bizagi

Lipigas cut its discount approval cycle by 80% with Bizagi

Lipigas

Lipigas

Customer:
Lipigas

Industry:
Utilities and Energy - Gas

Location:
Chile

Lipigas achieved
Continuous Process Improvement
with Bizagi BPMS

Bizagi BPM Suite replaced email-based, informal and asynchronous processes to enable faster process automation.

Bizagi's ease of use, agility and integration with legacy SAP systems were fundamental when it came achieving a streamlined approval workflow. The result – optimized internal activities and a faster, more efficient service to distributors.

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Bizagi's "Start Small and Think Big" strategy helped Lipigas obtain fast results and triggered company-wide process automation.

Objectives

✔ Automate core business processes including the 'Request and allocation of discounts'

✔ Obtain traceability and real-time monitoring of single requests to increase control

✔ Ensure integration with SAP ERP for data gathering and upload purposes

✔ Optimize activities involved in the process, through the elimination of manual tasks

✔ Minimise request approval times and improve responsiveness to applicants

✔ Obtain KPIs and report to support continuous process improvement

Achievements

✔ Process automation completed in a record 5 weeks

✔ 83% reduction in approval cycle time from discount request to approval in SAP

✔ Centralised data for agile decision-making and faster time to market

✔ Elimination of manual tasks, better traceability and fewer errors

✔ Increased process transparency, data consistency and productivity

✔ Rapid adoption of Bizagi and positive user feedback

Overview

Lipigas is the leading provider of Liquid Petroleum Gas (LPG) in Chile for the residential, industrial and real estate sectors, with the largest nationwide coverage and presence in Peru and Colombia. With a great industry reputation, environmental and safety certifications and the most advanced packaging facility in Latin America, Lipigas has become the industry benchmark for others to follow – hence the need for greater efficiency and operational excellence.

Challenges

Lipigas' "Request and allocation of discounts to distributors" process was carried out informally. This involved handling applications and approvals via email, without the use of standard forms, and manual activities for managing data in and out of the SAP ERP system. This approach resulted in poor traceability and mismanagement of approval requests because of delayed or missing approvals.

The biggest challenge was the integration with the SAP ERP system, which contains critical information on sales and previous discounts. This information was essential to evaluate the application and make a decision about the right level of the distributor discount. To finalise the process, the information related to approved discounts and their validity periods had to be manually uploaded to SAP.

Lipigas also required an agile and easy to use BPM solution. Bizagi´s modern business collaboration platform satisfied these requirements and was selected as their preferred BPM solution for faster process automation.

The BPM Solution

The automated process enables zone agents (requestors) to initiate a discount request on behalf of a distributor (customer) using a simple Bizagi web form. This form interacts with SAP and brings through the distributor´s sales information to complete the application. At this point the automated approval workflow begins, which coordinates and executes all the steps and authorisations from various departments as necessary and automatically uploads the approved discount and validity period to SAP.

The tight integration with the SAP system was key in this process due to the volume of funds associated with the discount approval. This integration allowed approvers to evaluate applications in a centralised manner, without having to access different systems in parallel. Moreover, applicants are able to initiate the task easily from any mobile device, and once the discount is approved, the information is automatically uploaded to SAP and made available to everyone involved in the process.

Lipigas took a holistic approach to automation, making the discount approval process seamless – something that extends the boundaries of the organization and integrates many external stakeholders.

Results

Lipigas accomplished the automation of the discount approval process in a record time of 5 weeks with the support of BackSpace, a Bizagi consulting partner in that country. This process is one out of three that have been automated so far, where the rapid adoption of Bizagi and extremely positive user feedback motivated a process automation initiative across the company.

The overall discount approval time was decreased by 83% (from the discount request to upload of approval information to SAP) resulting in higher levels of satisfaction among distributors. Manual tasks were eliminated, reducing human errors and providing full process traceability, data consistency and real-time monitoring of individual requests and activities.

The integration with SAP enabled reduced time to market, providing Lipigas with the ability to make fast and informed decisions regarding promotional activities, ranging from running incentive-driven sales campaigns through to delivering targeted promotions of specific gas solutions. The streamlined approval workflow supported the realignment of roles and responsibilities of all participants involved in the process, increasing employee productivity and efficiency. Furthermore, process KPIs and reports allowed tighter controls supporting continuous process improvement and placing Lipigas in an enviable position in terms of operational performance.

Best Practice

✔ **Identify the critical process points and capture key requirements early**

✔ **Recognize that processes are subject to change**

✔ **Define a clear vision of 'scalability' and share it with your team**

✔ **Select a BPM platform that enables business/IT collaboration**

✔ **Ensure the provider offers easy connectivity with SAP**