

# Case Study: Pacific Steel



## Pacific Steel Eliminates Paper, Streamlines Accounts Payable With IntelliChief™

### SOLID AS STEEL

Pacific Steel Casting (PSC) was founded in 1934 to make steel castings for the U.S. Military. The foundry quickly gained a reputation for making high quality castings and grew steadily during its early years. As time wore on, PSC began to face its fair share of challenges including pricing pressures from foreign produced steel products and several recessions. However, with a lot of hard work and bit of ingenuity the company has managed to remain as solid as the steel it produces. Today it is one of the largest surviving steel foundries in the country.

Pacific Steel has managed to survive by maintaining loyal customers who return for excellent service and superior quality castings – but it's also successfully battled high operating costs by continually implementing internal efficiencies. One area of inefficiency that PSC recently tackled was its plethora of paper processes. According to Jennifer Freeman, Database Administrator at PSC, "PSC had a real need to go paperless to not just be green, but to also save time and money and be more efficient." Freeman and the company's controller agreed that a paperless flow would tighten up the holes in Accounts Payable (AP) and make sure that important documents never sat on anyone's desk too long. It would also help the company with issues involving multiple document copies and double payments.

Freeman indicates that PSC had been using the Formtastic™ and FastFax™ solutions when they began their quest to go paperless, and they were excited to discover that the IntelliChief product could help them reach their goal. At first glance, the solution seemed like a perfect fit, but the company decided to evaluate some competition as well. In the end however, IntelliChief's seamless integration with PSC's BLIS-400 enterprise software solution made it the right choice for them.

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### PILES OF PAPER

Before the IntelliChief implementation, all purchase orders were created manually. An initial requisition was drafted and once approved three copies of the document were made. One went to AP, another to Purchasing and the final to the requestor. The information was then manually keyed into BLIS-400 in order to create an official purchase order (PO) for the requisition. This PO would then be printed in triplicate and distributed. At this point in the process, Freeman explains that, "at least six pieces of paper had been generated to secure a single item."

Once the item requested arrived, its receipt would be entered into BLIS-400. The receiver who signed for the goods would, according to Freeman, "hopefully remember to send the packing slip over to AP." If the packing slip made it there, AP would then attempt to make a four way match, which means that AP would try to marry up the original requisition, the PO, the packing slip and the inbound invoice from the vendor. More often than not however, all four documents did not make their way to AP, so AP would need to request new copies from various parties within the process. When by chance the originals did resurface, some items were entered twice and paid for twice.

Freeman says, "All this paper was costing us a lot of time and money. It also resulted in too many mistakes. We definitely ended up double paying vendors two or three times a month, and we had a team of four in AP that was always behind." The time was definitely right for PSC to implement IntelliChief and activate some key features within BLIS-400 that would enable the company to finally go paperless.

### PAPERLESS PURCHASING

The first thing PSC did was turn on the Requisition Approval function within BLIS-400. This function automates the requisition process meaning no hard copies are produced. Once the requisition is approved in BLIS-400, a PO is generated within the system and faxed or emailed directly to the vendor using FastFax. Again, no copies of the PO are required – every single document within the purchasing process is archived within the IntelliChief solution.

PSC also activated the Receiving function within BLIS 400 that's integrated with IntelliChief which allows the company to scan a packing slip at receiving. AP no longer has to wait for the slip to make it their way and the department since once it's scanned it becomes available electronically via IntelliChief to all authorized users. When an invoice arrives (whether via fax, mail, or email), it is captured by IntelliChief and made available electronically on the screen. With a simple mouse-click users can retrieve all AP documents quickly on the screen making the four-way matching process a snap. There are also no more checks to print, copy and file, as IntelliChief now retains copies of each and every payment.

In the event that a snag ever arises within the purchasing process, say the quoted price on a PO does not match the price on an invoice, IntelliChief makes it very easy to resolve the issue. There's no walking paper across the building, AP simply forwards the item within the IntelliChief workflow to the proper parties and they can then resolve the issue within the system. The best part says Freeman, "is that all document history is stored in IntelliChief making it very easy to see who did what and when."

### SO LONG PAPER!

Freeman feels that IntelliChief has really changed the way PSC does business. Most of the company's filing cabinets are gone and the ones that remain are getting emptier. Everything and everyone is moving a bit faster now and this is helping to add dollars to the company's bottom line. According to Freeman, "IntelliChief has really streamlined the invoice matching process and this means that invoices are getting paid faster. And because of this, we're benefiting from discounts for the first time in our 70+ year history." PSC has also been able to drastically reduce payment errors by getting rid of duplicate copies within their processes.

### THE FUTURE

Thanks to IntelliChief, PSC now operates a paperless Purchase-to-Pay process. They also recently implemented IntelliChief to handle their Order-to-Cash operations. While they haven't had the system in place in that area long enough to fully calculate its pay off, they are already benefiting from the ability to view what they need to see, when they need to see it from the comfort of their desks. There's no more running to the order department to retrieve and review files. Shipping is also better able to serve customers who call in requesting copies of packing slips or other documents. They can now easily pull up the requested paperwork in IntelliChief and rapidly send it over by clicking on the system's fax or email buttons.

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When asked if she would recommend going paperless with IntelliChief to other companies Freeman responds, "Absolutely! Get rid of the paper, it will save you time and money in the long run!" She also says that for most people letting go of paper was easy, and that the few that struggled were convinced after just a few days when they realized just how easy it was to retrieve a document from IntelliChief. Freeman states, "The IntelliChief search function is very good. Whether the documents are linked to BLIS or they're stand alone items created within IntelliChief, the system makes it very easy to search for documents and access them right away." You definitely can't say that about your average filing cabinet!

### Contact Us Today

To learn more about how PSC and other organizations are taking advantage of IntelliChief to eliminate paper and save money, contact IntelliChief today.

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