SOLUTION FOR PURCHASE REQUISITIONS

Rheinische Post

Challenge:

» Simplification and modernization of the ordering and approval process

Solution:

» Standardization of the process
» Simple integration of the existing electronic budget management

Benefits:

» Maximum transparency over entire procurement process
» Process reliability through electronic workflows
» Location independence through electronic processing
» Reduction of efforts in operative purchasing

AFI
SOLUTIONS

Simplification and Modernization of the Ordering and Approval Process

For Rheinische Post Mediengruppe (RP), one of the largest German media companies, it is not only a concern to have its finger on the pulse of the times at any moment but an obligation. Since all business processes are regularly evaluated, the company noticed that the ordering and approval process of indirect material could be optimized. In the future, purchase requisitions should only be sent electronically to the purchasing department – no longer on paper. Therefore, RP was looking for a manufacturer that could supply a suitable and completed SAP-integrated software. And the winner was AFI Solutions GmbH!

Paper becomes electronic

Previously, all indirect material, i.e. goods and services not directly required for production, was requested from RP on paper using preprinted

forms. If an employee needed a computer screen, for example, he or she filled out the form and presented it to his or her supervisor for approval. After this (or maybe even the next) approval level, the requirement request finally arrived at the purchasing department. This is where the data was manually entered into SAP and the order was initiated. This procedure worked well but had the usual disadvantages of a paper-based approval workflow. As long as such processing is not electronically mapped, it is almost impossible to know about the processing status or the person in charge.

A Handful of Criteria

Um den funktionieren papiergebundeln order to make the paper-based process in use even better, RP decided to process the purchase requisitions with suitable software in the future.

The project team led by Thomas Stahl, Head of Purchasing, established five criteria that a software provider and its solution had to meet without fail:

- a fully-fledged standard software
- customizability of the software
- user-friendly operation
- a future-proof software
- process knowledge about purchasing

In addition, RP felt it desirable that the software is deeply but flexibly integrated into SAP ERP and that the provider has general, profound SAP knowledge.

Seek and you shall find

The project team used various methods to find a suitable software provider. In addition to online research, the team attended an information event of the German software manufacturer AFI Solutions at no charge. This is

where Rheinische Post Mediengruppe had the opportunity to take a look at the software solution AFI Purchase for optimized requirements processes around SAP. By means of a live presentation, the performance of the software could be evaluated very well. *"We really enjoyed seeing a complete and comprehensive SAP-integrated software which can be easily adapted to individual requirements due to its open architecture"*, says Thomas Stahl and adds: *"We also looked at other software solutions in order to obtain a comprehensive market overview as a basis for decision-making."* RP eventually settled for AFI Purchase.

Monitor shows everything

With the introduction of the software AFI Purchase, Rheinische Post Mediengruppe did not only reduce the lay times. The so called Monitor of AFI Purchase, the purchase requisition book in SAP, is available for a transparent overview of all purchase requisitions. In this book, every person involved in the process can see how the status of the requirement changes – from requisition to goods receipt. The monitor allows for maximum transparency so that inefficient queries by phone are a thing of the past.

"We now have a convenient way of making qualitative observations and drawing respective conclusions", explains Thomas Stahl. It is of course set in customizing what each user is allowed to see and what not. Generally, only the purchasing department has a global overview of all requirements. Requesters and approvers only see the processes in which they are directly involved. *"The Monitor saves each of us a lot of time and nerves",* confirms the Head of Purchasing.

Electronic Workflows

In addition, the company has gained even more security in the ordering process. Due to electronic workflows, the purchasing department solely receives requirements that are entirely authenticated. As a result, the department can place orders more quickly. The workflow concept in AFI Purchase allows for an individual deposit of zero to n approvers and persons making ascertainments.

Since responsibilities can change, the workflow must also be easily adaptable. For this reason, AFI Solutions relies on its own Design Studio for all its software solutions which enables the administrator to modify settings conveniently.

Optimal Adaptation

Since the software comes with a lot of standard features, it was not necessary to make many customer-specific adaptations. At the start of the project, the special features for Rheinische Post Mediengruppe were discussed in a workshop. It was a great benefit that the dialog partners could communicate at eye level because AFI Solutions has comprehensive purchase-to-pay and SAP ERP knowledge. In the individual organization, three different types of requirements have stood the test which should also be available to all users in the electronic system.

Three Types of Requirement

Via a dropdown menu, the user decides whether he or she wants to proceed with a) a normal purchase requisition, b) an inquiry or c) a warehouse release order. Depending on the selection, the electronic assistants for the support of correct input as well as the workflows for checking and approving vary accordingly. Thomas Stahl explains the flexible options:

"If a keyboard is requested via a normal requirement, the purchasing department can simply switch the type to "stock withdrawal" because it knows that keyboards do not have to be ordered individually."

Splitting and Combining

There also is a reduction in the workload of the purchasing department by means of the »split« and »combine« functions. For example, if a staff member would like to receive three different items but cannot obtain them from one single supplier, the purchasing department can split this one purchase requisition with just a mouse click. Subsequently, three SAP orders are automatically created and sent to three suppliers.

The same also works in the reverse case: if eight approved requirements from different staff members are received by the purchasing department, the department can combine these requirements into one order if all the items are to be ordered from one supplier. This process keeps saving valuable working time as it has become established in the paper-based process for purchase requisitions and is also mapped electronically with AFI Purchase.

Electronic Budget Management

AFI Purchase also detects when an asset is requested. If the corresponding indicator is set, the workflow is transferred to asset accounting after asset approval. The accountant will then check whether it is really an asset and complete or delete the transaction if necessary.

"This approach provides us with a lean and convenient solution for managing our budgets electronically as well", says Thomas Stahl.

Simplification and Modernization

The ordering and approval process of indirect material could be modernized and improved by AFI Purchase. As a result, the entire process is homogeneous, accelerated and transparent. In addition, the complete requirements process is compliant due to electronic workflows and electronic archiving of all decisions.

Accompanying processes that were deliberately not included in the concept of the media group before the software was introduced are now also to be optimized and mapped electronically.

"The software and the cooperation has been working out so well that these circumstances have aroused the need for further projects", the Head of Purchasing says with a chuckle.

Rheinische Post Mediengruppe
Mediengruppe

Rheinische Post Mediengruppe is a company with headquarters in Düsseldorf and publishes the most widely circulated daily newspaper in the Rhineland. With a daily circulation of around 268,881 copies, Rheinische Post reaches some 740,000 readers. The media group is one of the five largest newspaper publishers in Germany in terms of circulation and holds a majority interest in the Saarbrücker Zeitungsgruppe.

With RP Online, the media group has one of the widest reaching German daily newspaper online portals which counts some 12 million unique users each month. Furthermore, the company has an interest in local tv and radio stations as well as advertising paper publishers. In Luxemburg, Rheinische Post Mediengruppe has a majority interest in Amplexor, a globally operating translation and document service provider. The media group employs more than 5,000 people.

www.rheinischepostmediengruppe.de

AFI SOLUTIONS

AFI Solutions GmbH is a leading solution provider for the digitization and optimization of document processes around SAP. The solutions cover the entire purchase-to-pay and order-to-cash process.

AFI is the only software manufacturer on the market that offers everything from a single source: With the RedPaperCenter as a managed service, companies can easily outsource the digitization of a wide variety of paper documents. In process optimization, AFI scores with SAP-integrated software solutions. The cloud-based DocumentHub as software as a service (= SaaS) completes the unique product portfolio.

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