

OnBase®

a Hyland Software solution

REALSOLUTIONS
MANUFACTURING



BMHC

HOSTED OFFERING CONNECTS LOCATIONS AND SAVES ESTIMATED \$1 MILLION PER YEAR

When a legacy imaging system could no longer meet the needs of the Building Materials Holding Corporation (BMHC) Accounts Payable (AP) Department, the company searched for a new system that would be able to support existing workflows as well as support a number of projects waiting to be implemented. A hosted offering, OnBase OnLine was selected because it met those needs and offered the additional benefit of enabling the project to go forward without regard to the scheduled move of the company's data center.

Developed by Hyland Software, OnBase Online is a completely outsourced SAS 70-certified data center that is redundant and secure. OnBase OnLine is SysTrust-certified and employs a multi-layered, state-of-the-art approach to security that incorporates high security firewalls, intrusion detection systems, encrypted passwords and Secure Socket Layer (SSL) encryption during transmissions.

As a holding company providing capital, management and administrative resources, BMHC has two subsidiaries, BMC West Corporation and SelectBuild Construction, Inc. These subsidiaries are leading providers of building products, manufactured building components and turnkey construction services to national, regional and local homebuilders and contractors. BMHC is dedicated to meeting the needs and exceeding the expectations of professional builders. In order to meet these goals, the San Francisco-based company needed a way to connect its many disparate locations across the U.S.

The new system needed to be able to meet present and future needs for geographically and technically diverse locations. BMHC also wanted to avoid as much custom coding as possible and still meet a large variety of local requirements. After determining a total of 188 requirements, BMHC began the Request for Information (RFI) process. After narrowing the field to two candidates, BMHC decided on Hyland Software's OnBase enterprise content management (ECM) suite from Authorized OnBase Solution Provider Integra Information Technologies of Boise, Idaho.

With core capabilities in document imaging, electronic document management, workflow, COLD/ERM and records management, the OnBase solution was primarily chosen for the AP department. The Legal and Human Resources (HR) departments' needs were also considered during the RFI process as they were anxious to reap the benefits the AP department's legacy system had demonstrated.

"Out of the box, OnBase fit 100 percent of our requirements for the other departments," says Business Systems Manager Jason Nichols, CITP CPA. "It needed very little customization and had very simple configuration, and the departments love it." Integra Information Technologies was able to adapt the existing AP customizations to the OnBase OnLine environment quickly and even incorporate some new functionality. OnBase serves as a link among the company's multiple systems in use at various locations and administrative offices.

AP SOLUTION MATCHES BUSINESS UNITS WITH PROCESSES

In the AP department, reconciliation is challenging because invoices are received centrally at BMHC's Administrative Service Center in Boise, while purchase orders (POs) are generated and stored at each individual location. Whether received as paper, through electronic data interchange (EDI), FTP data feed, fax or e-mail, invoices are imported into OnBase. Required keyword fields are then verified or entered into the custom workflow form. Many fields are pre-populated and all are validated. Saving the data not only saves the keywords in OnBase, but also prompts an import of all the invoice data into Oracle® Financials. This process enables the AP department to key once or not at all for both systems and ensures that the data being fed to Oracle is clean and issue-free.

A report listing all invoices keyed is published to the company's intranet daily. Images of the invoices are available through a simple click. Users across the BMC West locations use this

AT A GLANCE

Using hosted enterprise content management (ECM), custom workflow forms and Oracle Financials, BMHC has created an AP processing system that can accommodate diverse remote locations with varying purchasing systems, saving an estimated \$1 million per year versus a paper-based process.

BENEFITS

- Saves an estimated \$1 million per year compared to reverting to paper-based processes
- Enables 10 AP personnel to process more than 600,000 invoices per year
- Connects an AP process spreading across more than 70 sites around the country
- Simplifies IT involvement with a hosted offering
- Improves operations in additional departments, including HR and Legal
- Aligns business units with streamlined processes
- Fits most departments with out-of-the-box functionality
- Updates and streamlines existing process
- Eliminates redundant data entry with simultaneous updating of OnBase keywords and Oracle Financials fields
- Ensures data is clean and issue-free with automatic validation and error trapping
- Reduces cost and time spent on audits

APPLICATION

- Accounts Payable
- Accounting
- Human Resources
- Transportation

COMPLEMENTARY PRODUCT INTEGRATIONS

- Oracle Corporation E-Business Suite Financials
- Canon USA, Inc DR-5020 document scanners

(continued)

online report to reconcile their POs with what was entered into Oracle in Boise. Should there be a discrepancy, the decentralized users can simply click a link and enter a request to change.

“With OnBase, we more closely associate our business units with our processes,” says Nichols. “We have a greater ability to consolidate systems, a better global view and we can continue to accommodate new systems or processes with less ongoing customization.”

Training the users both at the Boise location and at the individual locations has been a relative non-issue for BMHC. Because BMHC had been using a legacy imaging system and due to the intuitive OnBase interface, acclimating users to the system has taken only a few minutes. In fact, setting up Internet Explorer® (which requires only a few setting changes) has taken more time than user training. Because of the decision to use OnBase OnLine, it is a simple matter for executives and managers who travel between locations to view OnBase documents.

In total, the AP department processes an average of 2,000 invoices per day, over 600,000 per year. This volume is handled by only 10 AP specialists who also perform many other tasks each day. “Our AP staff has a very high rate of productivity and is able to perform more tasks compared to similar departments at other companies,” says AP Director Pam Miller.

BMHC also uses a purchasing card (pcard) workflow, which enables the locations to manage their own pcard transactions. All but two locations are using e-forms and the Web to handle these transactions. This information is also imported into Oracle and has eliminated the need for re-coding these charges. Pcard statements are scanned centrally in Boise and linked to the transactions to create an easy-to-follow audit trail.

ONLINE SOLUTION INDISPENSABLE

While BMHC used to have to host auditors onsite, OnBase OnLine allows auditors to view necessary documents remotely. BMHC grants them limited access to OnBase and creates a custom query so they can easily search through the documents they wish to view. Because auditors can view documents from the comfort of their offices, BMHC saves time and resources that were previously dedicated to completing audits.

“In a worst case scenario of us being forced to go back to paper processing, we estimated conservatively that we would spend an extra \$1 million a year,” says Nichols. “Taking a step back is not an option.

Turning off OnBase would be like turning off e-mail.” In addition BMHC is extending the scope of the AP project by adding a new AP and PO matching workflow within the next few months that will help streamline the current payables system even further and increase the connectivity of systems and people across the company.

BMHC has leveraged the investment in OnBase by implementing it in HR and the Transportation department. In Transportation, OnBase keeps track

of each driver and all of his/her related information such as licenses, certifications, medical information and insurance eligibility. OnBase is also being implemented in the Legal department so that contracts can be visible all over the country.

Also in the plans is using OnBase on the manufacturing shop floors, a project that is currently being scoped. On the shop floor, OnBase can be used for engineering document change requests, quality document management, facilities and inventory document management and customer service.

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- Jason Nichols
Business Systems Manager

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