HEXAWARE

Automotive Retailer Revamps Finance and IT Operations

Finance Transformation Solution for Optimal Business Benefits

Case study

Client

Client

Challenge

Solution

Benefits

Summary

The client stands as a prominent retailer and distributor of automotive replacement parts and accessories, boasting a workforce of 75,000 employees. They maintain a strong presence in the US, Mexico, and Puerto Rico, with an extensive network of over 7,000 stores in the US. Their reputation in the industry is marked by innovation and an unwavering commitment to customer satisfaction. Across all their stores, customers can find a wide-ranging product selection for cars, sport utility vehicles, vans, and light trucks.

75,000

employees

7,000

stores in the US

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Challenge

The client had overhauled and extended one of its application platforms that spanned the entire organization, encompassing financials and supply chain operations. They approached Hexaware with a business transformation agenda that included the following challenges:

Business Challenges:

- De-centralized Finance and Accounting Operations: Individual stores operated independently, resulting in poorly defined financial processes like Accounts Payable, Accounts Receivable, and Reporting throughout the entire store chain
- Diverse and Incoherent IT Environment: The IT infrastructure was in a state of disarray, comprising a mix of legacy systems and outdated versions of PeopleSoft Financials
- Suboptimal Use of IT Systems: Financial processing required a substantial amount of manual work, underutilizing IT systems
- Reduced Productivity and Lengthy Turnaround: Month-end closing processes were slow compared to industry standards, leading to decreased productivity
- Elevated Working Capital Needs: High Days Sales Outstanding (DSO) resulted in increased working capital requirements
- No Real-time Store-specific Financial Visibility: Real-time and on-demand financial information for individual stores was lacking
- Increased Operating Costs: Decentralized operations and a high degree of manual intervention led to escalating operating costs
- Concerns About Future Growth: The current systems had poor scalability, hindering anticipated growth

IT Challenges

- Evaluating batch programs or conversion routines as part of system integration testing
- Handling data associated with customers' merchandise inventory items in the Oracle PeopleSoft Inventory module

De-centralized Finance and Accounting Operations, diverse and Incoherent IT Environment, suboptimal use of IT systems, reduced productivity etc.

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The Hexaware solution

Hexaware initiated a thorough 6-month consulting phase to gain insights into the existing application and process environment before proposing a vision for the future. We guided the client in assessing various technologies and process alternatives to establish a strong platform for expansion.

Drawing on our extensive expertise in PeopleSoft implementations and the finance domain, we devised a resilient and adaptable solution that integrated industry-leading practices.

Additional solutions encompassed the following actions:

- Defined business requirements for digital transformation in finance
- Provided end-to-end process re-engineering
- Designed a scalable and flexible financial architecture
- Executed Finance IT systems on the most up-to-date technology stack
- Integrated with both internal and external vendor systems
- Established mobility solutions for the approval of expenses and purchases
- Established a Global Finance IT Help Desk, offering continuous support and maintenance

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Key Business Benefits:

- Provided a scalable solution capable of accommodating business expansion, even with over 10,000 stores across various locations
- Drastically reduced the time required for processing purchase orders by granting vendors direct access to purchase orders via the eSupplier module
- Expedited and enhanced the efficiency of financial closing procedures, whether on a monthly, quarterly, semi-annual, or annual basis
- Amplified system performance by a factor of 10
- Introduced a more straightforward system landscape, resulting in significantly decreased total cost of ownership (TCO)
- Enhanced risk management and statutory compliance, delivering much-improved visibility
- Supported the modernization of legacy systems and the re-engineering of processes
- Shifted management reporting from an Operational Business Unit perspective to a Legal Entity perspective

Scalability with **10,000+** stores, amplified system performance by a **factor of 10**, enhanced risk management and statutory compliance.

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Hexaware's solution laid the foundation for a forward-looking vision, with a focus on scalability and adaptability. Leveraging the extensive experience in PeopleSoft implementations and financial expertise, we created a robust solution incorporating industry best practices. Further solutions included defining business requirements for Finance IT transformation, process re-engineering, a flexible financial architecture, modern IT systems, seamless integration, mobility solutions, and a dedicated Global Finance IT Help Desk.

The result was a host of significant benefits: scalable infrastructure for over 10,000 stores, vastly reduced purchase order processing times, streamlined financial closing, improved system performance, simplified landscape, better risk management, and a shift towards legal entity-focused management reporting.

HEXAWARE

About Hexaware

Hexaware is a global technology and business process services company. Our 27,000 Hexawarians wake up every day with a singular purpose; to create smiles through great people and technology. With this purpose gaining momentum, we are well on our way to realizing our vision of being the most loved digital transformation partner in the world. We also seek to protect the planet and build a better tomorrow for our customers, employees, partners, investors, and the communities in which we operate.

With 40+ offices in 19 countries, we empower enterprises worldwide to realize digital transformation at scale and speed by partnering with them to build, transform, run, and optimize their technology and business processes.

Learn more about Hexaware at www.hexaware.com.

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