Marriott Transforms Key Finance Processes.
The lodging leader develops a scalable global platform.
Background
Marriott International, Inc. is a global leader in the lodging business with more than 3,400 properties in 70 countries and territories. And one of the keys to its success is its relentless focus on what it does best: provide a world-class experience to millions of guests every year.

The company is also a leader in using technology and innovation to achieve its business goals. That’s why it launched a major corporate initiative a few years ago to transform key processes supporting its finance organisation, including accounts payable and claims management.

The Challenge
At the time, Marriott relied on time-consuming, paper-based work processes to manage two million invoices and 700,000 claims-related documents each year. There were other challenges. There was no standardised, enterprise-wide process for accounts payable, since different Marriott organisations used their own approach. As a result, multiple in-house imaging operations sprung up over time, making the company responsible for managing a non-core business activity.

Similar problems affected the company’s claims management operations. Non-standard processes caused inefficiency. The company was not taking full advantage of the power of automation. And associates were spending too much time finding, mailing and filing documents related to Workmen’s Compensation and casualty claims. The filing cabinets and storage bins used for claims documents also took up a lot of valuable company real estate.

Leaders in Marriott’s innovative Information Resource (IR) group realised that the document-driven processes supporting accounts payable and claims management were ripe for optimisation. So it began looking for a proven outsourcing partner with the expertise, technology and resources to provide a scalable solution that would facilitate growth.

It also wanted to make sure that the solution would interface seamlessly with the company’s new Enterprise Resource Planning (ERP) software and support the company’s new Shared Services finance model.

After a careful review of proposals from several leading vendors, the IR leaders chose the document management experts from Xerox.

The Solution
We worked closely with Marriott and its internal business partners to develop effective document management solutions for Marriott’s Shared Services Centre.

The first project focused on Accounts Payable (AP). Together, we developed an outsourced solution for mailroom, imaging and content management utilising our global network of state-of-the-art shared service centres.

Once the solution was implemented, Marriott property managers and finance directors simply logged initial invoice data into the ERP system and sent the paper or digital documents to our service centres for imaging and hosting. End-users could then use the ERP system to view documents and authorise payments. The solution also automated several time-consuming steps in the AP process, including data validation and exception handling.

“We wanted to control costs, operate more efficiently and help our associates spend more time enhancing the guest experience. Xerox helped us achieve these goals.”

– Clay Hall, Senior Director Information Resources Marriott Shared Services
The AP solution was designed to support 18,000 end-users with plenty of capacity for future growth.

To optimise Marriott’s approach to Claims Management, we leveraged the same outsourcing platform for mailroom, imaging and content management services. Then we helped our clients re-engineer the document management workflow to increase process speed and efficiency.

Following the launch of the new approach, Marriott claims processors sent all of their claims documents to our benchmark service centre for imaging into a Digital Repository System. Our staff then scanned the documents and organised them into digital files corresponding to each claim.

Claims processors could then quickly access the files over the Internet or through the company’s internal claims processing system without wasting time on manual searches, filing, storage or mail handling.

The Results

The two solutions helped Marriott convert inefficient, paper-based workflows into optimised paperless business processes that supported the company’s transition to a Shared Services model for enterprise-wide finance support.

The Accounts Payable solution helped the Shared Services Centre manage more than 11 million invoices and related documents per year, essentially quadrupling the company’s invoice processing capacity. The optimised process automated data exchanges and validated the indexes into its AP and claims management systems.

Improvements in AP efficiency increased vendor loyalty and enhanced the company’s approach to cash and supplier management.

Superior access to documentation also helped Marriott comply with sales and use tax audits and avoid fines and penalties.

“We’re saving on labour and technology. We’re getting better reporting and more control. And it’s helping hotel managers spend more time taking care of our guests,” says Michael Cullen, the Senior Vice President for Marriott Business Services who is responsible for Marriott’s Shared Services Accounts Payable operation.

The Claims Management solution dramatically improved the company’s ability to manage Workmen’s Compensation and Casualty Insurance claims and strengthened its enterprise-wide approach to risk management.

With faster access to imaged documents and files, Marriott could respond more quickly to claims, which improved the satisfaction levels of both guests and associates. In some cases, the rapid response capability even helped the company avoid litigation.

The increased processing speed improved the company’s ability to comply with regulatory timelines and internal and external audits. It also allowed multiple parties to view documents simultaneously instead of sequentially, which reduced the cycle time for claims reviews by several weeks.

In addition, the paperless solution eliminated the need for the Shared Service Centre to manually file and store 700,000 new claims-related documents every year, saving countless hours of staff time and conserving valuable office real estate.

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“The Xerox solution has made a huge difference in how we handle claims,” says Steve Perroots, the Senior Director for Marriott Claims Services. “It’s virtually paperless for us since documentation is sent directly to Xerox for mail handling, immediate digitisation and processing. It’s fast, efficient, and we’re saving a lot of trees. It’s really helped us improve our approach to risk management.”

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The two solutions also had a big impact on environmental sustainability by converting paper-based processes into a digital, paperless workflow.

Based on the successful results of the two projects, Marriott’s IR leaders began to look for other ways to leverage our services platform to improve efficiency in other areas of the business, including Payroll Tax, Garnishment, Architecture and Construction.

It was all part of the effort to build a benchmark Shared Services Centre that would support global growth and help the company sharpen its focus on its core competency—providing an outstanding experience to millions of guests around the world.

Case Study Snapshot

The Challenge
- Inefficient, redundant processes for Accounts Payable and Claims Management
- Reliance on paper-based workflows
- Time-consuming paperwork diverted associates from core tasks
- Transition to a Shared Services Centre and new ERP software
- The need for optimised processes to sharpen the focus on core competencies and support global growth

The Solution
- Strategic partnership with Marriott’s Information Resource organisation
- A single, scalable services platform to support Marriott’s growing global needs
- Solutions that integrate easily with Marriott’s ERP and claims processing systems
- Re-engineered workflows based on digital documents and automation
- Outsourced mailroom, imaging and content management services with guaranteed turnaround times

The Results
- Automated work processes for data and information; 4x processing capacity
- Increased efficiency and productivity
- Optimised costs, improved financial reporting
- Better cash flow and supplier management
- More effective approach to risk management, compliance
- Delivered to strict Service Level Agreements
- Enhanced customer and associate satisfaction
- Improved environmental sustainability

About Xerox Services. Xerox Corporation is a world leader in business process, information technology and document outsourcing services. Our unique combination of industry expertise and global delivery capabilities helps you reduce costs, streamline operational processes and grow revenue while clearing the way for you to focus on what you do best: your real business.

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