Nissan Europe accelerates purchasing efficiencies and savings with **Wax Digital web3**

i S2P

SOURCE TO PAY

NISSAN

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Nissan, one of the world's leading car manufacturers has one of the most comprehensive European presences of any overseas manufacturers, spread across 41 markets and with more than 14,500 staff. In 2014, Nissan plants in just the UK, Spain and Russia produced more than 635,000 vehicles.

Nissan selected Wax Digital's **web3 Source to Pay** solution to manage all indirect spend across its European and Russian operations alongside a planned upgrade of the company's SAP ERP solution as part of a Financial Break Through (FBT) initiative.

Working towards its objectives of becoming the number one Asian brand in Europe, achieving a global market share of 8% and increasing its corporate operating profit to 8%, Nissan embarked on a major overhaul of its European procurement strategy and financial management processes to help increase efficiencies, ensure compliance with Delegation of Authority (DoA) and reduce costs.

Indirect Inefficiency

Nissan is one of the world's most highly automated and efficient companies when it comes to car production, (a process Nissan call Monozukuri) however it recognised its systems for managing its multi-million Euro indirect spend across Europe, needed to be equally as efficient. Multiple systems were being used across the region for indirect purchasing and these were largely manual, paper-based processes and as a result, collaboration between finance and purchasing departments and between Nissan and its suppliers, was not integrated and could lead to duplication on spend.

In order to improve the way it manages its indirect spend with its supply chain across Europe and drive significant process efficiencies, controls and savings as a result, Nissan decided to move its entire European operations to a single eProcurement platform that could integrate with its existing SAP system.

" Moving from traditional paper and email based purchasing and accounts payable processes to **Wax Digital web3** will provide significant benefits to both Nissan and our suppliers."

Michael Brook
Finance Process Control Leader
Nissan Europe

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Evaluating ease of use

Key to the success of the rollout of the new eProcurement system to 23 territories was the need for an intuitive and user-friendly solution to ensure maximum adoption by authorised employees, business outsourcing partners and suppliers. The solution also needed to be multi-lingual.

Nissan's investment in an eProcurement platform is part of the organisation's wider 'Financial Break Through' (FBT) project to help introduce best practice and common processes to deliver a more centralised financial view of Europe.

Looking for a solution to meet its needs, Nissan conducted an extensive evaluation of global eProcurement specialists and six firms were shortlisted and invited to present their key credentials and approach to implementation.

Following the tender, Wax Digital was selected as Nissan's preferred supplier to deliver an online spend management platform to better manage its entire non-production spend. Wax Digital **web3 Source to Pay** was chosen thanks to its comprehensive feature set, flexibility, SAP integration capabilities and above all its intuitiveness and ease-of-use, which was essential for a successful roll out across a large and distributed user-base. It was also able to support multiple languages and currencies.

Before embarking on the Europe-wide system roll out, Nissan and Wax Digital ran a ten-day workshop to develop the final solution specification. A cross-functional project team was set up to include stakeholders and this cross departmental, cross geographical team has been crucial to the success of the project by ensuring stakeholder involvement throughout the implementation process.

Wax Digital worked closely with Nissan's finance, procurement, IT, plant office-based staff to place the end-users at the heart of the experience.

The solution at a glance

» 23 territories served

» 4,000 Nissan users

» 8,000 suppliers

» 600,000 invoices per annum

» 500,000 unique authorisation workflows

» Multi-million Euro indirect spend

» 7 languages

International Reach

The Europe-wide rollout covers 23 territories and has been delivered in a phased approach. Wax started its implementation of **web3** with non-English language speaking countries in the Central and Eastern Europe (CEE) countries (Czech Republic, Hungary, Poland and Slovakia) and used these countries as pilots for the system, developing an implementation 'blueprint' for subsequent phases that could ensure a seamless and rapid deployment across all 23 territories.

Any rollout of this scale undoubtedly poses a variety of challenges and Wax Digital worked closely with Nissan to address any issues during the pilot phase. For example, regional diversity was an initial challenge as different legal requirements exist in each of the CEE countries, and the rules around electronic invoicing can differ.

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Integration Expertise

Unique in the eProcurement space, Wax Digital **web3 Connect** is a proprietary integration platform as a service (iPaas) product that provides seamless integration with back office systems, supported by a dedicated Integration Services team.

With 14 points of integration between **web3** and SAP, further complicated by a changing back-office environment that would see Nissan move between versions of SAP during the same period, SAP integration expertise, flexibility and capability formed a key part of the company's evaluation of Wax Digital as a technology provider.

"Wax Digital's ability to seamlessly integrate web3 with SAP was a key reason Nissan chose the organisation. Its wealth of experience helped Nissan IS to deliver one of its most successful integration projects to date."

Pablo Lamarca, Section Manager, IS

Thanks to **web3 Connect** and a good measure of forward planning, Wax Digital was able to run a low impact integration crossover to Nissan's new FBT SAP platform in parallel with the European deployment without the need for system rework. Both systems could therefore be run in parallel in the background, whilst users experienced a single application front-end to minimise the impact of this extensive business transformation. Standard iDoc formats and leveraging existing middleware and SAPPI enabled dual running of both existing (NESAP) and future (SAPFBT) ERPs via a single application, during what was an extensive business change programme.

Supplier Success

Internally, **Wax Digital web3** has been named as 'ProRex' and it is successfully enabling Nissan's employees to raise requisitions electronically and issue approved orders automatically to suppliers. All requisitions and orders are authorised, 85% of them by email or mobile, and approved subject to strict corporate guidelines embedded in **web3**, aligned with the Nissan DoA.

Wax Digital web3 now allows suppliers to submit invoices electronically. ProRex has a multi-lingual supplier portal with electronic signature capabilities, which means that most of Nissan's 600,000 supplier invoices can now be received by one simple click, eliminating manual processing errors.

ProRex

SAP

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Savings and process efficiencies

Used across 23 territories with over 12,000 users (including over 8,000 suppliers) goods receipting, supplier management and invoice matching are now all taken care of by **web3**, helping Nissan better manage its annual, multi-million Euro, non-production spend and delivering tighter control over expenditure and improved process efficiencies.

Barry Wilmer, purchase systems development manager said: "We have had an ambition for a number of years now to move all of our European operations to a common eProcurement platform that can transform our purchasing and finance processes for both our purchasers and suppliers."

"In Wax Digital web3 we have found a system that has improved the way we do business with our supply chain across Europe and that has helped us drive significant process efficiencies, controls and savings."

And the savings that Nissan has experienced since implementation include:

» Total spend down by 3%

» Maverick spend reduced by 18%.

» 43% reduction in the cost to raise a purchase order

» 85% reduction in the cost to process electronic invoices versus the paper alternative

The implementation of web3 at Nissan Europe supports all five of Wax Digital's core principles:

International
web3 deployed in 23 territories

Intuitive
Ease-of-use and functionality was key to the successful roll-out

Integrated
web3 integrates seamlessly with SAP

Implemented
Wax Digital expertly rolled out the system on time and within budget

Innovative
web3 delivers new ways of working and process efficiencies to Nissan

Paul Ellis, managing director, Wax Digital concludes: "Choosing an eProcurement system to be used across multiple territories by thousands of end users makes the selection of the right solution and provider absolutely critical."

"Nissan Europe is now reaping the many benefits of **web3** and it is helping the organisation achieve improved control, compliance, audit, corporate governance and supplier collaboration. Not to mention savings that run into millions annually, resulting from lower spend that is spent more effectively with fewer manual processes."

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