



OCS GROUP

HARMONIZING ENTERPRISE PURCHASE PROCESSES

QUICK FACTS

Company

- Name: OCS Group UK Limited
- Location: Sanderstead, Surrey, United Kingdom
- Industry: Services
- Products and services: Facilities management
- Revenue: £770 million (US\$1.2 billion)
- Employees: 63,000
- Web site: www.ocs.co.uk
- Implementation partner: Arch Consulting Ltd.

Challenges and Opportunities

- Improve timeliness and efficiency of vendor payments
- Track purchase orders more accurately
- Reduce costs for confirming goods received
- Increase delivery date accuracy
- Increase transparency of logistics spending

Objectives

- Create forms that add value to processes for goods receipt, purchase requisitioning, managing finance master data, and contract mobilization
- Validate business data sourced from SAP® software
- Eliminate rekeying of information from spreadsheets
- Eliminate process bottlenecks
- Make forms more user-friendly
- Improve data quality

SAP Solutions and Services

SAP Interactive Forms software by Adobe

Implementation Highlights

- Launched pilot project with short timeline
- Installed Arch Forms Lifecycle Manager into existing infrastructure in one day
- Equipped in-house design and development team with methods and tools for ambitious automation program
- Involved users from purchasing team and shared-services center in all aspects of project

Why SAP

- Support for harmonizing enterprise business processes
- Support for interacting with customers across enterprise services
- Integration with existing SAP software

Benefits

- Automatic distribution of forms for greater efficiency
- A more engaging user interface
- Better tracking and reporting of forms in circulation
- Greater transparency into orders and expected delivery
- Reduction in outstanding goods-receipt notes of 60%
- Reduction in backlog of payment queries
- Reduction in value of invoices outstanding subject to mismatch
- Greater purchase order accuracy
- Better timeliness in goods receipt

Existing Environment

- Microsoft Excel
- SAP ERP and SAP Customer Relationship Management applications

Third-Party Integration

Arch Forms Lifecycle Manager

“We have a better view of who is ordering, what they’ve purchased, and when delivery should be expected. As a result, our vendors are paid correctly.”

Caroline James, Senior Application Consultant,
OCS Group UK Limited



OCS Group UK Limited, a family-owned business based in the United Kingdom, provides a wide range of property-support services. From security and confidential waste management to catering and arboriculture, the 100-year-old company handles both specific tasks and integrated support. Strong process integration is thus key to interacting with customers across different service areas.

OCS had previously installed the SAP® ERP application to harmonize business processes and interact with customers across the enterprise. To standardize its purchasing processes, OCS installed finance and procurement tools within SAP ERP. The company then recognized that the spreadsheet-based forms it had used for many of these processes were not user-friendly and could not be used to validate business data sourced from SAP software. As a result, additional work was required to resolve poorly completed forms (with incorrect purchase order numbers, for example), as well as the queries they generated.

“Purchase orders could not be reconciled with goods receiving, and the accounts payable department was not getting the receipts it needed to pay vendors on time,” says Craig Cattigan, the SAP services manager at OCS.

“Users of our purchasing processes who were not familiar with our SAP finance and procurement software needed reliable support.”

OCS chose SAP Interactive Forms software by Adobe to improve purchasing processes supported by SAP software

that related to goods receiving, purchase requisitioning, management of finance master data, cost centers, and contract mobilization. “We wanted to stop rekeying forms into our SAP applications,” says Cattigan. “We also felt that the embedded business logic and data validation in SAP Interactive Forms would improve our data quality.”

Expediting the Development Process

OCS carefully assessed the requirements for this platform. The development team proved that it was possible to deploy the new software from a hosted Web page, display SAP data within a form, capture data, and reload it into other SAP applications. The team then needed help with:

- Prepopulating the forms with data from the SAP software
- Triggering form deployment (by date, e-mail distribution, or workflow, for example)
- Handling form escalation and reminders
- Tracking forms throughout their lifecycle (such as an audit trail with appropriate user reporting)

- Establishing security control mechanisms
- Attaching the goods-receipt note and other completed forms to purchase order master data

OCS chose the Arch Forms Lifecycle Manager (Arch FLM) to provide the tools and framework support for these processes. In addition, Arch FLM enables quick deployment of SAP Interactive Forms by reducing the time for developing form processes. The Arch FLM methodology leverages developer skills in ABAP™ programming language, which OCS favored for simplified software maintenance. Also important was group access to forms through a portal using a URL link placed in e-mail reminders about goods that should have been received.

Goods-Receipt Pilot

To meet its objectives, OCS launched a pilot project with Arch Consulting Ltd. involving Arch FLM and goods-receipt software. One challenge facing OCS was that requisitioners in some of the many operating locations of the business were not consistently acknowledging receipt of goods. This made it difficult to reconcile



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Caroline James, Senior Application Consultant, OCS Group UK Limited

payments against completed purchase orders. Previously, these queries had been resolved by contacting individual purchasers by phone or e-mailing from the OCS shared-services center in Cardiff, Wales. Both solutions were time-consuming and costly. Using its new software, OCS planned to send the purchaser an automatic confirmation of goods received on the scheduled day of receipt.

A blueprint was specified via workshops facilitated by Arch consultants with the OCS team. Work then commenced on the prototype of a goods-receipt form that allowed for quantity changes, partial receipts, cancellations, line deletions, and the addition of carriage. The OCS team attended a three-day training session on Arch FLM. Knowledge transfer was further augmented by project updates

try out the new form for two weeks. This allowed careful assessment of usability, uptake, and stress testing against volumes. A month later, the forms became part of normal business operations at OCS.

“The development team was comfortable with the Arch FLM approach, which uses standard SAP business logic and tools,” says Steve Voina, the SAP development team leader at OCS. “We found the form server provided a development cycle that was well structured and easy to follow.”

Benefits

“SAP Interactive Forms has significantly reduced previous bottlenecks in the goods-receiving process,” says Caroline

provides greater transparency into process bottlenecks.

“The delivery date is self-policing and accurate,” says James, “and we have received purchase orders for accrual. We have a better view of who is ordering, what they purchase, and when delivery should be expected. As a result, vendors are paid correctly.”

The new software has also eliminated the need to rekey data into SAP software from the Microsoft Excel spreadsheets and let the company redeploy personnel to qualitative activities with higher value. In addition, the company has saved the considerable time it used to spend chasing goods receipts related to invoice queries. Other benefits include:

- Improvements in matching purchase orders, goods receipts, and invoices
- Improved purchase order accuracy through enhanced visibility
- Dramatic reduction in goods received after delivery date
- A 55% reduction, within three months of going live, in the backlog of queries about payment of purchase orders awaiting receipt
- A 60% reduction in the number of outstanding goods-receipt notes

Prior to the implementation, more than 50% of goods-receipt notes were processed 30 days or more after the delivery date. After the implementation, 90% of goods-receipt notes were processed within 10 days of the delivery date and more than 50% were processed within 5 days of the delivery date.

“SAP Interactive Forms has significantly reduced previous bottlenecks in the goods-receiving process. Our new forms can be distributed automatically when an action is due . . . [and] we have a more engaging interface for nonusers of SAP software.”

Caroline James, Senior Application Consultant, OCS Group UK Limited

and briefings. Within five weeks, Arch FLM had been successfully installed at OCS, the prototype had been delivered, and the OCS team was trained and put in place.

The forms went live two months later. Client PCs were audited for Adobe Reader version 8.0 or newer. An online tutorial for users was developed, and designated requisitioners had a chance to

James, OCS senior application consultant. “Our new forms can be distributed automatically when an action is due, promoting greater efficiency. In addition, we have a more engaging interface for nonusers of SAP software.”

When combined with Arch FLM, the new software provides a robust infrastructure for tracking and reporting the forms OCS has in circulation. This, in turn,

The program succeeded in large part due to careful up-front design. "We had to be clear about what our objective was, what transactions in SAP software were involved, what the routings were, who we would send the form to, and what error scenarios we had to handle," says James.

Other success factors included the engagement of high-level business executives and the involvement of communities of users throughout the design process.

Next Steps

"We now have the proven methodology and tools to use SAP Interactive Forms for other parts of our business," says Cattigan. The next initiative will provide forms for the request-to-purchase process. Although this is a more complicated and central process, the development team is confident that the project can be delivered in 12 weeks using SAP Interactive Forms and Arch FLM. Subsequent projects will provide a vendor master form as well as a request-for-credit form.

Arch

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