

CUSTOMER SOLUTION CASE STUDY



Summary



Customer:
Edcon

Country or Region:
South Africa – JHB

Industry:
Retail

Company Profile:
Edgars Consolidated Stores Limited (Edcon) is the leading clothing, footwear, and textiles (CFT) retailing group in South Africa trading through a range of retail formats. Since opening its first store in 1929, Edcon, with more than 20,000 employees, has grown to 10 retail brands trading in more than 900 stores in Botswana, Lesotho, Namibia, and South Africa

Business Situation:
3fifteen, to develop and implement a travel requisition portal to help the Company manage its travel expense account

Technologies used:
Core:
K2.net Workflow
Microsoft SharePoint Portal Server 2003

D/B:
Microsoft SQL Server 2000
O/S:
Microsoft Server 2003
Development:
Microsoft .Net
Microsoft Visual Studio 2005

Edcon realises huge cost savings with new travel portal

Situation

Edcon approached its Microsoft applications development partner, 3fifteen, to develop and implement a travel requisition portal to help the Company manage its travel expense account. As a result, Edcon has realised huge savings on its travel costs.

Edcon had specific business drivers for the solution; it needed to develop and implement an automated workflow application that would eliminate the paper-based travel requisition process. Furthermore, Edcon's auditors required the Company to have more internal financial control over the allocation of travel allowances and payments to suppliers. Edcon also required an automated process that enabled it to measure the services received from suppliers and services provided to internal Edcon customers.

Since deploying the solution, Edcon has experienced major cost savings and expects a Return on Investment within a year.

Edcon did not have sufficient control of its travel expenses, especially over the class of air tickets that were being booked e.g. economy or business class. Edcon found it extremely difficult to enforce its travel policy to ensure that only authorised staff travel on the Company's expense.

Client Background

Edcon is the leading clothing, footwear and textiles (CFT) retailing group in South Africa trading through a range of retail formats. The first Edgars store was opened on 6 September 1929 in Joubert Street, Johannesburg. Since then, the company has grown to nine retail brands trading in over 700 locations in South Africa, Botswana, Namibia, Swaziland and Lesotho.

Edcon's retail business has, through recent acquisitions, added top stationery and houseware brands as well as general merchandise to its CFT portfolio. Defined by the target markets served, all business is structured under two divisions: Department Stores Division, including Edgars, CNA, Boardmans, Prato and Red Square, serving middle and upper income markets and Discount Division including Jet, Jet Mart, Jet Shoes and Legit, serving middle to lower income markets. Edcon Financial Services provides credit facilities and financial services products to the Group's 3.5 million active account customers.

Solution

To fulfill in Edcon's requirements for a Travel Requisition Portal, 3fifteen developed a solution based on the SharePoint Portal-based intranet application with K2.net as the workflow engine. The solution also allows for integration to Edcon's financials running on Oracle software.

The integration with Edcon's financial system has automated the processes of creating orders and invoicing in Oracle Finance. With the previous manual system, four employees had to manually input the orders into Edcon's financial system – a time consuming process which allowed for human error. The portal allows Edcon to measure the performance of the travel agency in terms of its Service Level Agreement (SLA) and the cost of tickets. "In some instances the travel agency only booked flight tickets two days before the person was due to travel even though the tickets were ordered well in advance. As a result, Edcon was overspending on travel," says Alberts.

The solution provides Edcon with detailed information on who traveled where and when. Unlike in the past, Edcon is now able to track the spend on travel. Business rules ensure that employees can no longer overspend on travel; they are allocated a specific travel budget according to their position in the organisation.

Benefits

Edcon's travel requisition portal has helped the Company manage its travel expense account; it estimates that it will save in excess of R3-million per annum on its travel costs.

3fifteen has developed and implemented an automated workflow application that has eliminated the paper-based travel requisition process. Edcon now has more internal financial control over the allocation of travel allowances and payments to suppliers.

Edcon has also automated the process that enables it to measure the services received from suppliers and services provided to internal Edcon customers.

Edcon can now enforce its travel policy and can also ensure that only authorised staff travel on the Company's expense.

The integration with Edcon's financial system has automated the processes of creating orders and invoicing in Oracle Finance.

Edcon has experienced major cost savings since deploying the solution and expects a Return on Investment within a year.