

CASH APPLICATION

Laminex[®]

EMPOWERING THE BANKING TEAM WITH **PAYMENT ALLOCATION AUTOMATION**

Esker's Cash Application solution automates a previously 100% manual process and allows Laminex to achieve time savings and employee well-being

AT A GLANCE

Laminex



Producer of laminates & decorative surfaces



Established: 1934



Melbourne, Australia



200-700 payments received daily



ERP: ASW

CHALLENGES

Manual processes hinder the Banking Team

Laminex has been Australia's leading supplier of locally made, high-quality laminates and decorative surface materials for over 85 years. Its commitment to design, innovation, quality and sustainability is carried by supporting local industry, providing economic and social benefits to local communities, and contributing to sustainable practices.

Pamela Rochester, Operational Team Leader at Laminex, is tasked with overseeing the Banking, Accounts Payable (AP) and Imports teams, offering guidance and support while continuously seeking out opportunities for process improvements. Ms. Rochester moved into the new role just a few months before the first COVID-19 lockdown was issued in Australia, still getting to know the teams, the processes and the work itself.

Receiving between 200 and 700 payments per day, the team had heavy workloads. The 100% manual processes made for very long workdays, especially at month-end, when payment allocation was the priority task. EFT bulk payments and complex remittance advice processing with hundreds of lines were the catalyst for Laminex to search for a solution that could automate the daily tasks for the Banking Team.

OBJECTIVES



Automate a previously 100% manual process



Enable remote work



Auto-allocate 70% of eligible payments at 12-month mark



We found the solution extremely easy to use, that's why the team has adapted so quickly to it.

Pamela Rochester

Operational Team Leader, Laminex

SOLUTION

Remote work & employee well-being make the case for automation

It was not just the realisation that upholding manual processes would not be a suitable long-term strategy that moved Laminex to find an automation solution for the invoice-to-cash cycle. The Finance Team's well-being and capacity to do their job during the COVID-19 pandemic became a priority. The IT Team sought a cloud-based solution that would be accessible from anywhere and easy to use.

Laminex began implementing Esker's Cash Application solution in 2021. Despite the initial hesitation of the Banking Team — fearing job-losses due to automation technology — their concerns were quickly assuaged when they realised that not only would the solution make their work easier, but more interesting and varied as well. According to Ms. Rochester, "it was love at first sight"! The implementation process turned out to be a satisfying — and at times fun — experience for everyone. The testing phase was a positive learning experience for the entire team, and the fact that the solution was introduced remotely during the lockdown only added to the realisation that its ease-of use and process improvements would be an incredible advantage for Laminex. "The team has been able to learn the system remotely because it is such an easy system to use and because we've had such great support from Esker," said Ms. Rochester.

The Banking Team was able to pretty much immediately begin leveraging the benefits of the solution-inherent AI technology to automate daily remittance advice processing. The team embraced the new solution from day one and transitioned from



data entry processing to verification and review very quickly. Esker and Laminex are continuously collaborating to finetune the solution to ensure the best-possible experience for the customer. Laminex started out on this project with the goal of auto-allocating 70% of eligible payments after twelve months post-implementation and hit an auto-allocation rate of 52% after only six months. Also exceeding expectations was the fact that Laminex was able to reduce unallocated cash by 95% at month-end, creating positive downstream effects such as up-to-date and accurate customer statements and financial reports.

RESULTS

Cash allocation automation saves hours per day and leaves more time for higher value tasks, less month-end pressure

With cash allocation taking the main stage in Laminex's automation journey, the impacts of Esker's solution were immediately noticeable. Previously, on days when there were a large number of incoming payments, the team would spend 8-10 hours just on payment allocation. With Esker's solution taking over an average of 52% of auto-allocation at only six months post-implementation, the team is able to perform this work in only 4-6 hours and spend the rest of the workday on other tasks. Having decided to introduce the new solution slowly, Laminex nonetheless quickly got impressive results: reducing unallocated cash by A\$ 5M at month-end because the team is able to rely on suggestions made by Esker's Cash Application solution for payments received without a remittance, the financial reporting is now accurate and the previous liabilities thereby removed.

A further downstream impact is that account statements and reporting are now up-to-the-minute accurate, and year-end liabilities on the balance sheets also reflect the most current information. Ms. Rochester greatly appreciates that her reporting duties have been simplified to the point where she just needs to hit a button and all the needed reports are available.

This visibility is especially helpful during remote work. If the team needs help with anything, Ms. Rochester is able to see where and how she can assist the other team members. Her own schedule has been freed up a bit as well, because she used to help the team out about six full days a month.

Since Esker's solution was implemented, she needs to assist with payment allocation for only a couple of hours twice a month. Taking over when team members go on leave is also no longer necessary, leaving Ms. Rochester available to assist other internal stakeholders.

Despite the initial hesitation about automation in general and learning a new solution specifically, the entire Banking Team has embraced the Esker solution. Employees can now split their time between teams, and they are able to learn additional tasks that make their days more interesting and varied. According to Ms. Rochester, the standout benefit of Esker's solution has been the reduction in pressure the team feels, especially at month-end. Ms. Rochester highlights that coming from a 100% manual process, everyone is incredibly happy with Esker's solution, not only for the level of auto-allocation resulting in a 95% reduction in unallocated cash, but because it immensely increased the well-being of the team.

Laminex is looking forward to continuing its proud tradition of supplying Australia with locally made, quality design and products. In order to offer their customers the expected level of excellence, they are looking to automate as many of their processes as possible, and Esker is thrilled to be part of Laminex's automation journey.

HIGHLIGHTS



up to 50% reduction in processing time



95% decrease of unallocated cash at month-end



74% of auto-allocation objective achieved by 6-month mark



One significant change since implementing Esker's solution is that the Banking Team is under much less pressure to complete payment allocations each day. They have more time to focus on their other duties and learn new tasks because Esker is saving us hours every day. They enjoy using Esker and the benefits it has provided.

Pamela Rochester

Operational Team Leader, Laminex

Want to automate your key business processes like Laminex?

Our team is here to answer all your questions!

GET IN TOUCH WITH ESKER

ABOUT ESKER

Esker is a global cloud platform built to unlock strategic value for finance and customer service professionals, and strengthen collaboration between companies by automating the cash conversion cycle. Founded in 1985, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin. Our customers use our cloud solutions to increase the efficiency, productivity and visibility of their Procure-to-Pay (P2P) and Order-to-Cash (O2C) processes.

itinfo@esker.com