



AHG driving cost and efficiency savings with Concur

After undergoing considerable growth and diversification of its business, AHG has increased operational efficiencies and gained greater visibility and control of its costs by implementing Concur for travel and expense management.

About AHG

Automotive Holdings Group (AHG) is a diversified automotive retailing and logistics group with operations in every Australian mainland state and in New Zealand. It currently employs more than 8000 staff in more than 100 automotive dealerships and six logistics companies across Australia and New Zealand. AHG's Logistics division includes Rand Transport, Harris Refrigerated Transport, Scott's Refrigerated Freightways and JAT Refrigerated Road Services, AMCAP, Genuine Truck Bodies, Higer Buses, and KTM and Husqvarna Sportmotorcycles.

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Luciano Albaytero, Project Manager, AHG

Diverse, high-growth business

AHG has grown rapidly through a series of acquisitions over the past two years, with the group managing a diverse range of businesses across automotive, refrigerated logistics and other logistics operations in Australia and New Zealand.

Each acquired business brought its own travel and expense management policies and systems, resulting in highly manual processes that were labour-intensive, and inefficient. Before Concur, the expense management system within AHG and all business units included the use of manual forms where employees would list their



Australia's Largest Motoring Group

Company Name:

Automotive Holdings Group

Solutions

Concur® Expense

Concur® Expenselt Pro

Concur® Audit

Industry

Automotive

Company Size

8000+ employees

Location

Australia, New Zealand

Why Concur?

- Enabling standardisation of travel and expense management processes and policies
- Automated workflow provides improved efficiency and productivity
- Supports mobility of workforce
- Complete visibility into current and historic spending data
- Ability to integrate with multiple ERP systems
- Improved policy compliance and controls

“Having more than 8000 employees and enforcing one consistent policy was really not possible without implementing a system such as Concur.”

Andrew Chilcott, Head of Management Accountant, AHG

expenses and attach corresponding receipts. The employee’s manager would review the printed form and sign it. Each location had at least one person manually coding these expenses into the ERP system through manual journals to eventually process payment for the employee. Finally the original forms would be filed in archive boxes.

As a result, AHG had no visibility on spend, the manual processes resulted in frequent errors, and it was difficult to implement and enforce travel and expense policies. AHG’s expense management processes also had an impact on GST and FBT reporting, timeliness of staff reimbursements and a heightened potential risk of fraud.

AHG had the added challenge of multiple ERP systems and instances across the group, due to the diverse nature of its business.

Completely re-engineering travel and expense processes

AHG realised that to achieve the transformation it needed with travel and expense management, the entire process needed to be re-engineered. Concur was chosen as the platform from a number of solutions that were evaluated, and formed the foundation to support a new centralised policy for travel and expense, a new set of processes for reviews, approvals and reimbursements, and development of a set of tools to ensure the integration of Concur with the various ERP systems in operation across the organisation.

“The biggest benefit of implementing Concur at AHG is the ability to standardise our processes across a large and diverse range of businesses” said Andrew Chilcott, Head of Management Accounting, AHG.

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one consistent policy was really not possible without implementing a system such as Concur.”

AHG’s project team is completing a four-stage rollout of Concur across the organisation, first using American Express card holders in the corporate office as the test group. That ensured that any modifications and customisations could be made to the system before Concur was rolled out more extensively. Non-cardholders in the corporate office and AHG’s Western Australian branch office formed the second phase, as they had been identified as the most entrenched in terms of the previous manual processes that had been in place in the organisation. To support this second phase, the project team focused on extensive training sessions with the staff affected by the changes. The third stage, due for completion in 2017, involves AHG’s various logistics business units, which are currently operating with a different set of tools and ERP systems. The final stage in 2018 will see deployment of Concur in more than 100 automotive dealerships across Australia and New Zealand.

One of the biggest challenges for AHG was the change management process within the organisation, and dealing with a strong conservative culture. The ease of use introduced with the new Concur solution played a key role in the internal acceptance for the new systems and processes.

“Having the consistent platform of Concur to manage travel and expense across the business has really made things a lot more efficient and a lot more enjoyable for our employees” said Chilcott.

The user experience has been enhanced with Concur ExpenseIt Pro, providing AHG staff with full functionality for expense management via a mobile device, including digital capture of their receipts.

“The Concur mobile app is very important. We have



high-level managers travelling across the country, and also to New Zealand and Europe, so they need a solution that will allow them to create expense reports right there without waiting to come back to the office” said Luciano Albaytero, Project Manager, AHG.

“Moreover, they may misplace receipts, so capturing them with a mobile is something they are excited about.”

Concur deployment produces immediate results

Concur’s cloud-based solution has completely eliminated paper reports across AHG and automated the upload of expense data into AHG’s ERP systems, saving considerable time and cost at each of AHG’s offices. That has allowed finance staff to move onto more strategic tasks. There is also far greater compliance with tax reporting and compliance, improved reconciliation of credit cards, and more efficient reimbursement to staff for their incurred expenses.

More importantly, Concur has given AHG a level of visibility into its costs that it never had before. Spending data is visible to AHG’s senior management from the moment it is input by each user, giving greater accuracy to spend forecasts and enabling more informed decision-making throughout the

business. Reporting in Cognos enables AHG to analyse spending at a more granular level, reduce the opportunities for fraud and non-compliant spending, and achieve procurement savings by identifying and establishing preferred supplier arrangements.

“Thanks to Concur, we identified that employees were buying iPhones directly from Apple and recording them in Concur as expenses, rather than capex. Thanks to finding this out through Concur, we signed a new contract with Apple and are acquiring the phones at a better rate” said Albaytero.

AHG has also chosen Concur Audit as an independent service to ensure policy compliance in submitted expense reports.

“In addition to driving cost savings throughout our business, the Concur platform has really allowed us to enhance our governance and drive consistent policy measures throughout the business” said Chilcott.

AHG’s five-year implementation plan, which started with pre-production work in 2014 and concluding with the last automotive dealership by the end of 2018, is expected to generate significant ongoing savings for the business.

“By the time we have Concur fully implemented across the business we estimate a saving of \$900,000 a year and a return on investment of around 300%, which is incredible,” concluded Albaytero.

About Concur

Concur, a part of SAP, is the leading provider of spend management solutions and services in the world, helping companies of all sizes transform the way they manage spend so they can focus on what matters most. Through Concur's open platform, the entire travel and expense ecosystem of customers, suppliers, and developers can access and extend Concur's T&E cloud. Concur's systems adapt to individual employee preferences and scale to meet the needs of companies from small to large.

[Learn more at concur.com.au](https://concur.com.au)

