

CASE STUDY:

Tokmanni Group

TOKMANNI MOVES AP PROCESSES TO THE CLOUD AT SUPER(MARKET) SPEED

FINNISH DISCOUNT RETAILER, TOKMANNI, HAS SEEN RAPID GROWTH IN RECENT YEARS AND IN 2008 DECIDED TO CENTRALIZE ITS LOGISTIC OPERATIONS IN MÄNTSÄLÄ, FINLAND. THE GROWING COMPANY WANTED TO CONTINUE IMPROVING ITS OPERATIONAL EFFICIENCY AND TO START USING AUTOMATION IN THEIR ACCOUNTS PAYABLE (AP) DEPARTMENT.

The number of invoices at Tokmanni has been growing rapidly; with the company today processing approximately 500,000 invoices a year, including at least 450,000 direct purchase orders (POs). Tokmanni's purchase orders are housed in their ERP system, and almost 70% of the invoices are matched to POs.

E-invoicing, as such, is nothing new for Tokmanni. The company receives 95% of its invoices electronically. In the past, Tokmanni has used Rondo and, subsequently, Basware's Invoice Processing system. Tokmanni's AP processes are already in the cloud, but the time came to replace the Citrix remote access software with a modern browser-based solution.

HIGH-SPEED IMPLEMENTATION

Tokmanni started the process of replacing its old invoice processing system with a new AP solution in spring 2016. First, they gathered all the in-house requirements and expectations for a new system. The most important criteria was

to maintain or improve the invoice matching level.

Tokmanni requested quotes from selected suppliers and chose the two most promising ones to compete. Finally, they decided to opt for Basware's latest Alusta / SaaS version.

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Heli Tolonen, Financial Manager
at Tokmanni

"In the past when we implemented the IP solution we encountered some speedbumps. For five years, we co-developed new functionalities to increase the matching level and improve the batch processing features of the IP system. When we realized that the new Alusta / SaaS solution included those features by default, it was natural for us to continue our collaboration with Basware," explains Financial Manager Heli Tolonen.

CUSTOMER:

TOKMANNI

INDUSTRY:

Retail

LOCATION:

Mäntsälä

BASWARE SOLUTIONS:

Basware Purchase-to-Pay

basware

Simplify Operations, Spend Smarter.



THE NEW ALUSTA / SAAS SOLUTION INCLUDED OUR REQUIRED FEATURES BY DEFAULT

IT projects are not known for on-time delivery, but Tokmanni and Basware actually managed to finish their project ahead of schedule, thanks to the commitment of both companies' project teams.

"Having the right people in the right positions is crucial for success. My thanks go out to Basware's consultants, who quickly found solutions to all of the problems that arose during the project", says Heli Tolonen.

While everything went smoothly at Basware's end, the move from IP to Alusta created some challenges for Tokmanni's employees. In June, just as the summer holidays were just about to start, store managers all around Finland had to be trained to use the system as validators. While the system's feature of requiring validation for all purchase orders before approval is an excellent function, it was something completely new for many of Tokmanni's stores.

AP PROFESSIONALS BENEFIT FROM ANALYTICS

With the new system, Tokmanni's AP professionals can more easily create payment templates for recurring invoices. While many of the Group's goods and contracts are managed centrally, all of the 175 stores still receive separate, recurring invoices for electricity, cleaning, waste management etc. However, these invoices no longer need manual processing now, thanks to Basware. Posting also remains stable thanks to the elimination of manually introduced errors.

For smaller suppliers of goods and services, Tokmanni offers the supplier a web-based solution where they can convert traditional invoices into e-invoices. Finnish suppliers have a high rate of e-invoice usage, since Tokmanni started to use e-Procurement a number of years ago.

Tokmanni's AP professionals consider Basware's SaaS solution to be distinctly modern and user-friendly. Its out-of-the-box reporting features immediately give a complete picture of approval times and an invoice processing status overview.

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basware

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"Every KPI is automatically in place and we can immediately see the total level of invoice matching, the share of e-invoices and the invoices paid on time. We can also which invoices are completely automated and which contain something that is preventing efficient automation on a supplier and order basis. This is a huge benefit for us," says Heli Tolonen.

"And, best of all, in-house co-operation works better when you have an easy way of producing reports that show what needs to be done to enhance payment processes and pay invoices on a supplier and invoice level, on time and efficiently."

Heli Tolonen admits that Tokmanni is still yet to utilize many of the excellent features in Analytics. So far, the company has created only a couple of custom report types; for example, to discover why invoices from some suppliers do not pass smoothly through the automated process.

"Our advantage is that we operate in a domestic market and all of the group management is in Mäntsälä. We use only one currency and the same tax rates everywhere. I am sure this makes it easier for us compared with international companies," asserts Heli Tolonen from Tokmanni.

TOKMANNI GROUP CORPORATION

The Tokmanni Group has grown into the largest discount retailer in the Nordics, with 175 stores around Finland and an online store.

The company employs approximately 3,200 people and had a turnover of 796 million in 2017.

The Tokmanni Group Corporation is listed on Nasdaq Helsinki.

ABOUT BASWARE

Basware is the global leader in providing networked purchase-to-pay solutions, e-invoicing and innovative financing services. Basware's commerce and financing network connects businesses in over 100 countries and territories around the globe. As the largest open business network in the world, Basware provides scale and reach for organizations of all sizes, enabling them to grow their business and unlock value across their operations by simplifying and streamlining financial processes. Small and large companies around the world achieve significant cost savings, more flexible payment terms, greater efficiencies and closer relationships with their suppliers. ©Basware 2017

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