



## OfficeMax Case Study

### About our client, OfficeMax

OfficeMax New Zealand Ltd have been committed to the New Zealand market for over 150 years. They started life as a stationer named Coulls Sommerville Wilkie, along with a publishing company called Whitecombe and Tombs. Since then they have grown to a team of 500 nationally.

OfficeMax processes more than 10,000 invoices every month and, at the time of writing, were on Pronto Xi version 750.1. The majority of the OfficeMax purchases are for inventory to service their Customer base which is either stored in one of their three warehouses, or direct shipped from the Vendor to the Customer.

### Why did OfficeMax approach Redmap?

**“I have wanted to automate for 12 years and each time the project was approved for capex some other urgent project presented itself. Fact of the matter is that my team are superstars. We had the process under control and so, whilst there was great efficiency to be achieved, we weren’t considered a priority”, said Jackie Underhill, Finance Shared Services Manager.**

“That is not to say that there weren’t challenges. We have a history of growing both by acquisition and category expansion, as we acquired the pressure would increase on the team and I was concerned about the workload. I was concerned that a loss of any one team member would have a considerable impact on the business, because we had such a high performing team.

“I was very interested in addressing several items which I expect any AP department deals with. We were manually routing and processing invoices that either matched the PO meaning the team added no value to the process or had errors of which the team could not address.

“At least the Purchase Order based invoices we knew about, the invoices that did not have a PO were a nightmare. They were being sent direct to the person ordering the goods, would sit out in the field for an extended period of time and we often only knew they existed when the Vendor would call to discuss potential credit hold”, continued Jackie.

### What did Redmap do?

Redmap’s best practice for Pronto Xi was implemented at OfficeMax as a base system to meet their requirements. PBP allowed OfficeMax to process both PO and Non-PO invoices straight out-of-the-box. Invoices are sent to an email address provided by Redmap, the data is automatically extracted, and this data is used to determine if the invoice is automatically posted or sent to someone for their approval. Once posted, a link is automatically created to the source document, for ease of downloading in the future.

**“It is amazing how much time the little things help. Take bank account check for example. Redmap extracts the bank account from the invoice and checks in Pronto Xi for a match. This is such a simple but impactful win. My team would spend an inordinate amount of time checking that. Now it is an afterthought”, said Jackie.**



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### What did Redmap do? (continued)

OfficeMax have been increasing the amount of product they move via direct ship. The order is placed with the Vendor and the goods are sent direct to the Customer and not via the warehouse.

“This broke our receipting process. Our warehouse team is excellent, and receipting is rarely an issue, but the goods didn’t go through the warehouse and we had limited visibility as to when they were delivered. It meant invoices were sitting in approval queues with no receipt to match them to and causing a lot of work to try and receipt them. I presented this issue to Allison Flack (our Redmap BA) and asked Redmap to come up with a solution. You can really tell they take great pride in delivering excellent outcomes for their Customers”, continued Underhill.

Redmap Receipting was implemented to allow invoices that are associated with a PO that has yet to be updated and received to be approved. First Redmap recognises the direct ship orders based on a dedicated warehouse code associated with the PO. Generally, this PO will be in an on-order status (status 40) although it could technically be in a back ordered status as well (status 11). Redmap will update and receive the PO and then post the invoice where the PO and the invoice are a perfect match Redmap which also updates the PO status to completed (status 90).

“Our procurement team manage the catalogues and pricing very closely and there is a high degree of perfect matches in the direct ship side of the business. We applied a \$0 tolerance rule to the direct ship invoice matching to satisfy internal concerns regarding the automatic matching and posting. Last month we processed over 6,000 direct ship invoices. Every one of those would have previously been manually touched so that the direct ship team could update the PO and press reprocess in Redmap. Now it all just happens.

**“I was so impressed with what Redmap had architected for this solution. We literally gave them a problem to fix and they came back with a solution that had answers to questions we hadn’t even asked because what they suggested was extraordinary to the end,” enthused Jackie.**

LeeAnne Hau, project Business Analyst shared the same view. “When urgent guidance and feedback was required, the team at Redmap were there step-by-step helping us find the appropriate solution and processes we needed to retain and build our confidence levels. We experienced great work ethics from key members and learnt ways to improve various channels throughout our business that we hadn’t even thought of prior to commencing the project. Without a DOUBT, the Redmap AP Automation project brought many a smiles to the various teams throughout OfficeMax NZ team.”

### What was the outcome for OfficeMax?

**“Redmap has completely transformed our business. It delivered the efficiency that we were looking for which gave time back to my team. I have invested that time in investigating and addressing root causes rather than continuing to patch up the symptoms in our internal processes”, continued Underhill.**

**“We went live on Monday and the NZ government implemented a very strict COVID lockdown on the Wednesday. We were considered a critical service given the amount of PPE we distributed over the pandemic and so we could have sent the staff to the office, but we didn’t have to. I could not have done without Redmap”, concluded Jackie.**