

Case Study → Royal Automobile Association of SA

RAA ensures innovative procurement with Mainpac



↗ **Innovation is a byword in 100+ year history of the Royal Automobile Association of South Australia (RAA), both for the services it has pioneered for the state's motorists and the technology to deliver and support those services.**

So it was not unexpected when, as the RAA's newly appointed procurement and logistics manager, John Cooper brought a fresh perspective and an innovative approach to the use of Mainpac software.

Widely recognised as an information system for the management of maintenance activities, Mainpac was introduced by the RAA in 1998 to help manage stores.

"When I joined the Association, rather than go to the market for a separate procurement application, I decided to see if the Mainpac inventory module would support what had to be done to overhaul procurement practices," Mr. Cooper said.

He had discovered that there was no consistency for the purchase, procurement and payment for supplies for Association's staff of 800 and for the services it provides.

This was at odds with the innovation which had exemplified the RAA's history in the preceding 97 years. In 1923 it was the first motoring body in the southern hemisphere to introduce the road service patrols. Later it was the first motoring service worldwide to introduce a battery replacement service. And, later still

it was the first motoring organisation to deliver a travel guide to members on the then new technology of CD-ROM.

"As a significant tool of the Procurement and Logistics department, Mainpac today is extremely important to managing what many South Australian motorists would agree is the core business of the Association –namely the smooth operation of our entire road service," Mr. Cooper said.

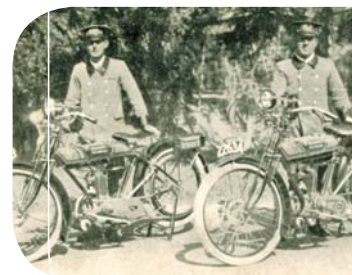
In the financial year 2004/2005, the RAA provided road service to more than 456,000 motorists, 91,000 of whom were in rural areas. Motorists are served by seven city branches and 16 in country South Australia, extending to the far western NSW mining town of Broken Hill. The Association has more than 560,000 members and in addition to road service provides legal and technical advice, insurance, travel and holiday services.

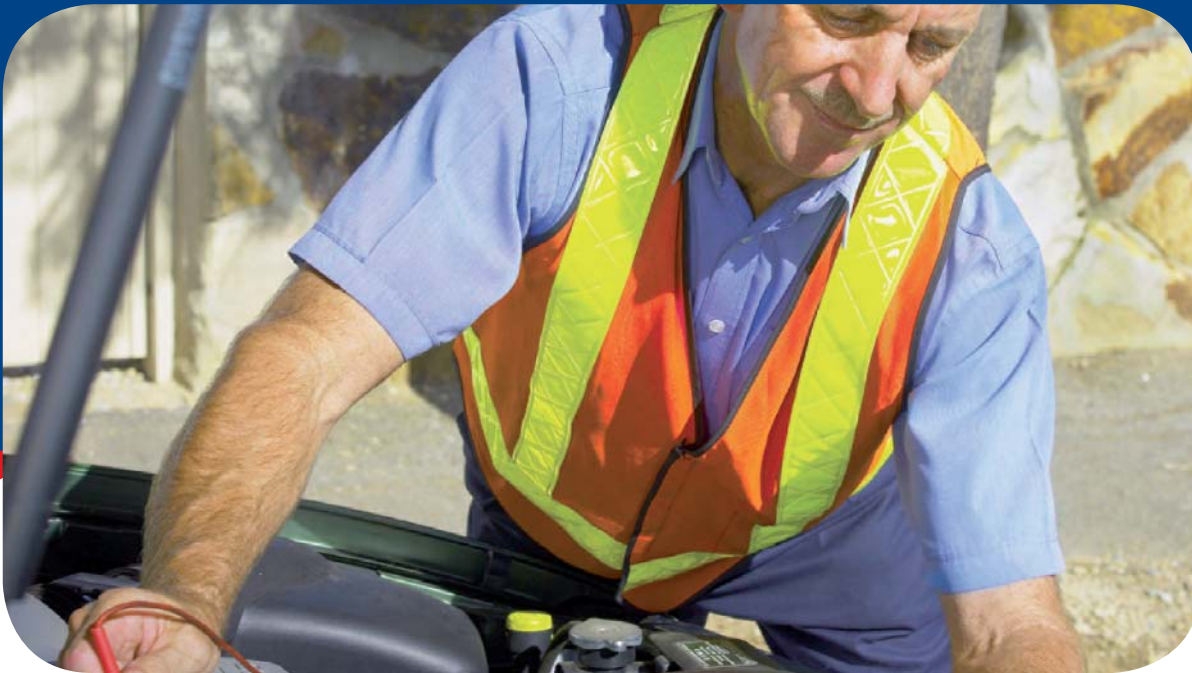
Mr. Cooper became excited by the potential of the Mainpac purchasing module to support new procurement practices soon after he joined the organisation. He met with other users at a Mainpac customer conference and collectively they approached Mainpac to develop new functions and improvements, primarily related to purchasing.

"Since then there has been widespread endorsement and support of Mainpac across the RAA, from Finance, to Road Service and including Internal Audit," Mr. Cooper said.

His staff of 10 and the manager of the Road Service operation use Mainpac Version 7 to manage all of the costs associated with the 120 road service vans which ply the streets of Adelaide and suburbs.

Mainpac is extremely important to the efficient management of the inventory for road service patrols, especially the batteries they carry. It is critical that appropriate battery types are held in each of the Association's stores at Mile End, Morphett Vale and Elizabeth to adequately meet customer demands.





"We have been able to reduce stock inventory by more than 50 percent, with attendant savings," Mr. Cooper said.

Additionally Mainpac is used to manage the kits with which the Association's mechanics build the internal fittings for the RAA patrol vans. Mainpac is also used to manage other items such as fan belts and wiper blades which are sold by road service, as well as the vans themselves and the uniforms of the service personnel.

John Cooper's procurement and logistics team and the road service manager use Mainpac to prepare the budget for the road service operation.

"By using Mainpac we have reduced this process from days to hours and earned the respect of a lot of people," he said.

With this achievement, Mainpac has been extended to manage the capital, as well as the operating expenditure, for the entire Road Service department.

The procurement and logistics team has maximised the use of reporting using data gathered through Mainpac. Across the organisation there is widespread support for reports which address asset stock value, asset stock transfer, outstanding invoices and orders and sales reports, to name a few.

A strategic report on stationery usage, which itemised the costs of running each individual department, was pivotal in securing management endorsement of Mainpac-generated reports across the Association.

John Cooper attends weekly meetings in both the Road Service and Technical departments to determine how his team should support each department and, by using Mainpac assist in any new reporting initiatives.

"The success we have enjoyed through the widespread deployment of Mainpac has contributed to a better relationship with the Finance department. Every department endorses the accountability which Mainpac helps to deliver," Mr. Cooper says.

"The many purchase order books that were once commonplace, have been replaced with purchase request books."

The Finance department uses the Masterpack suite of financial applications to which information gathered through Mainpac, is manually uploaded. In an online era, this may seem antiquated but the system works extremely well. In the future a system that exports information from Mainpac to Masterpack is a possibility.

John Cooper is a strong advocate of staff training in software.

"Comprehensive training in Mainpac has been a decisive factor in creating widespread understanding of the data it is capable of gathering and the reports which can be produced as a result," he says.

Similarly Mr. Cooper actively encourages his staff to use the Mainpac help desk.

"The level of support we have enjoyed from Mainpac is such that I have had no motivation to consider approaches from any vendors of similar systems. I'd recommend Mainpac to anyone requiring a sophisticated yet user friendly procurement and logistics system," he says.


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