

case study



Krispy Kreme Nevada

EDM System Contributes to Doughnut Makers Success

Famous doughnut maker, Krispy Kreme, is using DocuWare to improve the accessibility and security of accounts payable, accounts receivable and human resource documents. Productivity has increased, A/R collection times have improved and accounting information is securely stored, ready for future access, when needed. Additionally, store managers will have online self-serve access to selected HR documents.

Founded in 1937, Krispy Kreme Doughnuts has grown from a small one-man operation to an international chain of stores. The Krispy Kreme Nevada franchise operates 13 stores: eight in Nevada, three in Utah, and one in Idaho, Montana and Wyoming, selling the famous fresh, glazed doughnuts on a retail and wholesale basis. Owned by L&L Enterprises, the franchise employs over 500 people.

Documents

Selling fresh doughnuts to grocery stores and other vendors makes up the wholesale side of the company's business and is a core part of their revenue. The stores are connected by a frame relay system and all billing and HR functions are done from the franchise office. Krispy Kreme must manage and quickly access accounts payable and accounts receivable documentation, as well as human resource files.

Work Processes

Prior to implementing DocuWare, signed invoices acted as proof of delivery receipts and were processed and manually filed by month and customer name. Retrieving a document took about five minutes per request, and the four person A/R staff was constantly accessing the files or looking through boxes to find outstanding invoices or proof of delivery receipts. Once found, the documents were generally faxed to a customer to verify that delivery occurred and payment was due. The company was able to store three years of A/R documentation onsite, but utilized an offsite storage facility to store older documents.

The Accounts Payable department did not need to access their records on an every-day basis, but they did need to securely store documentation for five years and make it available to a sales tax auditor if requested. Only six months to one year's worth of A/P documentation was stored onsite.

With 13 stores and over 500 current employees, the company's human resource function is outsourced to a third party provider who maintains a Human Resource department onsite. Personnel files are managed from the franchise office in order to maintain better record security. If a store manager needed information from the employee file, for example, an I-9 form (the form that establishes US citizenship regarding employment), he or she had to call the office and request the information via fax. Lack of direct access to information was frustrating for both the store manager and the HR department. The HR department needed a better way to securely store over 700 current and terminated employee files.



Solution Requirements

Krispy Kreme wanted to improve the accessibility and security of A/P, A/R and HR documentation, as well as implement a secure system to allow each store manager to have view-only access to certain HR documents. At the current rate of growth, Krispy Kreme was running out of physical space. The lack of space pushed the company to find an electronic document management system. When evaluating different solutions, Krispy Kreme focused on finding a vendor that could provide the software and perform all the scanning.

Solution

Transform Data Corporation, an Authorized DocuWare Partner, installed DocuWare and provides scanning services. Once a week, Transform Data picks up a box of A/R and A/P documents and delivers three to four CDs that contain the previous week's information and a portion of the information backlog. Each CD contains roughly 15,000 images. Paper documents are held for 30 days after scanning, and then shredded. The images and index information are easily imported from

The Task

- Improve the accessibility and security of A/P, A/R and HR documents

Appointed Modules

- DocuWare
- ACTIVE IMPORT
- ISIS PRO
- RECOGNITION

The Benefits

- Better workflow increases employee productivity
- Accessible, secure HR documents
- Reduced document retrieval time and improved collection times



the CDs into Krispy Kreme's DocuWare system. Assigned access rights control who has access to the documentation. Retrieval is fast and easy.

The company is working towards digitizing all of its records and eliminating paper record storage completely. Now that current documentation is in the system, older A/R, A/P and HR records, dating from the franchise's inception in 1998, are being brought into the system as time permits.

The Benefits in Detail

User Benefits

Because documents are stored with a variety of index fields, accessing a document is done from the desktop in a matter of seconds, improving workflow efficiency and reducing stress levels.

Department Benefits

For the A/R staff, search time has been drastically reduced from minutes to seconds, allowing the staff to follow up on more invoices each day, which in turn, improves their collection times. Moving to electronic document management has saved 66 hours a month (based on 4 employees each spending 50 minutes a day looking for information) that can be redirected to other

profit generating activities. Other features, such as the ability to fax or e-mail the signed invoice directly from the desktop to the customer or highlight and print several invoices at once, contribute to higher productivity.

The A/P staff can rest assured that they will have every document an auditor might request, as well as realizing the same benefits as the A/R staff.

For the Human Resource department, the crucial function of securing and protecting employee files is simplified with the electronic document management system. The employee files vary from 20-100 pages in length and contain applications, notices and various government mandated forms. The new system protects the files and assures that nothing is ever lost.

"The best thing about our new system is that information can be accessed by our store managers from any of our 13 locations, while still maintaining high levels of security. Providing our managers with view-only access to information will save my staff from having to constantly pull an employee file, find the needed document, fax it and then refile the record," said Felecia Ceberio, Human Resource Manager.

Corporate Benefits

Cash flow has increased due to faster collection times - a direct result of more efficient work processes. Thanks to implementing an electronic document management solution, customer service has also improved now that the A/R staff is able to quickly respond to customer questions. Accounting processes have been further simplified now that PDF invoices from Krispy Kreme Corporate can be stored in the same system as franchise generated invoices, regardless of format. From an HR standpoint, the security and confidentiality of employee files will be significantly increased, reducing the company's legal exposure and assisting with compliance on issues relating to the Age Discrimination in Employment Act of 1967 (ADEA) and Equal Employment Opportunity Commission (EEOC). Additionally, the company is realizing more space efficiencies and lowering storage costs, as record storage space is removed and replaced by office space.

Michael Kane, Director of IT for Krispy Kreme, summed it up by saying, "we're in the doughnut business - not in the document management business. DocuWare is so simple and easy to use that it allows us to stay focused on what we do best. The software gives our staff the tools they need to work efficiently, which has resulted in improvements in our collection times, cash flow and document security."

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