deadline, regardless of the volume of work we do with a supplier, is exceptionally important."

"Capturing data through the Upstream solution also means we can get a clearer picture of how much we're spending with suppliers and use that data to negotiate better deals. This has let Rokon achieve cost savings and efficiencies that wouldn't have been possible without that information."

Rokon is already into its second project with Upstream in which it will use digital forms, also known as eforms, to help workers in the field complete all safety and risk forms as required. The forms will be submitted directly to M-Files, helping Rokon maintain compliance and deliver accurate, real-time reporting.

Following that project, Rokon will then look to continue refining and improving its accounts payable solution to find even more efficiencies.

Andrew Chapman said, "This project has already delivered full return on investment, so we're exceptionally happy. By the end of this financial year, we'll be automatically controlling more than 5,000 invoices every month using the Upstream solution with all invoices being processed by one person within an hour or so, twice daily. This is exceptional and we are excited to continue working with Upstream."

UPSTREAM HELPS BUSINESSES WORK SMARTER, DIGITALLY

With a history spanning over 30 years in the print and document management industry, Upstream is one of Australia's leading content, workflow and print management solutions companies.

Our strengths lie in understanding the immediate and long-term goals for improving processes and reducing paperwork, data entry and duplication, effectively streamlining and optimising workflow. We deliver flexible, cost-effective solutions that alleviate your administrative burden and provide real value to your business.

Upstream's suite of award winning products are uniquely tailored to suit your business needs.

Our solutions include workflow, content management, 'Smart' barcode forms, cost recovery, regulatory compliance, and print management to name a few. We specialise in business processes such as POD, HR onboarding, Accounts Payable automation, Sign on Glass mobility solutions, as well as having extensive experience in document storage and retrieval.

Have you identified document processes in your business that are weighing you down? Get in touch with our specialists, we're always here to help.

Want to see real improvements in your Accounts Payable processes?

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