

REFERENCE STORY

THE READSOFT EFFECT ON:
MARBANK CONSTRUCTION

SOLUTION: INVOICE PROCESSING

INDUSTRY: CONSTRUCTION

COUNTRY: UNITED KINGDOM

ReadSoft cements efficiency savings for Marbank Construction

The business problem

Marbank Construction needed to automate its accounts payable (AP) process to save processing time, improve accuracy, speed up query resolution and gain more accurate costing data earlier in the month than its manual invoice handling processes allowed.

The solution

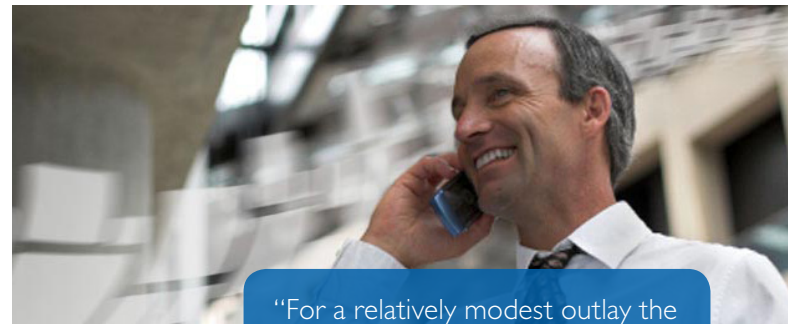
ReadSoft's INVOICES, which automatically scans invoices, eliminating the need to manually input data, and integrates seamlessly with Marbank's document management and accounting systems.

Business benefits

- **Headcount reduction of 50%** – saving up to £60,000 a year in salaries alone
- **Storage needs cut by at least 90%** resulting in considerable savings in archiving costs
- **Return on investment** in less than one year
- **Greater financial control** – invoices are processed the day they arrive so that full, complete and accurate costing data is available much earlier in the month
- **Vastly increased productivity** – what used to take two employees three days a week can now be done in a matter of hours
- **Faster query resolution** – invoice information can be retrieved in seconds
- **Improved accuracy** – human error has been eliminated
- **Positioned for growth** – a more efficient AP process gives Marbank the ability to cope with increased invoice volumes without a corresponding increase in staff.

Hertfordshire-based Marbank Construction undertakes building and civil engineering products throughout the UK. It has particular sector experience in offices, retail developments, warehouses and distribution centres. Contracts range in size from under £2m to over £10m.

Since it was established in 1994, Marbank has built a reputation for completing projects on time, within budget to



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Steve Brown, Finance Director,
Marbank Construction

high quality standards. This, coupled with its partnership approach, means the company enjoys a high level of repeat business.

A storage crunch caused by burgeoning paper files and the recognition that routine housekeeping tasks were consuming a disproportionate amount of time, led to Marbank adopting a ReadSoft document automation solution to make time and cost savings.

Marbank Construction first saw the value of document automation when it created a bespoke software programme to deal with government changes to the Construction Industry Scheme (CIS). This halved the processing time – previously, using an Excel spreadsheet, the job required two full-time employees – but still swallowed an excessive number of man-hours.

As well as CIS payments, Marbank, which was then turning over around £90m a year, generated a vast amount of paperwork in the form of contract and non-contract correspondence, invoices and email. Steve Brown, finance director for Marbank, recalls, “We were filling lever arch file after lever arch file and having to pay considerable sums to an external contractor for archiving space.”

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Marbank realised there had to be a better way and in 2007 it turned to Adest, a leading supplier and developer of integrated document management (DM) software, for a solution. Adest developed a DM system that categorised and filed documents electronically, which partially solved Marbank's storage problem.

But when it came to the 2,000 supplier invoices Marbank receives monthly, barcodes still had to be affixed and key data input manually – a laborious, time-consuming task that required two dedicated members of staff and was prone to human error:

Adest recommended Marbank introduce a document automation solution from ReadSoft, one of its key partners and the established leader in the document capture market. ReadSoft's proven INVOICES product was adapted to integrate fully with Marbank's existing document management system and Sage Line 50 accounts package to create a seamless end-to-end accounts payable process.

The ReadSoft software scans all incoming invoices, regardless of their format, extracts the relevant data and automatically feeds this information into Marbank's document management and accounts payable systems.

Steve Brown admits, "At first our people were somewhat reticent – it can be a little scary for people to put their trust in a machine." But Marbank's fears proved unfounded. Steve Brown reports, "Once staff got their hands on it there was no stopping them! Implementation has been straightforward and even the sceptics have been won over: It's an impressively fast system."

The construction firm has been able to reduce its accounts payable team by half, saving up to £60,000 a year in salaries alone, and realised a return on investment in well under a year. "Our decision has been more than vindicated," says Steve Brown. "For a relatively modest outlay the savings have been huge. In fact, I don't regard what we spent as capital expenditure – rather I look on it as relatively little money spent to do the job a lot better."

Now that all invoices are automatically captured in the system on the day they are received Steve Brown has the reassurance of knowing his costing data is full, complete and accurate much earlier than would have been the case previously. He explains, "When paperwork is being



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processed manually there's a tendency to sort and deal with it in batches. Inevitably, invoices would pile up and there would be a last minute rush towards month end. But now everything that comes in one morning is entered on the system by the end of the same day."

As documents are securely filed electronically, the need to store paper documents is minimal and Marbank will be able to save thousands of pounds a year in warehousing costs. Steve Brown comments, "It's a wonderful feeling at the end of the day simply being able to throw all that unnecessary paper in the bin."

With opportunities for human error eliminated, accuracy has vastly improved. Suppliers have commented that their queries are dealt with more quickly as staff can retrieve information on screen in seconds rather than have to rummage through paper files and call back later.

This has been an unexpected revelation for Steve Brown who enthuses, "It's so easy to find things. The beauty of scanning everything is that even if you know just one or two bits of information on the piece of paper you're looking for, you can find it in seconds. If you misfile something in a paper file, chances are you'll never see it again."

Marbank Construction expects to see even greater financial savings in the future. As the company returns to its pre-recession size, the ReadSoft system has equipped it to deal with increased invoice volumes without a corresponding increase in the number of staff. Steve Brown sums up the difference ReadSoft INVOICES has made when he says, "We could never go back now!"