



A Productivity Pick-Me-Up

Graybar Streamlines Its Accounting Processes with Faster, More Accurate Financial Data Entry

To make fast and smart decisions in today's economy, you must have correct information. This credo comes from Kent Sorenson, General Accountant at Graybar Electric Company, a leading North American distributor of electrical, communications, and data products, components, and other related materials and services. Graybar stocks and sells hundreds of thousands of items from thousands of manufacturers — and still manages to deliver to its customers exactly what they need, when and where they need it.

How does a company achieve this level of operational excellence? By adding sophisticated logistics and project management to its operations, Graybar has become a vital link in America's supply chain — and SAP software is a big driver of its success.

Streamlining Financials Data Entry

In 2003, Graybar implemented SAP ERP and began loading large amounts of financial data into the system. By 2006, accountants doing data entry found a need to input more than 999 line items to pay invoices electronically. In addition to using an SAP transaction code for invoicing, they had to create additional tools to handle inputting specific formats like text files from third-party payables.

What Graybar wanted was a quick-and-easy process that would allow for validations and an unlimited number of line items. "You can't doubt your information, and you can't take two weeks to send it back for verification before you decide to open or close a branch, open a new line of business, or enter a new market," says Sorenson.

"Our in-house data-entry solution was cumbersome and was not user-friendly," Sorenson says. "If something went wrong, finding the problem meant using another transaction code. This method slowed our productivity because it only identified one error at a time, and we'd have to post again."

Z Option Boosts Productivity at Graybar

Graybar began looking for a solution to streamline its SAP data entry and financial reporting processes, one that would allow users to leverage their existing Microsoft Excel expertise to calculate financial transactions and post them directly to SAP ERP.

At a Glance

Graybar Electric Company

Headquarters: St. Louis, Missouri

Industry: Electrical and comdata product distribution

Revenue: \$5.4 billion+ (in 2008)

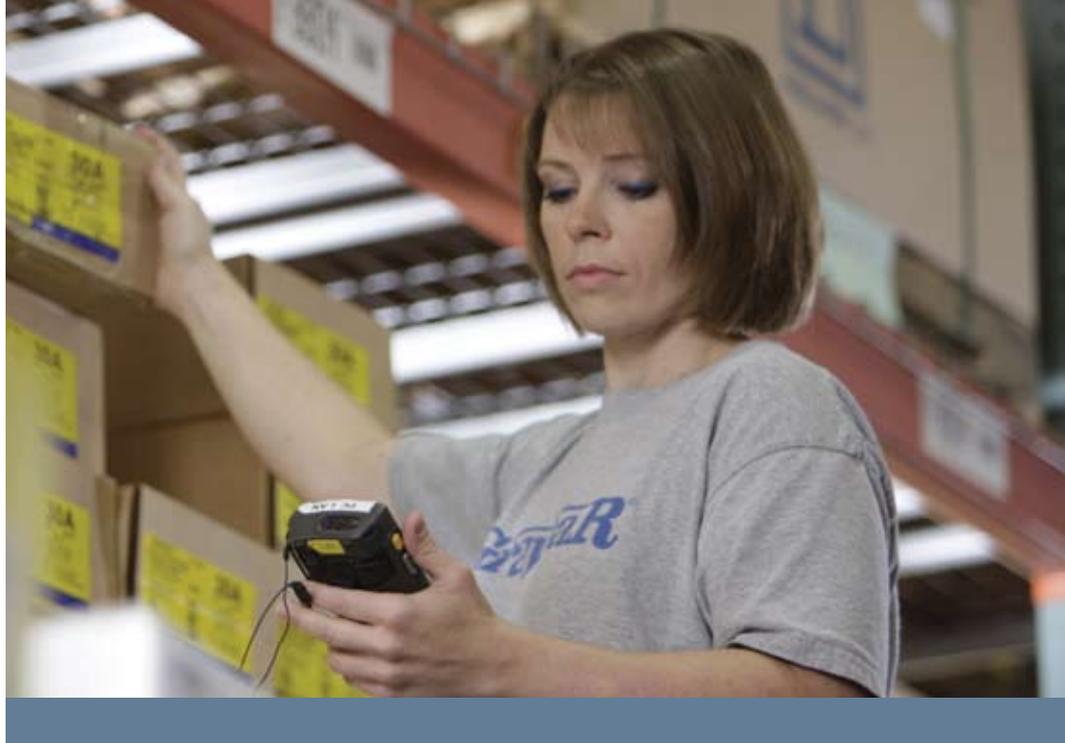
Employees: 8,000+

Company details:

- Fortune 500 company founded in 1869
- 250+ distribution centers
- Branches throughout the US, Canada, and Puerto Rico
- 6,000+ SAP users

SAP solutions:

- SAP ERP
- SAP SCM
- SAP CRM
- SAP NetWeaver BW
- SAP NetWeaver Portal



In 2006, after conducting a cost/savings analysis of manual data entry versus the licensing and maintenance fees of an automated

solution, Graybar purchased GLSU — a financials spreadsheet uploader — from Z Option. GLSU provides a flexible and intuitive spreadsheet interface for collecting and posting financials transactions to SAP systems without leaving Microsoft Excel.

The solution allows for the creation of various spreadsheet templates that are stored on the SAP server and distributed quickly. While all entries are posted by the licensed GLSU users, other employees can send data to the centralized unit by filling out a template for posting. This spreads the benefit to a wider audience. “GLSU gives us the information we need,” Sorenson says. Graybar turned to the solution to achieve these results:

- **Increased speed:** Users can do more data entry in less time. For Graybar, what took up to an hour now takes minutes to post. The time saved is spent on analyzing and making decisions about the data. Before, users would take shortcuts, such as posting summary-level detail and eliminating fields, to save time. Graybar currently posts 400 to 800 lines regularly, often numbering in the thousands. This is most common at year-end, with up to 9,000 lines posted for single journal entries.
- **Ease of use:** For Graybar, users’ knowledge of Microsoft Excel ensured rapid familiarity with the full range of functionality in GLSU. Users can now set up master templates that are stored on the SAP server, while other templates are customized, as needed, in just minutes. Adding, changing, or deleting fields takes seconds.
- **Validation:** A pre-validation process identifies the majority of errors in a pop-up box before posting, making line items easy to delete or correct. For Graybar, this validation promotes data integrity.

- **Improved audit trail:** GLSU gives Graybar an electronic audit trail of all text items, including associated support documentation.

Increased Data Integrity and Other Business Benefits

Today, Graybar uses GLSU for payment of accounts payable invoices, monthly journal entries, and third-party outsourcing payables (from text files). The accounts receivable manager is also experimenting with its use.

Graybar’s expected return on investment was five years, but instead, the payback took just two years, according to Sorenson. At Graybar, the tool enhances users’ decision-making power and lets them react faster to changes in tough economic times.

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“GLSU allows people to do more in less time,” says Sorenson. “With 15 minutes of input, you have 45 minutes of analysis.” According to Sorenson, the tool has improved overall productivity thanks to improved speed and accuracy of data entry. As a result, the tool has enhanced the company’s ability to perform business analytics.

“GLSU has increased our data integrity on all levels, from finance to marketing,” he says. “Users have commented on the quality, volume, and accuracy of the data. Business analysts within IT are advocates of GLSU because the reporting is so thorough. GLSU gives better analytics and allows our business units to focus on improving the bottom line.”

Sorenson is confident that, by utilizing GLSU and streamlining its centralized accounting processes, Graybar will continue to meet its future goals. ■