

Case study

Celaton

Automating the

Global Invoice

handling process

Gullivers Travel
Associates



Gullivers Travel Associates

Founded over 30 years ago, Gulliver's Travel Associates (GTA) is the world's largest independent supplier of global tourism products to the travel industry. With annual revenues in excess of £450 million, the company serves a worldwide network of clients, employing over 1700 travel professionals throughout 25 global offices, 700 of which are based at its London head office and financial centre.

In an industry which is forecast to generate 250 million jobs and account for nearly 10% of total worldwide employment by the year 2012, GTA uses its industry expertise and enormous buying power to drive change in the world of travel and tourism.

GTA's rapid expansion has much to do with its multi million pound investments in its technology systems. Harnessing the scope and speed of the internet, combined with its own reservations system, the company provides dynamic on-line facilities to global tour operators at point-of-sale, revolutionising and dominating worldwide business-to-business operations with its e-commerce capabilities.

The Challenge

GTA's exploitation of technology and the internet aided its rapid growth. With the internet, the average value of bookings decreased, but the volume of bookings increased significantly. Each booking meant handling many transactions involving multiple suppliers, in multiple destinations, multiple currencies and multiple languages who provide each and every aspect of tours including hotels, travel, tour and hospitality.

The complexity of each booking which combined with the sheer volume of suppliers (well in excess of 20,000) involved in the process of providing worldwide tourism was becoming a significant issue. Over 60 accounts personnel, employed at the London office, were trying to cope with the daily task of handling over 6000 invoices. "Everything was on paper and handling it all was a totally manual process. Boxes of invoices were stacking up on every desk and it was taking us an average of 4 weeks to enter invoices let alone process and pay them. It was a chaotic situation that could not continue" said Alistair Holt, Financial Systems Manager at GTA.

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At the financial centre, accounts personnel handled the invoices from GTA's international offices. These offices had no visibility of their invoices without requesting and receiving details manually. "Invoices were boxed and stored at our London office, any query from a supplier, or staff in another office, required a long winded manual process to search and retrieve the paper document" added Alistair. "The cost of handling each transaction in this manual way was significant, but it was also unprofessional as we did not have a true picture of our financial commitments. Further, we simply did not have the space to employ any more people in the London office!"

Solution

GTA identified that it must streamline and automate the process of handling invoices if it was to resolve its current issues and be able to cope with the continued growth in bookings and transactions. The decision was taken to outsource this operation to its Services Centre in India and begin the task of finding the most suitable solution provider.

Despite considerable expense and much effort, all previous attempts at implementing a solution had been largely unsuccessful. "We were receiving a growing number of invoices, over 12,000 a day, in over 40 different languages, excluding transactions from our offices in the Americas and Pacific Rim areas. If we were to streamline this process we not only needed to identify a company who could provide the right technology solution, they needed to help us re-engineer the process too" said Alistair.

GTA selected Celaton, a software and solutions company with many years of experience in automating information based processes. "Celaton had a wealth of experience in finance, legal and insurance sectors where the reliance on paper is the most intense and its mishandling has the greatest consequences."

The project began with a consultation phase to understand GTA's requirements and objectives. A period of scoping preceded the publication of a document defining the new solution, process and milestones. The objectives were clear, inSTREAM™ had to streamline and automate the entire process, reducing costs improving visibility and increasing throughput in a resilient and scalable way.

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Further, the new solution had to achieve some other objectives;

Integration	The solution must automate the handling of invoices into GTA's global finance application, JD Edwards.
Straight through	The solution must handle greater than 70% of invoices without any manual intervention.
Validation	The solution must validate invoices against original purchase orders in GTA's global finance application, JD Edwards.
Resilience	The applications must be capable of running 24/7.
Outsourced	The solution must leverage operational staff in multiple offshore locations. Starting with India.
Rapid processing	Reduce invoice processing from average 4 weeks to 2 days.
Pre query	Enable authorisation, query of invoices prior to input.
Visibility	All GTA users of the global finance application to have visibility of invoices at whatever stage.

Celaton deployed its inSTREAM™ technology platform. Initially inSTREAM™ was implemented as a single pilot system in London. Following successful testing an additional 22 regions around the world were configured so that they could onboard their invoices into inSTREAM™.

Results

"Celaton has exceeded our expectations - a 74% reduction in average transaction costs and over £1.45m reduction in costs in the first year of operation. However, the improvements in customer experience and the exceptional efficiencies that we now benefit from are significant."

Celaton's inSTREAM™ technology solution has enabled 70% of all invoices to be handled without any manual intervention - a straight through process directly into the finance application, JD Edwards. Those invoices that require manual 'assistance' are handled swiftly on screen by offshore operators using Celaton's console software. This enables operators to correct errors, route or reprocess invoices at a 'click' as required.

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The average delay for invoices is reduced from 4 weeks to 2 days, enabling the business to have clear visibility of its financial commitments. GTA staff now have immediate access to accurate relevant content, enabling them to respond to supplier queries and provide a better customer experience.

The number of London staff handling invoices has reduced from 60 to 2. Almost overnight the London office has been transformed from paper based nightmare to paper free tranquillity. In addition, paper based invoice archive storage is now no longer needed in London and over 4000 sq ft of office space became available for other key business operations.

GTA's invoice handling issues peaked when it was handling just 6,000 invoices per day at its London office. Today, it handles over 2 Million invoices a year with a days influx of 20,000 or more not an uncommon event. More importantly, the solution is scalable to handle many times that volume as the company grows, which it inevitably will.

“Celaton have helped us to achieve our objectives. As an organisation they are adaptable and flexible, as a customer I am fortunate to have continuity and visibility throughout Celaton which makes them a pleasant and easy company to work with” said Alistair.

A flexible approach

Celaton's open and versatile approach to solving business process automation issues is helping organisations across several market sectors to re-engineer and streamline their information based processes. Gary Grant, Chief Operating Officer of Celaton added; “in ten years we've helped many of the UK's largest and most respected companies to reduce operating costs and become more competitive. It's not about turning paper into digital documents, it's about making the information, buried in that paper or paper process, valuable to the organisation, protecting it and delivering it to where it will make a difference”.

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