

# LOOMIS, SAYLES & COMPANY, L.P.

LEADING INVESTMENT FIRM GETS GREAT RETURN ON ITS OWN INVESTMENT WITH BASWARE'S PURCHASE-TO-PAY TECHNOLOGY

When it comes to managing investments, no one is more focused on producing efficiencies than Loomis, Sayles & Company, L.P., which manages more than \$130 billion in equity and fixed income assets for institutional and mutual fund clients. The company's focus on return on investment (ROI), which has earned it the trust and respect of clients worldwide since 1926, has also been a key consideration when it comes to its own investment in technology.

Loomis Sayles is committed to fostering continual improvement of its people, performance and processes, and in 2005, the company was determined to bring efficiencies and costs savings to its accounts payable (AP) department. With its implementation of Basware's purchase-to-pay solution, the company's focus on ROI has paid off once again and it was able to quickly improve and gain efficiencies in its AP processes.

Prior to 2005, invoices were handled manually, which was a time-consuming and inefficient process. Further complicating matters, invoices were received in the company's seven sales and marketing offices around the country and then routed to headquarters in Boston. Check request forms were then sent back into the field for approval and returned to Boston for central processing. Missing invoices and late payments were unintended consequences of this manual process.

## A Better Way

Daniel Garuti, vice president and accounting supervisor of Loomis Sayles, was charged with finding ways to reduce costs, create efficiencies and gain visibility into the company's accounts payable processes. Additionally, corporate executives wanted to promote more environmentally sustainable initiatives and reduce the amount of paper-based invoices. Garuti evaluated several automated purchase-to-pay technologies based on these goals and selected Basware's Invoice Automation solution.

*"I was particularly impressed with Basware's reporting capabilities, since that was a key need of ours, as well as the user interface, which made the system simple to use. It was also important that Basware could seamlessly integrate with our Lawson ERP."*

Daniel Garuti, vice president and accounting supervisor of Loomis Sayles

### Customer

Name

Loomis, Sayles & Company, L.P.

Sector

Investment Management Services

Location

Boston (MA), United States

### Challenge

- Increase visibility and control over invoices
- Improve invoice processing operations
- Address missing invoices, delayed payments
- Track and find invoices easily
- Avoid the need for additional AP staff

"Of all the systems I evaluated, I felt the overall functionality of Basware Invoice Automation made it the best system hands down," says Garuti.

In December of 2005, Garuti implemented several components of Basware Invoice Automation including: Basware Invoice Processing; Basware Contract Matching, which Loomis Sayles uses to efficiently process real estate and consultant invoices; and Basware Document Archiving, which it uses to archive accounting-related material, such as journal entries and W2 forms. The Basware system easily interfaces with the company's Lawson ERP and provides the visibility and control Loomis Sayles required.

*"The implementation was so easy that it was practically plug and play. We were even able to send test invoices within three days of system configuration,"*

Garuti says.

To accommodate the needs of smaller suppliers, Loomis Sayles uses the Basware solution to scan any paper invoices it receives directly into the system. Once the invoices are captured electronically, the system collates and delivers invoices and supporting documents directly to the appropriate reviewers for online authorization. The system solves the problem of late invoices by generating email notification that prompts reviewers into action and reminds them to review and approve invoices. If a reviewer does not take action within a certain timeframe, the system will automatically notify his or her supervisor so the invoice is not forgotten or does not cause delayed payment. Once an invoice is reviewed, approved and coded, it is sent to AP for final review. Every invoice now has a complete audit trail that contains complete information of everything that happens to the invoice, from the time it is received to the time it is archived for storage, which is necessary for auditing compliance purposes.

Basware Invoice Automation's versatile reporting functionality is valuable as well: "We've been able to do advanced reporting with Basware Invoice Processing, and use it to conduct budgeting top down and improve our spend visibility. The reporting capabilities help tremendously with month-, quarter- and year-end accruals, since we now have all the data in one place," Garuti says.

Basware has worked closely with Loomis Sayles to uncover ways to gain efficiencies.

*"We were looking for a technology vendor but were lucky to find a great technology partner in Basware. They are responsive and often suggest new ways to improve processes. We are fortunate to be able to draw upon their knowledge and the best practices they've accumulated from implementations with 1,500 companies,"*

Garuti adds.

Currently, Loomis Sayles is piloting Basware Mobile Client, which enables executives to approve invoices directly from their mobile phones when traveling. The functionality, which expedites invoice approval, is in the process of being rolled out to more executives.

## Results

Using Basware Invoice Automation, Loomis Sayles was able to achieve ROI within 14 months. Garuti conducted a formal ROI evaluation based on several factors: the company's ability to maintain current FTE (full-time employees) while increasing its ability to process more invoices; to eliminate redundant processes; to reduce imaging costs; and to decrease shipping costs.

## Benefits

- Increased visibility and control over invoice processing and finances
- Enhanced tracking, improved auditability and advanced reporting capabilities
- Eliminated late payments, bottlenecks, mistakes and missing invoices (85% of invoices in system paid within 7–10 days)
- Increased efficiencies, decreased costs
- Improved processes free up nearly 40% of AP staff, enabling them to focus on more strategic priorities
- Enabled capture of supplier discounts

## Business Facts

- Shared Service Center for central invoice scanning for 7 locations across the US
- Implemented Basware Invoice Processing, Basware Contract Matching, Basware Document Archiving
- Seamlessly integrates with Lawson ERP
- Rolling out Basware Mobile Client to expedite approvals on the road

*"In addition to reduced operating costs, ROI was an important indicator of success. We were very pleased to be able to achieve ROI in 14 months,"*

Garuti says.

"We've cut significant time out of processing invoices. Now the payment process takes about 25 days instead of 40, and 85% of invoices are now paid within 7-10 days after they are loaded into the system. In fact, thanks to the efficiencies that the system gives us, we gained critical cost savings and were able to re-assign about 40% of AP staff time to more strategic priorities, such as asset management," Garuti explains.

The Basware system has also solved the problems of duplicate payments, data entry errors and lost or late payments. Loomis Sayles is using Basware Contract Matching for the straight through processing of corporate leases and consulting checks, benefiting from efficiencies and ensuring that payments are accurate and on time.

While Loomis Sayles had expected that it would need to handle more invoices, the efficiencies uncovered using the system have enabled the company to reduce the number of invoices it needs to process by about 20%. The Basware system enabled Loomis Sayles to identify suppliers that were generating weekly invoices and had them change the frequency of their invoices to a monthly basis. This reduced number of invoices – along with the capability to process invoices electronically – has enabled Loomis Sayles to substantially decrease the amount of paper-based invoices in the company, which was a key goal for the system.

For Garuti the system has accomplished everything he had hoped for:

*"It saves significant time and money, enables enhanced tracking and easy auditing, and provides the accuracy, efficiencies, visibility and control we need. We're even using it to monitor suppliers and look for opportunities to consolidate invoices and capture early payment discounts."*

In addition to the efficiencies and the green benefits of the system, corporate executives are pleased that they can easily check up on all invoices and get their questions answered immediately. "Now AP managers, and everyone else involved in the invoice process, know where each and every invoice is," Garuti says. "This is such a critical benefit that I can't even put a dollar tag on it, and the efficiencies and time savings from not having to research invoices are huge. We are able to see where any bottlenecks are and address them before they become problems," Garuti concludes.

## Basware solutions adopted

- ✓ Basware Invoice Automation
- ✓ Basware FastScan
- ✓ Basware Document Archiving
- ✓ Basware anyERP Adapter



**LOOMIS | SAYLES**

Since 1926, Loomis, Sayles & Company has served the needs of institutional and mutual fund investors. This rich tradition has earned us the trust and loyalty of clients around the world, and as of June 30, 2009, we manage more than \$124 billion in equity, fixed income and alternative assets.

Basware is the global leader in purchase-to-pay solutions with more than 1,500 customers and 1,000,000 users in over 50 countries around the world.

Basware solutions are distributed and implemented in Europe, the US, and Asia-Pacific through an extensive network of Basware offices and business partners.

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