

# BEST

It's SAP, reconciled

## CLIENT CASE STUDY

### DIS-CHEM USES BEST FOR AUTOMATED VENDOR RECONS IN SAP



Dis-Chem is a leading retail pharmacy chain with linked dispensaries, family clinics, wound care clinics and comprehensive self-medication centres. They are a leading specialist in beauty, healthy food, sport supplements, health and well-being.

Dis-Chem presented their BEST Vendor Recons implementation experience at the Budapest International SAP Conference for Financial Shared Services in 2014. This Case Study is based on the conference presentation from 2014 and updated with current processing information.

### DIS-CHEM VENDOR FUNCTION

The Dis-Chem Vendor Function processes over 320,000 vendor invoices and credit notes each month.

A centralised shared service centre reconciles and pays about 1,500 external and inter-company vendor accounts.

#### NEED FOR VENDOR STATEMENT RECONCILIATIONS AT DIS-CHEM

Whilst standard SAP provides invoice processing and three way matching, Dis-Chem reconciles the vendor statement as well in order to:

- Identify vendor invoices not paid, and categorise according to processing status,
- Identify our claims, payments or discounts not credited by vendor,
- Ensure all credits granted by vendor are taken,
- Prevent over-payment or duplicate payment,
- Validate vendor ledger balance,
- Reduce vendor queries & improve relationship,
- Identify Procure To Pay issues.

#### PROBLEMS WITH RECONCILING VENDORS OUTSIDE OF SAP

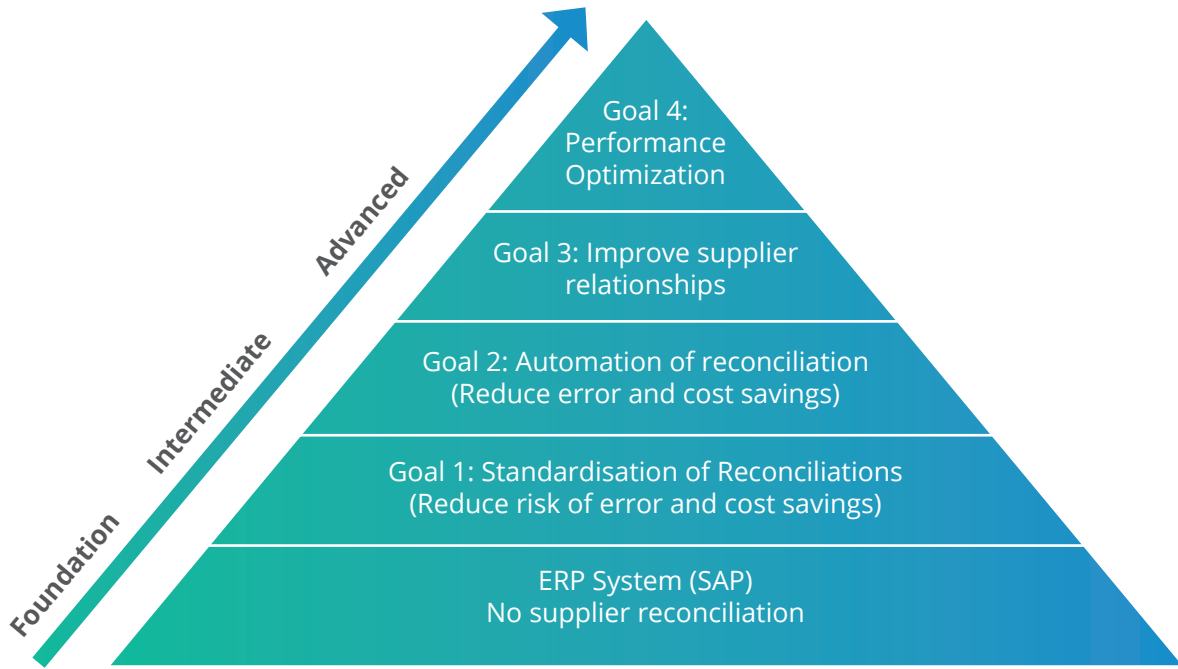
- Costly,
- No system controls or audit trails,
- Limited and inaccurate reporting,

Risk of:

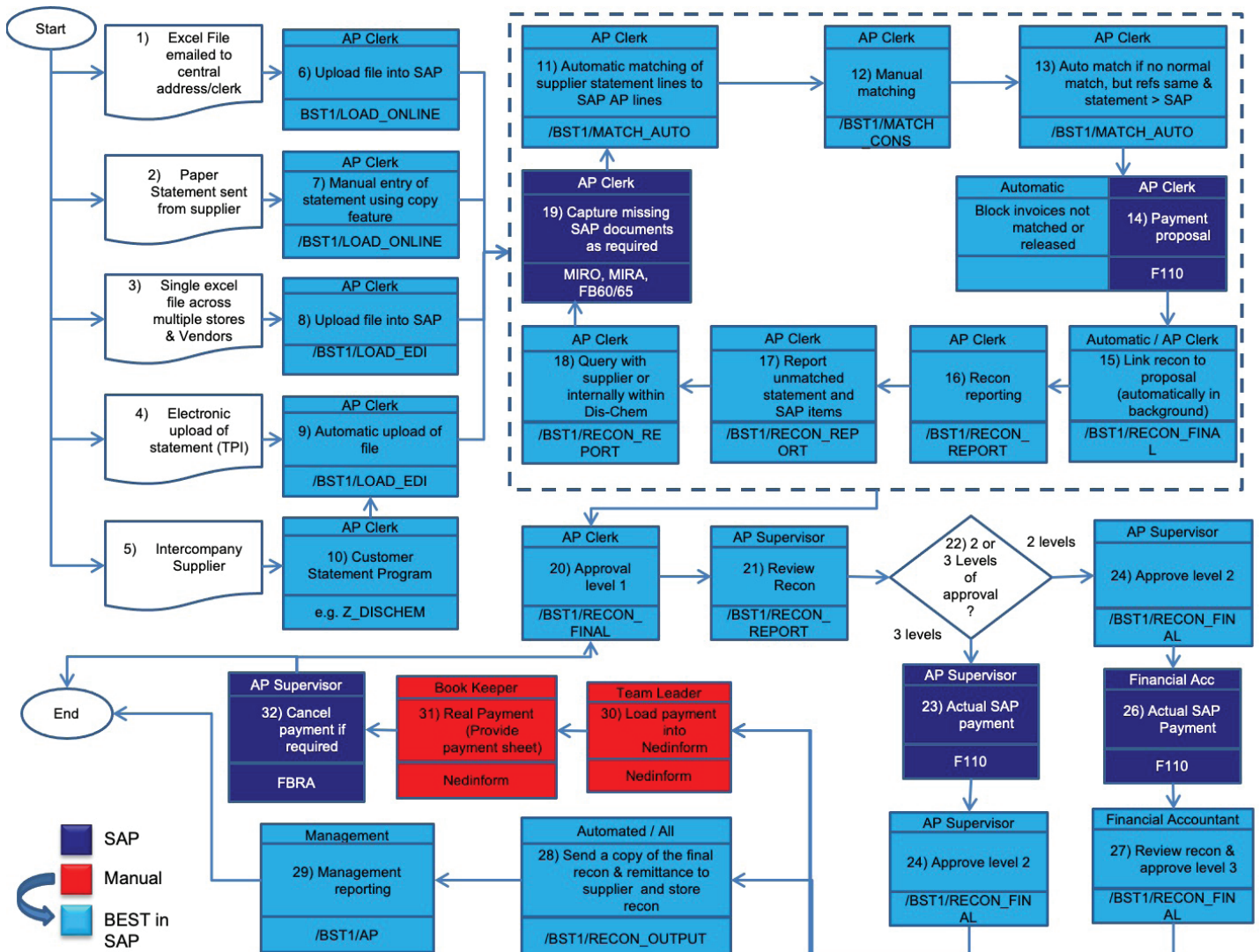
- reduced cash flow,
- lost discounts,
- overpayments,
- delayed payments,
- supply disruption.

# DIS-CHEM VENDOR RECON GOALS

In-depth views and insights to enable quick actions to impact business processes – all the way back through the procurement process.



## AUTOMATED PROCESS WITH BEST





# DIS-CHEM RECON FORMAT & CATEGORIES

<b>Balance per statement/s for all the pharmacies</b>	<b>30.04.2013</b>	<b>2.056.284,14</b>
<b>Statement invoices not paid</b>		<b>-1.068.612,63</b>
Invoices not paid - not yet due per terms	-29.089,24	
Invoices not paid - please provide invoice	-26.737,36	
Invoices not paid - not received (invoice & pod required)	-458.074,41	
Invoices paid - not allocated	-554.711,62	
<b>Credits due (claims / credits passed by Dis-Chem not reconciled)</b>		<b>-107.656,99</b>
Short delivery / damaged / not ordered	-75.987,38	
Goods return notes	-25.709,67	
Price debit notes	-1.673,07	
Credits to be passed as per previous recon	-4.286,87	
<b>Supplier credits not yet matched</b>		<b>526.365,52</b>
<b>Other adjustments - Supplier</b>		<b>267.235,86</b>
<b>Other adjustments - Dis-Chem</b>		<b>-1,88</b>
<b>Amount due to supplier</b>		<b>1.673.614,02</b>
<b>Less settlement discount 1,00%</b>		<b>16.736,23-</b>
<b>Less rebates discount</b>		<b>-50.208,42</b>
<b>Less other creditors deductions</b>		<b>-54.392,46</b>
<b>Our payment</b>	<b>dated 31.05.2013</b>	<b>1.552.276,91-</b>

## CURRENT STATEMENT PROCESSING WITH BEST VENDOR RECONS

- Over a **3 month period** February to April 2022: **6792 statements** were loaded into BEST Vendor Recons. **48%** via excel spreadsheet and EDI upload and **52%** via copy/ capture into BEST (smaller statements).



# 6792 statements

- 91,78%** of the **909,992** statement lines loaded over this period were automatically matched by BEST Vendor Recons. 5,18% were unmatched; 3,04% required manual matching.

## TIME SAVINGS

- 10%** staff reduction in a year due to natural attrition

Statement Size	Pre BEST Processing Time	With BEST Processing Time
Small - 5 Lines	<5 Minutes	< 5 Minutes
Medium - 50 Lines	20 Minutes	5 - 10 Minutes
Large - 1000 Lines	1 Hour	10 Minutes
Very Large - >10 000 Lines	1 Day	20 Minutes

## VENDOR SPEND

Clerks now have time to resolve queries.

Saving on vendor spend:

- Only invoices due are paid
- Discounts due are claimed and received
- Claims are credited by vendors
- Payments are correctly allocated by vendors

## AUDITING

Recon report stored in SAP for future

- Audits much simpler
- Reports to validate vendor balances
- First audit with BEST went very well

## RECON REPORTING & APPROVAL

- Approval of reconciliations no longer a signature on paper, but online in the system.
- Reconciliation report & remittance advice automatically emailed to supplier.
- Management and statistical reporting allows improved management action on:
  - Missing statements.
  - Number of matches or unreconciled lines by vendor, document type, clerk etc.

## IN SUMMARY WITH BEST

- Cleaner supplier accounts
- Structured department
- All recons follow the same logic and structure
- Less mundane workload
- More resolution of issues and exceptions
- Improved supplier communication and relations
- Improved management reporting and audit controls
- Operational issues are highlighted
- Reduced personnel costs
- Reduced printing and storage costs
- Positive feedback from suppliers



## PLEASE CONTACT US TODAY

If you would like further information regarding BEST Products, please contact us via email on [reconcile@bestsapcbi.com](mailto:reconcile@bestsapcbi.com)

SAP® Certified  
Integration with SAP HANA®



SAP® Certified  
Powered by SAP NetWeaver®

SAP® Certified  
Integration with Applications on SAP HANA®