

## ■ Kipa gets strength from “new generation ERP”



*The revisions, which Netsis made in consideration of its customers demands, have fulfilled Tesco Kipa's needs; hence the company's purchase and payment orders processes have been shortened and facilitated, errors minimised, audit opportunities enhanced and security increased. Tesco Kipa, who now can implement all of the improvement it targeted in its processes, expresses confidence in Netsis's consultancy.*

Kipa Kitle Pazarlama, which was originally founded in İzmir with the participation of 100 entrepreneurs, merged with the international retail giant Tesco in the course of its efforts to become a local brand.

Tesco Kipa, with its nine stores, 17 hypermarkets and two gas stations continues to be one of Turkey's leading companies today.

Currently providing services to its customers in the Aegean region at its hypermarkets in Bornova, Çiğli, Gaziemir, Denizli and Balçova, and its shopping centres in Çiğli and Balçova, Tesco Kipa extends its services throughout Turkey. Having opened its Antalya and Çanakkale shopping centres and Bodrum store, Kipa currently provides employment to 4,500 persons.

Managing its business processes with Netsis since 1994, Tesco Kipa decided to enhance its productivity by reinvigorating its system with the innovative functions offered by

he @6 family, the “new generation ERP.”

The project team started action in order to accelerate the Fixed Assets purchase and payment orders and completed the implementation of many of the applications, in a time period as short as one month, from purchasing to bank exchange differences management, from online banking operations to payment confirmation process control.

The payments orders of thousands of suppliers can now be transmitted to the bank's system with the use of only a single key once the hierarchical approval process is completed on Netsis.

As the number of money transfer transactions increased in line with the increase in the number of the company's stores, and the outcome brought about the need for additional functions in Tesco Kipa's payment process, the company

decided to utilise the benefits of the “e-banking” feature which is offered in the new generation ERP group. The process of preparing payment orders, getting approvals and sending orders to the bank via e-mail used to take two days. Legal payment orders can now be prepared in a short time, payments be transmitted online to the bank's system –thanks to the new, highly secure online banking system. Before the project, Tesco Kipa's payment approval process was audited manually, outside of the system. In other words, it was possible to modify the payment orders list after executive approval was obtained. Directors had insufficient control over the payment lists. The project has introduced control over these processes with the use of the highly secure online banking module. While the security level of the phase following the operator's finalisation of the payment orders and the executive approval, has been increased, online transfers missing the executive approval have been prohibited. An approval procedure among executives has been established: In this system, the approval of the senior executive is not requested unless the subordinate has approved the order. Moreover, the online payment facility is enabled for activation only after the approvals are obtained from each of the authorised executives.



### The gains from Netsis Data Integrator

In the previous system, every store of Tesco Kipa, who continues to open new stores in line with its expansion goal, was obliged to enter investment information in the Netsis Fixed Assets Management for every item that is recorded on every purchase invoice. Because users had to search the “investment project number” and “remainder number” that had to be defined during in all entries, this process involved considerable time losses. It is now possible to record all of the investments with a single button, thanks to the form that can be created as a result of the introduction of Netsis Data Integrator (NDI), the “data integration” facilitation tool that Netsis offers with its new product group. Moreover, the sequence numbers can now be inserted automatically.

Duplicate entry of investment information in the Invoice and Fixed Assets Modules was causing inaccuracies. Another problem encountered because of these duplicate records was the difficulty in identifying the location of the erroneous entry. Since the relevant information is automatically

transferred from the invoice in the new system, the problem of erroneous data entry has been abolished. Moreover, while the duplicate entries required two weeks working time, the new application has also contributed savings in this aspect.

### 70% Productivity increase

Payments to suppliers were recorded in Excel and a waiting period was needed to obtain the information from the accounting and finance departments in order to be able to calculate the invoices to be periodically issued to suppliers. The purchasing department would calculate the invoices according to the obtained information, and then send the list to the accounting department, where thousands of invoices would be manually issued. With the implementation of the project, supplier contracts are now defined in Netsis, where the system automatically calculates the invoice totals based on the information retrieved from the modules, according to the defined contracts, with the use of only a single key. In short, the system automatically prepares the invoices, which Tesco Kipa has to issue to its suppliers periodically, and submits for

approval. Consequently, Tesco Kipa has achieved a productivity increase by 70% by improving this process with Netsis.

The revisions, which Netsis made in consideration of its customers demands, have fulfilled Tesco Kipa’s needs; hence the company’s purchase and payment orders processes have been shortened and facilitated, errors minimised, audit opportunities enhanced and security increased. Tesco Kipa, who now can implement all of the improvement it targeted in its processes, expresses confidence in Netsis’s consultancy.