

*Leading retailer streamlines Accounts Payable with imaging integrations***Gearing up for growth**

A leading outfitter of hunting, fishing, and outdoor gear, operating more than 19 retail locations (with 14 more stores opening soon), in 2006 garnered just over \$2 billion in online, catalog, and retail revenue. The retailer grew from a one-man effort selling hand-tied flies in 1961 to an 11,700-employee publicly traded powerhouse offering magazines, television programs, outdoor adventure consulting, and “destination stores” that are not only shopping venues, but also wildlife museums and education centers as well.

The enterprise projected dramatic growth and its technology and business leaders realized they needed to ensure that their document management solutions for accounting and corporate outfitting were scalable and suitable for heavier workloads.

The retailer had been operating on Optika/Stellent’s 4.x document management environment for four years and, after Stellent was acquired by Oracle in early 2007, support for 4.x was no longer available. The organization decided to upgrade its Stellent system to the latest version of Oracle Imaging and Process Management (I/PM) to improve overall performance, functionality and ensure support and software assurance.

Making short work of Accounts Payable

The retailer’s accounting ERP includes a range of functionalities including inventory management, accounts payable operations, and invoice creation. The application integrates tightly with the company’s Oracle I/PM accounts payable solution. More than 200 users (from accounts payable, accounts receivable and corporate promotions) across four locations process approximately 400,000 invoice packages each year.

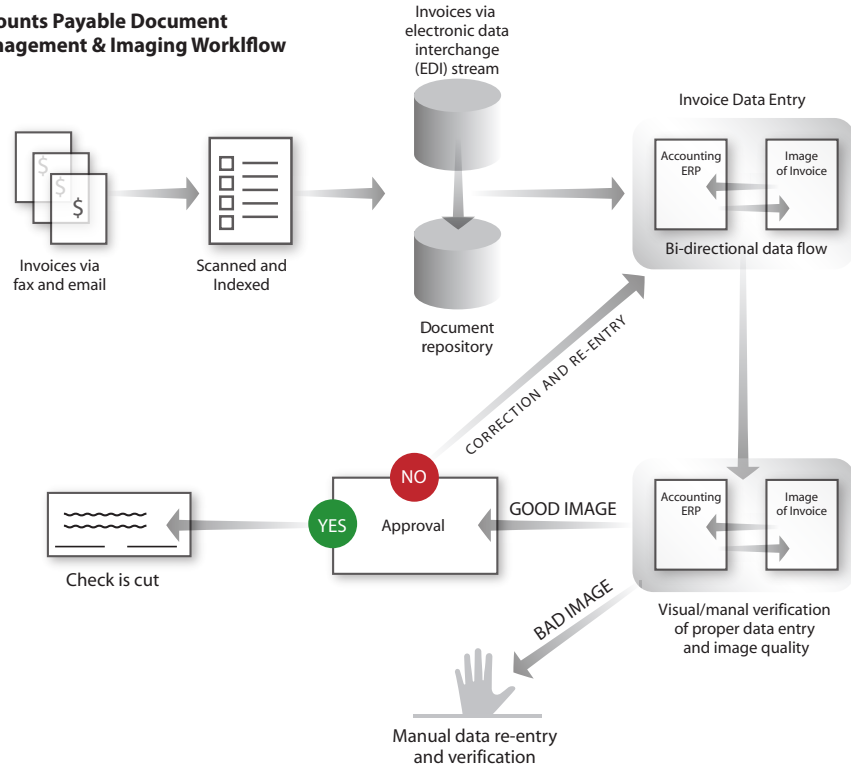
The retailer’s accounting department receives invoices from two sources – trade invoices come from product vendors and expense invoices relate to business operations costs. These invoices are scanned through a document capture utility and injected into the workflow.

A/P clerks begin processing by selecting a batch of invoices in the Oracle workflow tool and then manually entering the invoice data into the accounting ERP (accessed via a terminal emulator session). The A/P clerk then presses a button to “scrape” key fields from the accounting screen and paste them into the Oracle workflow form. The Oracle workflow batch bar calculates the batch total so the clerk can match that against what was keyed into the accounting ERP. After the data entry and data scrape are complete, the original invoice is “linked” to the accounting ERP invoice record so the users can access the original invoice image file in the event of an accounting dispute.

If all totals are consistent, the automation functionality routes the invoice batch down a path that leads to batch approval and daily check runs. If totals are inconsistent or if there are errors or purchase order to invoice mismatches, the batch is routed down an exception path where the inconsistencies are manually addressed



Accounts Payable Document Management & Imaging Workflow



The custom I/PM solution provides the retailer:

- Seamless, automated extension of accounting ERP processes
- Access to managed images directly from the ERP
- Image capture, indexing, and storage directly from the ERP
- Automated processing and approval of accounts payable transactions
- Sophisticated, rules-based workflow tailored to unique business processes
- Metadata, security, and version control applied to images
- Applicable record and retention management
- Supports high-volume processing requirements

3t's methodology

The lack of support for their existing environment drove this client to search for a technology consultancy with expertise in Optika Acorde, Stellant IBPM, and Oracle I/PM solutions and in their document capture solution, Kofax Ascent. The retailer's IT leads required a strong background in custom Oracle I/PM development because their original Stellant solution included a great deal of customization so the upgrade promised to be extremely challenging – given the high volume of invoices processed every day, the company could not tolerate any downtime during the upgrade or face losing as much as \$50,000 each day in early payment discounts.

3t's Enterprise Content Management team adhered to its proven methodology, developed over 30 years and driven by principles of understanding our client's unique business operations to develop best-fit technical solutions. The implementation comprised:



case study



Discovery

3t's ECM team spent time with the client, discerning the nuances of the retailer's environment, from specifics on servers and how document images were stored to points where the system was integrated with other applications. As, through time and turnover, there was no clear documentation of the original customizations (i.e. hard code, installation procedures, registry modification), 3t performed extensive diagnostics to discover the various customizations so the team could recreate the tailored functionality with the upgraded solution so as not to impact user experience or workflow efficiency.

Requirements and Readiness

Our client required that the upgrade operate off existing hardware, a challenge to the 3t team who generally performs a network readiness assessment and determines the gap between the existing environments, makes recommendations for optimum document imaging and workflow solution performance, and develops a remediation plan. The implementation team architected a plan to ensure the solution would operate on the existing resources.

Because the Optika 4.x solution was based on flat index files as opposed to the database-driven Oracle 7.x version, the implementation team had to convert all existing data to the new format.

"The conversion from serial data to a relational database made this project fairly significant. It wasn't just a matter of converting files – it was changing the client's technology paradigm from the most basic level," said Joanie Sharon, the 3t System senior consultant senior consultant who managed the A/P imaging project.

Design, Implementation, and Testing

The 3t team diligently architected the upgrade, building a test environment that was an exact replica of the retailer's production environment, allowing the implementation team to evaluate not only integration points but complete end-to-end user testing prior to go-live.

"The planning process was pretty tedious, but it was necessary to ensure that they had no interruption," Sharon said, adding that through the process they found ways to tweak the workflows and configurations so invoices routed more quickly and administrators can track information on those packages.

Go-Live

3t consultants rolled out the proven test environment as the production environment – the tactic was contrary to the standard practice of upgrading the production environment, but the approach was critical given the zero downtime requirement. The traditional upgrade practice carried the risk of impacting the existing production environment, potentially interrupting promotional product fulfillment and accounts payable operations.

The team began the environment transition at noon on a Friday and the new environment was operational by 8 a.m. the following Monday with no degradation of service or performance.

Training and Support

3t provided hands-on training as members of the retail giant's IT team shadowed the implementation team so they could effectively manage the upgraded solution.

Providing further value, 3t's ECM consultants worked post-implementation to reconstruct the missing documentation – they rewrote the integration conditions so further upgrades will be more efficient.

In addition to providing ongoing, on-demand support for the Oracle I/PM and Kofax capture systems, 3t will develop system enhancements so the retailer can leverage the full range of functionality available through the Oracle I/PM solution – will offer process improvement and additional features including advanced business intelligence reporting.

Early returns

Seamless transition

"We went into this retailer that had limited software support for the imaging system and, understandably, they were fearful about how they'd complete the system upgrade and continue to do business with a very narrow window for downtime," said Sharon.

Eliminating service interruptions was critical as the retailer reduces costs by taking advantage of early payment discounts – a few days' interruption could mean losses of hundreds of thousands of dollars. The seamless go-live essentially paid for the entire upgrade project.

No end-user impact

The principle function of many accounts payable employees is to key incoming invoices – they become extremely efficient and even a few additional keystrokes can decline productivity.

Operational excellence

The accounting department continues to enjoy decreased business transaction cycle times, elimination of process bottlenecks, improved accuracy over manual data entry, quick access to invoice image files, and improved vendor relationships from timely invoice payment.

Strategic positioning

In alignment with the retailer's strategic vision for business growth and technology upgrades, 3t revised the customization methodology so the solution tailoring is not hard-coded. Instead, the team modified the user interface so future upgrades will be simpler. 3t also architected a development environment that mirrors the new production environment so our client can continue to modify and upgrade both legacy and future applications.

3t Systems provides deep, dynamic on-demand, strategic business and technology consulting that unifies and optimizes people, processes, data and systems. We design solutions in concert with our clients' business goals and objectives to drive innovation – achieving on strategic initiative, improving the ROI on investments, creating competitive advantage, and positioning organizations for efficient and effective growth. 3t Systems is a Stellent Platinum, Kofax Gold, Microsoft Gold, Cisco Premier, and Citrix Platinum partner serving a multitude of vertical markets with deep expertise in finance, mortgage, healthcare, energy and manufacturing industries. As one of the largest IT Solutions providers in the western United States, 3t Systems serves businesses in the areas of high-level business and technology consulting, application development and integration, data management, retrieval and storage, intelligence, security, communications, infrastructure and outsourcing. For more information, please visit www.3tsystems.com or call 800.433.7404.

