

Hospitality Sector

Key requirements:

Standardization of procurement process

Improve efficiency of procurement on a group-wide basis

Improved transparency and accuracy in purchasing

Integration with financial management solution

Ease of use

Regent Inns plc

eProcurement within a teamwork culture

May 2004

→ Founded in 1977, Regent Inns plc expanded rapidly during the 1980s and '90s and floated on the London Stock Exchange in 1993. By early 2004, it operated 79 entertainment venues in the UK including the Australian-themed Walkabout chain and Jongleurs Comedy Clubs.

The challenge

Regent Inns decided to implement a company-wide procurement solution, imposing best practice standards across its expansive portfolio of products and services. It wanted to install a solution to comprehensively manage the entire procurement process from end-to-end and be able to deal with the complex systems, procedures and policies employed by the company and its outlets.

The solution

Prior to selecting a technological solution, Regent Inns underwent a business process re-engineering assessment to define its objectives and outline the system requirements. Ken Gliddon, chief information officer for Regent Inns, explained: *"We firmly believe that people and processes underpin business excellence and it was vital that we understood what we were trying to achieve so we could ensure that our choice of technology would help us deliver on our objectives."*

Having completed this exercise, Regent Inns began its search and employed the services of Foundation Systems, a UK-

based reseller that specializes in financial & business management solutions. After an extensive evaluation of alternatives, Regent Inns selected iPOS from Professional Advantage as the most appropriate procurement solution for its needs. iPOS integrates seamlessly with Regent Inns existing systems including SunSystems, its back office, financial management solution.

Effective project management

Project implementation hinged on the ability of Regent Inns, Foundation Systems and Professional Advantage to work together to deploy iPOS across the group. Effective teamwork and an open communications style ensured the business needs were met and the system provided the breadth of technical functionality necessary to ensure the purchasing process became more accurate, transparent and effective.

Stephen Haupt, chief executive officer of Regent Inns, commented: *"The teamwork culture is central to our success as an organization. I was impressed to find the same degree of commitment in both Foundation Systems and Professional Advantage. In sharing the same common working practices, we ensured the iPOS project was implemented rapidly and effectively. Best practice standards were employed across all aspects of the project from designing our system requirements through to ensuring that we managed the project cost effectively. It was essential that we could generate information that would help us adopt a more proactive approach to our purchasing and financial management practices. Since iPOS integrates with SunSystems, our back office solution, we had the tools necessary to ensure we could achieve these goals."*

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SunSystems Modules:

- Ledger Accounting
- Process Manager
- Vision XL
- Vision XLB

Database:

- Microsoft SQL Server

Platform:

- Windows 95

Interface With:

- iPOS eProcurement from Professional Advantage

Industry Sector:

- Hospitality
- Restaurants and Pubs

Geographic Locations:

- UK

The benefits

The feedback to the project has been overwhelmingly positive and the returns on investment statistics are impressive. Indeed since implementing iPOS, Regent Inns has transformed the way it operates. Gliddon described some of the key benefits that he has witnessed since the implementation:

"The benefits have been marked across all aspects of our business. We now have a procurement system that links with our finance solution to provide us with quality information. It has made our working practices more effective and crucially we have been able to improve our profitability.

"Most notably, since implementing iPOS, we have been able to reduce our purchasing cycle from weeks and months to hours and days. Our purchase order processing is more efficient as over 97 per cent of invoices now have the correct purchase order numbers on them compared to only 20 per cent under the previous system. Such capabilities are crucial in such a competitive market sector.

"In addition, we have been able to reduce our stockholding costs, which has a direct impact on our bottom line. We have cut the number of food suppliers we use as a group from 51 to less than 10, which has enabled us to achieve greater economies of scale. And because we have a more transparent audit trail, we have been able to reduce incorrect delivery charges by £50k per annum.

"But the benefits have not just been process bound, in using iPOS our management is now able to spend more time on the business and less time on administration so we can now take a proactive approach to

strategic decision making and react to emerging trends and issues more rapidly."

Gliddon views the project as a huge business success: *"As a company we aim to provide our staff with the best tools available to ensure they can do their jobs more easily and more efficiently. In choosing iPOS and by working closely with the teams at Foundation Systems and Professional Advantage, we are confident that we have the most appropriate solution and one that will improve our procurement processes across the group. Everyone involved in the project and subsequent implementation clearly understood the strategic importance of selecting the correct solution and what our business goals were. This ensured that we were able to identify and deliver a solution that would address these needs rapidly, efficiently and cost effectively. iPOS has made a huge difference to our business and we would have no hesitation in recommending it to our peers."*

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