Selenity Expenses Case Study

Hermes delivers faster expense claim payments

Hermes' Expenses History

Part of the Otto Group, Hermes is the UK's leading consumer delivery specialist handling more than 190 million collections and deliveries each year. Within the UK, Hermes operates a network of 9,500 lifestyle couriers and over 3,500 ParcelShops delivering parcels for leading high street, catalogue and online retailers in the UK.

Hermes lifestyle couriers are self-employed, based at a number of courier depots and managed by 500 field managers across the UK. myHermes ParcelShop network comprises of 3,500 convenience stores across the UK and are managed by 20+ myHermes Business Development Executives.

The finance team is responsible for processing and managing the expenses of all 500 Hermes staff. A decade ago, as part of a centralised operations function in a previous parent company, staff were using a paper expenses claim system. By 2008, when the company became Hermes following a division of brands from Grattan, Accounts Administrator Lynn Meakin had fully implemented the Selenity Expenses product to provide the company with cost savings and functionality.

The company had been using a paper system before electronic implementation. Along with VAT, which was also calculated manually, expenses were claimed, processed and paid manually using a paper-based system.

"Staff would previously hand write a claim for checking and approval by their line manager; the line manager would sign and then it would pass onto me for final sign off and payment. I really never want to go back to the old paper system" confirmed Lynn.

Instead of the one-click submission and approval process that Selenity Expenses gives Hermes, communicating the payment process was by phone or e-mail, making it a lengthy and stressful weekly job.

Simplicity

All the permanent, non-self employed staff submit personal expense claims at least once a month, which results in around 800-1000 separate claims every four weeks for Lynn and her team to process.

Field managers are the biggest and most detailed claimants. They are out on the road, managing couriers and entering claims for fuel. Each field manager looks after a local depot and a specific area.

Mileage is the largest cost to Hermes' business, and is generated by these field engineers visiting local depots to support delivery drivers. Other claimants include sales staff, HR and the finance team themselves.

Lynn herself has final approval on all expense claims, following a line manager's check. She is also responsible for payment of individual expenses. Both these procedures are fully automated by the Selenity Expenses system, making them one-click operations.

The Selenity Expenses system has also slashed the time the finance team needs to put into training. "It is an easy system to use, you can't really go wrong," says Lynn. "I personally show people / staff how to use it. With the company taking on up to ten new people every month, it's great to not have to dedicate too much of my time to training."

Benefits for Hermes

Lynn and the Hermes team now save around 5-10 minutes per claim. The whole process is automated. All Lynn needs to do now is a one-click check on the date, scan for any duplication and approve for payment.

- "We save time calculating VAT on each claim using Selenity Expenses which does it automatically. A small claim with normal fuel could be worked out on a calculator quickly but a bigger more complex claim would take longer. We also needed to know which entries are VAT-able and which are not. Selenity Expenses does this," explains Lynn.

- "Plus, of course, with a paper system, once we calculated the expenses claim manually we needed to key it into our system for payment – perhaps a couple of minutes per claim. We would split the claims into batches to make life easier, but it still took time. We no longer have to input the claims ourselves because the claimant is doing this through Selenity Expenses."

- "Lastly, we're saving time on the approvals process because forms had to be manually completed, and in most cases physically passed to a line manager and then back to me, which could be a very slow process, open to a lot of risk." concludes Lynn.

When we show people the system they seem to like it – people comment that other systems are harder to use than our Selenity Expenses!" concludes Lynn.

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"The staff love our weekly payment promise, because they know if they miss the opportunity to claim expenses one week, they will get it one week later. Using Selenity Expenses, there's no delays on payment."

Lynn Meakin,
Accounts Administrator,
Hermes

Ease of use

Payment back to staff is via weekly expenses payment run, using BACS. Selenity Expenses' ability to support regular payments is an important feature, explains Lynn, "The staff love our weekly payment promise, because they know if they miss the opportunity to claim expenses one week, they will get it one week later. Using Selenity Expenses, there's no delays on payment."

The cloud-based online system is used on desktops by the majority of Hermes' claimants, however, access to the mobile application is offered, and some of the team are making use of it on their smartphones. "I think popularity of the mobile app is going to rise this year," said Lynn. "We're getting a lot of enquiries about how it works from staff."

Customer experience

Lynn confirms, "Allocate got us up and running in the first place, but it didn't take long, it's an easy system and we found it very simple to learn. Allocate keeps in touch. If there is planned maintenance we get an e-mail to notify us, and then another to say it's up and running. There's never any disruption.

It's very rare that we ever need to call Allocate. Very occasionally, we call to check how to do something, and the support team is very good on the system and very helpful on the phone. We have had no problems whatsoever.

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Lynn Meakin,
Accounts Administrator,
Hermes

The impact

- The amount of paper Hermes needs to manage and spend money storing is dramatically reduced. Electronic expenses systems now don't require the paper storage of duplication and receipts. Hermes stores a maximum of 1000 sheets of paper a month now.

- Hermes has reduced claimant errors and therefore, saves the company valuable expenses budget. The system automatically checks for duplicate claims. If someone has accidentally submitted a claim for mileage twice, Selenity Expenses will pick it up using an automated process.

- The system is scalable, with a mobile workforce and new staff every month, Selenity Expenses is showing that it can easily manage with the extra work and claims. Claimants have better visibility. They receive automatic e-mails from the system telling them where the claim has got to: it is approved by line manager, approved by Lynn, due for payment, payment made etc. This is all done by automatic e-mail.

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