Konica-Minolta,
Optimized Contract Management
With BPM

Company : Konica-Minolta, one of the world's leading printing equipment manufacturers, also operates in the optics, medical imaging and industrial measurement sectors.

Requirement : Optimizing contract management in order to improve customer satisfaction by increasing the reliability of the process.

Solution: Process automation and management with Bonita BPM. Migration of Lotus Notes workflows.

Benefits:

Customer satisfaction through the contracts' increased reliability, a lower number of disputes and end-to-end traceability of non-quality.

Security: ended the use of paper and manual processes.

Increased responsiveness:a contract is approved in a few hours, whereas this previously took several days.

Increase in productivity: +30%

Konica-Minolta increases responsiveness, productivity, security and customer satisfaction using Bonita BPM

Konica-Minolta was founded in 1873 and is one of the world leaders in printing equipment. It also operates in the optics, medical imaging and industrial measurement sectors. With its 36,000 employees and 26 plants worldwide, achieving over €6 billion in revenue, Konica-Minolta is developing a diverse range of cutting-edge products that cover the three main categories in the field of imaging (imaging input, imaging output, and imaging input/output solutions).

The group's French subsidiary – the only one in Europe with its own R&D activity – achieves approximately 25% of the European revenue and employs 1,000 employees. In France, Konica-Minolta, No. 1 on the color printing market, reported €268 million in revenue for the 2010 fiscal year.

Optimizing customer contract management

With over 100,000 units of equipment contracted out to customers operating in every sector of industry, 70 Konica-Minolta employees in France work daily on contract administration. Two thousands contracts — new contracts or renewals — are processed each month. In light of the

spectacular, 20% growth in this core business since 2010, Konica-Minolta, which now holds a 13% share on the French market, sought to optimize its entire contract management process, from data entry to billing, including sales simulations and the analysis of possible configurations and specific architectures.

At the same time, the sustained growth in its activities prompted Konica-Minolta to overhaul its information system, to become more agile and responsive.

"We adopted an SOA architecture broke down our information system into a number of smaller, easily maintainable components. It was all about simplifying operations and upgrades by establishing a specific strategy: one function per software solution. The end goal was to improve our responsiveness and the quality of our customer relations," explains Xavier Riehl, Head of information systems, sales administration, development and quality at Konica-Minolta. "As part of the upgrade process, we decided to migrate all of our Lotus Notes infrastructure over to a service-focused architecture. This means we had to roll out a new, more modern automation and process management solution that was suited to our business issues."

Future Growth
This accelerated pace of growth was an important factor in selecting a new IT system. To improve its process management, Konica-Minolta could either develop its own system or adopt an existing product on the market.

"A lot of the products available today are closed, which makes it impossible not only to develop new connectors but also to control the older developments. What's more, we were looking for a Linux-compatible solution with excellent ergonomics and a graphic modeling approach, as well as an extensive range of connectors," comments Franck Inglebert, Head of Development at Konica-Minolta France. "Bonita BPM met all of these requirements. We tested it not only from a technical standpoint, to assess its ability to be transparently integrated into our information system, but also from a functional standpoint, to assess its functionalities under real operating conditions. With its graphic modeling approach, Bonitasoft's solution was also in line with one of the major objectives of our plan: a solution that's quickly mastered. Indeed, with our highly ambitious schedule, we didn't have the time to set up an in-depth training program."

Beyond the personnel entirely dedicated to contract management, the automation of this process actually involves Konica-Minolta's entire staff of technicians, sales representatives and retailers. Along with optimized entry of the contract information and assisting sales representatives as a way to ensure optimum customer care, the workflows created or taken over by Bonita BPM are designed to check the contracts' compliance and consistency while accelerating contract creation and approval. The goal is to use a virtualized process to cover all

of the internal approval procedures, while involving all contributors in real-time (pre-sales, sales, after-sales, technical support). Moreover, the automation of this process is a way to facilitate decision-making, as each contract is presented to the approvers along with all of the documents needed for the decision to be made.

Encouraged by the success of this first implementation, Konica-Minolta's teams are now seeking to roll out Bonita BPM for some of the company's other key processes, such as approving supplier invoices and payment authorizations, managing its automobile fleet and expense forms, as well as covering technical workflows related to maintenance of installed equipment and quality procedure management. As a result, over 200 business applications currently operating with Lotus Notes are in the process of migrating to the new system.

While the workflows set for rollout in the immediate future are in-house only, other automated processes going beyond the company's walls could be developed later, particularly through a purchasing portal solely reserved for the government and local authorities.

Security, Quality and Increased Productivity
One year after this project's inception, Konica-Minolta is reporting positive results.

"First, we now have a reliable, efficient solution to automate and manage our processes in a secure manner. By doing away with paper and our manual processes, we have boosted the reliability of our processes based on our company's rules," Mr Riehl explains. "Second, we now have end-to-end traceability, which helps us track back to the source of any error or non-quality. This puts us in line not only with the regulatory compliance obligations but with our own quality standards as well. Finally, we have seen a spectacular jump in our productivity; a new contract, which was traditionally approved in four or five days in the past, can now be approved in under an hour. And the big winners are our customers, who have fewer disputes to resolve. Overall, our contract processing capacity has increased by 30%!"

"We are better prepared to deal with any peaks in activity, and most importantly, our decisions are better documented, which means both a quantitative and a qualitative improvement in our processes," Mr Inglebert adds. "Through the use of follow-up operations logs, we have also optimized our process monitoring. In the end, our sales team receives the approvals more quickly, which secures the company's margins. By gaining in reliability, we also gain in profitability, since before, a simple error in assessment could jeopardize the contract's profitability from beginning to end."