

BMW Group Financial Services

BMW Group Financial Services improves workflows and gains efficiency in contract processes

The Challenges

- Turning contracts around quickly using paper processes was hard on employees
- Working across three different countries and product lines added complexity
- Identifying errors proactively was difficult

The OnBase Payoff

- Reduces contract processing time from 10 days to two days
- Creates a proactive rather than reactive contracting process
- Allows for continual process improvement
- Increases quality of processes
- Creates better control over documents with electronic storage

The Basics

In the automotive industry, it's vital that car dealers and customers receive fast access to finance so car makers avoid losing new and repeat business. A delayed payout not only slows up the sales process but also extends the financial burden on dealers. To maintain a lifelong relationship with business partners and free up working capital, finance lenders need to make the contracting process as swift as possible and the finance easily accessible.

In many cases, paper-based contracts are the most likely cause of workflow problems. Time is lost manually managing a wide variety of supporting documents such as ID cards, paper contracts, insurance forms and credit documents. In addition, contract-in-transit delays and incomplete contract packages can stall workflows.

The contracting process often consists of three to five different steps. Contracts have to be manually posted, delivered to reception, passed to the correct department and then stored. Some applications may even include manually processing up to 20 supporting documents. On top of that, the average dealer works with up to 12 outstanding invoices at any one time. All of these steps slow down the time it takes to get contracts to customers.

The Challenges

BMW Group Financial Services currently provides a wide range of financing options for the purchase of BMW and MINI vehicles to both private and corporate buyers. Supporting car sales across over 50 countries and with a total service portfolio of nearly 3.6 million contracts, exceeding €75 billion in volume, BMW Group Financial Services needed considerable co-ordination and streamlined workflows to speed-up the turnaround of contract applications.

"Previously, it could take as long as 10 days to process a complete contract package and even longer for incomplete packages," says Bert van den Berg, Process & Quality manager in the Netherlands. "Errors were not proactively flagged or passed to the correct department for clarification, which stalled completion. We were fully aware that this was time in which the car dealer did not receive a pay-out and our goal was to reduce this turnaround time."

The Journey

Because BMW Group Financial Services recognised the importance of contract workflows, it chose the OnBase enterprise content management (ECM) solution from Hyland Software to realise a tangible improvement in operational efficiency and financial practices.

"We already had perfectly good customer service," says Stefan Karlsson, BMW manager of Business Development, Nordics. "Internally, though, we knew our processes could be further improved, particularly where the turnaround of inaccurate or incomplete contract packages was concerned."

“The solution is easy to use and dramatically speeds up the turnaround of complete and incomplete contracts. In all, the solution has far exceeded our expectations.”

–Bert van den Berg, Process & Quality manager,
BMW Group Financial Services

“Working across so many different countries and with three separate business lines – BMW Group Financial Services, Alphera Financial Services and Alphabet – we realised that improving workflows required greater automation of the contracting process,” says Karlsson.

In 2009, the head office at BMW Group Financial Services signed-off on an ECM budget with two important stipulations: the solution should be on one database and there would be a common supplier across all the markets to minimise implementation time and ease inter-country collaboration.

“We signed a contract with Hyland Software for OnBase in 2010 and a structured implementation plan was put into action,” says Van den Berg. “Between May and October 2011, the document management solution was installed in five countries: Netherlands, Denmark, Belgium, Sweden and Norway.”

The Solution

“The OnBase solution instantly started to reduce process times. By July, complete contract turnaround was cut to five days, then to three days in August,” says Van den Berg. “By September, it was down to just over two and a half days. Complete, incomplete and incorrect contract packages are now handled faster and more effectively.”

Automatically reporting incomplete applications speeds contracting processes

Rather than waiting for couriers or postmen, dealers are informed if a contract package is incomplete and if the appropriate action is being taken to avoid any unnecessary delay. Previously, there would be questions about where the application was in the process. Now, OnBase flags incomplete applications and an email is sent to the dealers, notifying them of inaccurate or missing data, enabling a more proactive workflow and making it easier and faster for them to act.

“We went from a reactive to proactive solution,” adds Van den Berg. “Working with OnBase, all paper documents can be automatically scanned and sent to the right department via a secure file transfer protocol (FTP).”

Workflow enables continuous improvement for faster processing times

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Although satisfied with the results achieved, BMW Group Financial Services says it will continue to drive workflow improvements and further streamline the contract handling process. It also aims to leverage its ECM investment to improve customer service and contract turnaround times across all product lines.

“The next step for BMW Group Financial Services is to continue to increase the coverage of OnBase by integrating it with other business systems and to increase reporting service utilisation,” says Karlsson.

Why OnBase?

With a flexible and easily configurable solution like OnBase, BMW Group Financial Services takes days off processing times, easing internal processing and the burden on staff. By continually tweaking and improving the solution, process times continue to fall and bring a greater and greater return on investment. This lets BMW Group Financial Services create the highest quality service for business partners and customers.

Learn more at Hyland.com/uk

OnBase
a Hyland Software solution