

Customer Case Study: TRW

Document management helps drive business forward at TRW Automotive Aftermarket

TRW Automotive Aftermarket is a leading provider of high quality replacement parts, service and technical support to both the independent aftermarket (IAM) and the vehicle manufacturer service (VMS) channels.



Combining the original equipment strengths of the market leading Lucas branded braking programme and the TRW branded steering and suspension range, the business leads Europe in chassis systems for the aftermarket. With over \$10 billion annual sales, TRW is the world's eighth largest independent automotive supplier. TRW Automotive employs 67,500 people at 190 locations in 24 countries on five continents and more than 4,000 engineers are directly involved in product development.

Document management in finance

In 2001, TRW Automotive began investigating installing a document management and workflow solution in their finance department. The drive for the project was initiated by the business to improve operational efficiency. There was a requirement to ensure that the increasing audit demands could be easily met, and that any information required could be instantly available. Additionally, the solution was also required to support a reduction in the headcount in the UK finance department.

The selection process

TRW underwent a lengthy tender process and three vendors were short-listed to present a solution. However, just as the business was reaching the final stages of the selection process, it received a call from Documation. The TRW team decided to give Documation one chance to prove that their solution was more capable of meeting their requirements than those that had already been selected. They discovered that Documation met their criteria perfectly.



David Crowther, Senior IS Manager explains why the final choice of solution was made:

“During the vender selection process, we felt Documation had the energy and outlook of a growing company, and with an exceptional product and strong development methodologies, they were the best choice for us.”

How the solution works for TRW

The accounts receivable department uses the BPCS supply chain management solution to produce their documents. Due to the sheer volume of information that is stored in the solution and ease of retrieving it, TRW wanted to store the bulk of the data in Documation's "Enable" solution instead. This has subsequently allowed them to dramatically reduce the amount of data that is kept in BPCS. Enable archives all documents types, including invoices, credits, order acknowledgements, debit notes, etc. and also documents from Lossy, the warehouse management system, such as delivery notes, document returns, etc. Only the data required for the current day-to-day operations is now held in BPCS and the full record history needed for audit purposes is now stored in Enable. For the credit control department, this means they now have instant access to all documents from Enable, allowing them to respond to customer queries quicker and expedite payment.



Enable is also used in the accounts payable department to handle supplier invoices. All incoming documents are scanned and stored in Enable allowing for instant retrieval. The solution also uses workflow to automate the supplier invoices being coded and authorised. This is now done online and so has completely removed the need for paper copies to be manually distributed and the subsequent chasing process for the finance team. Once each invoice has been approved, the accounts payable department are automatically notified so they can arrange payment.

Anita Sambrook, the Purchase Ledger Supervisor, explains the difference this has made to the finance department:

"Since the introduction of Documation, we receive considerably less calls from the rest of the company asking for us to check invoices and this has saved a lot of time in the department. We are definitely more efficient as a result of Enable."

Benefits achieved from Documation Enable

The new solution has dramatically improved operational efficiency in both departments. Removing the paper trail in accounts payable has allowed processing time to be reduced. It has also noticeably reduced the volume of queries that the finance department receive from the rest of the business. By using online retrieval, the 120 users around the business are now able to access their invoices online instead of contacting the finance department directly.

In addition to saving time for the financial clerks, Documation also helps anyone managing purchase spend or revenue accounts as they can instantly access their documents at any time. For external queries from suppliers or customers, it is now much easier and quicker for the financial clerks to respond, as the information they need is available instantly.



The European operation

The solution went live in 2002 and once the benefits had been realised in the UK, a phased European-wide rollout was defined. Enable has now also been installed in Germany, Italy, France and the Czech Republic. David Crowther elaborates on how the project has progressed:

“Documation worked closely with us through a major change in strategy that resulted in the IT infrastructure being relocated to Germany and the subsequent European rollout. This has been a very successful project, mainly down to the strong communication between the two companies which has really strengthened our partnership.”

For the European solutions, the drivers for the project were slightly different to the UK. This is partly due to the fact that installation in these markets took place two years later. The basic need for improving operational working still remained, but the pressure of complying with legislation was now also a key factor.

Similar benefits have resulted across Europe in regards to improving operational efficiency. However, across Europe a legacy system was being replaced which also meant an instant saving of €80,000 when installing the Documation solution. It also removed the physical costs of retrieving documents, because there was previously a £10 fee per retrieval that has now been completely eliminated. Greater management over purchasing and control was also essential for the European rollout. Enable has successfully increased visibility of indirect expenditure and allowed stricter approval controls to be enforced.

How Enable has assisted with compliance

Like any organisation, TRW has to ensure that their documents and data are being stored in a compliant format. Operating across various European countries means they have to abide by various country-specific legislative demands. Also, as a US listed company, TRW must comply with the Sarbanes-Oxley Act.

The key to the Sarbanes-Oxley Act is that for financial auditing purposes, it must be possible to prove that the document and the history are being retained and can be retrieved in a timely fashion. This principle is also critical to meet the demands of both internal and external audits. The ease of retrieval from Documation Enable has helped TRW to ensure that they meet, and indeed exceed, these requirements.

“Having the Documation solution mitigates the risk of non-compliance when under audit investigation.”

David Crowther, Senior IS Manager



Future plans for Enable

TRW intends to continue developing their use of the Documation solution. A localised version of Enable is currently due to be implemented across Europe. This will include language support, which will determine each user's language and set the language of the product accordingly.