

ACCOUNTS PAYABLE | PROCUREMENT

Safety, Success & Seamless Invoice Processing

Arco simplified workflows and continues to secure margins through increased efficiency with Esker.

arco[®]
Experts in Safety



ESKER[®]

AT A GLANCE

Arco

 Safety products retailer

 170,000 invoices/year

 £307M in turnover

 1,447 employees

 SAP ERP



Challenges

Eliminating the constraints of manual processes

Arco is the UK's only integrated services and safety products business. As a fifth-generation, family-run business with almost 140 years of experience, it offers a unique mix of specialised expertise and practical, real-life industry know-how. Arco sells the most comprehensive range of safety products on the market. The company provides its own product range under the name Arco Essentials, as well as the biggest brands in the industry for PPE, clothing, footwear, gloves, cleaning, hygiene, hose, ducting and fittings.

Arco was originally looking at only an accounts payable solution to gain greater visibility and control over their supplier invoicing processes. However, the Finance, Procurement and IT Transformation teams also saw advantages in automating the purchase order process, particularly pertaining to the management of "Goods not for resale" orders. These types of orders refer to any business-associated cost for products not sold to the end customer, such as internal stationery and other business expenditures.

Automation also counts as an important key performance indicator across the business. Arco wanted to increase efficiency and enable the teams to perform more value-added work, such as enhancing supplier relationships and carrying out detailed analyses and reporting. Having looked at over 26 other solutions, Esker was selected as the best fit for Arco. The ability to control spend and create audit trails already set Esker apart, but the capability to tailor the solutions to Arco's specific needs was one of the main deciding factors.

Objectives

- Reduce manual processing to allow for more time on supplier account management
- Increase visibility of supplier invoices to enable better cashflow forecasting
- Eliminate paper
- Automate the invoice approval process and increase touchless processing
- Drive a consistent procurement process across the business
- Enhance customer relationships

Solutions

Revamping AP & Procurement to accelerate cashflow

Esker's inclusion in the Gartner® Magic Quadrant™ for Procure-to-Pay Suites drew Arco's attention. The team liked Esker's flexible approach as well as the ability to automatically classify non-invoices such as statements and supplier queries.

Esker Accounts Payable

At the start of implementing Esker Accounts Payable, Arco's Finance team collaborated with key suppliers and its EDI partner to identify automation features that would have the greatest impact on simplifying processes. By aligning details like units of measure and PDF formats, suppliers were able to send invoices with complete information, which streamlined the processes and thereby also the transactions between Arco and its suppliers. This improved efficiency led to timely payments and fewer blocked invoices.

Amanda Henderson, Finance Shared Services Manager at Arco, highlighted the features in Esker her team values the most, such as statement reconciliation and internal conversation tracking. "The automatic set-aside function for goods and services received when deliveries are delayed has really improved the prioritization of workflows," said Amanda, as Esker Accounts Payable automatically refreshes and posts invoices upon shipment arrival. Amanda also praised Esker's support teams going above and beyond to resolve even the most difficult challenges and adding that this far exceeds what she is used to from other systems.

Procurement

On the procurement side, it was time to tackle the creation of a systematic approach for the "Goods not for resale" purchasing process. Esker Procurement now streamlines indirect purchases and also ensures that resources are allocated efficiently and provides real-time visibility into open purchase orders – a critical need amid fluctuating inflation. Pam Harrison, Procurement Manager at Arco, highlighted the shift from relying solely on budget holders for reporting to having instant access to PO data, improving transparency and control.

Esker's Vendor Onboarding feature standardized procurement across the business by enforcing Vendor Onboarding before any orders are placed. By ensuring that only approved vendors are used, the pre-purchase scrutiny dual approval workflows and bulk purchasing result in noticeable cost savings. "People are now making conscious decisions before buying," Pam noted, emphasizing Esker's flexibility in adapting workflows – such as adding team members or adjusting approval chains – to suit business needs.

"Being able to tailor the dashboards to specific user profiles and having a clearer visibility of all invoices is great, as is the ability to schedule reports."

Amanda Henderson

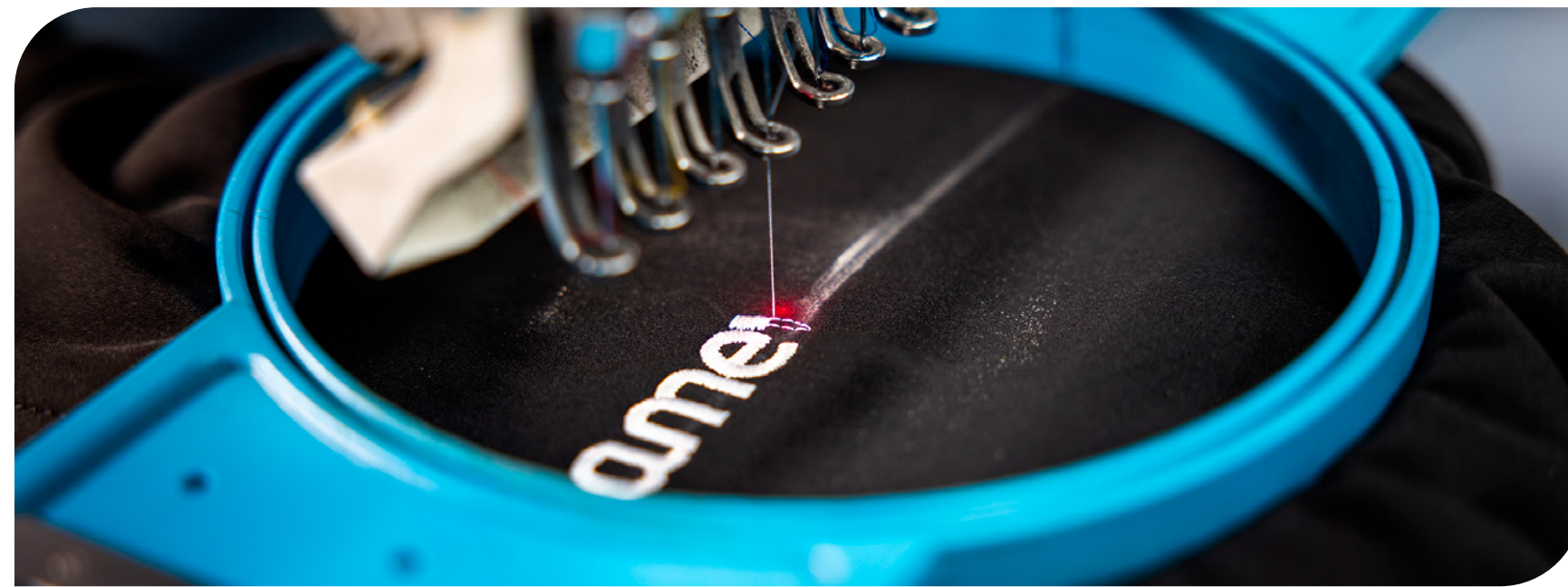
Finance Shared Services Manager, Arco



“Every morning the team can see first thing which invoices were processed automatically and which ones may need attention, resulting in each team member going above and beyond on their set targets.”

Nicola Lort

Accounts Payable Team Leader, Arco



Highlights

- 60% of supplier invoices automatically processed within first year
- 86% of invoice fields automatically captured
- 46% of invoices processed touchlessly
- Backlog of invoices eliminated
- Faster validation
- Easy-to-read and configurable dashboards
- Cost savings through procurement efficiencies
- Consistent and trackable processes

Results

Visibility inside and out

After only a year with Esker Accounts Payable and Esker Procurement, Arco was impressed with the results: Esker Accounts Payable enabled Arco to automate 60% of its top suppliers and capture 86% of invoice fields automatically. Additionally, 46% of invoices are now processed touchlessly, only to increase with advancing AI training and supplier collaboration.

Processing times have also dropped significantly, not least due to early query visibility, streamlined approval workflows as well as freeing the teams from manual data entry. Nicola Lort, Accounts Payable Team Leader at Arco, noted that “Esker remembering POs and units of measure once taught reduces repetitive work immensely.” Shared dashboards and internal tools also had a positive impact on teamwork, as tasks are now prioritized and distributed according to availability, which also lets team members cover for each other during absences. Even management has noted how much simpler it is to forecast cashflow. “Esker has enabled me to answer questions from senior management quicker and more accurately. They are very impressed with the system and how we have implemented AP automation successfully,” Amanda added.

Esker has had positive effects on outside entities too. Suppliers are happier because the team can answer questions quicker, greatly improving communications, and the time to validate invoices has decreased as well, so payments are handled faster. Even Arco’s EDI provider has stated how impressed they are with Esker’s capabilities. And, when it was time for the annual audits, the AP team were able to give auditors their own login, so they could view all the information according to their needs and timelines. This demonstrated transparency, speed and efficiency on Arco’s part, which auditors tend to value.

“With Esker Accounts Payable, Procurement and the Expense Management solution too, I have a 360° view of spend and cashflow across the whole company, which helps immensely in driving business decisions.”

Amanda Henderson

Finance Shared Services Manager, Arco

Want to automate your AP processes like Arco?

Get in touch with Esker.

About Esker

Esker's AI Automation Suite for the Office of the CFO leverages the latest in Agentic AI and automation technologies to optimize working capital and cashflow, enhance strategic decision-making, and improve human-to-human relationships with customers, suppliers and employees. Esker's Source-to-Pay and Order-to-Cash solutions automate any business process while supporting long-term growth strategies. Offering 40+ years of industry knowledge, Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin.

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