

case study



TORONTO LUXURY HOTEL USHERS IN NEW ERA OF PRODUCTIVITY WITH CSI PAYSYSTEMS

BUSINESS PROBLEM

Like many businesses in Canada, the payables function for Fairmont Royal York remained a highly manual process, with accountants issuing paper cheques for vendor payments. Recognizing the need to improve productivity through better use of technology, Regional Financial Controller Serge Laroche led the charge to usher in a new era of productivity by automating the accounts payable function with CSI Paysystems.

"CSI continually exceeds my expectations and are in a class above any other service provider I have worked with."

- Serge Laroche, Regional Financial Controller

BUSINESS RESULTS

While hotels are accustomed to receiving payments via credit cards, many vendors are not. Because of this, Laroche's expectations were low, anticipating 10% of the hotel's vendors would agree to accept virtual card payments. "I was so surprised that the CSI team achieved 50% enrollment during the initial campaign, and even more surprised that most vendors remain on the program because they immediately see the benefits."

Although accepting credit card payments also requires the absorption of transaction fees, most vendors discover those fees are offset by savings from faster and easier payments. The scale of CSI's business and dominance in Canada is an added advantage that promotes greater knowledge about the program and therefore a greater willingness to join.

"Professional, responsive, and reliable; those are words I'd use to describe CSI's support team. CSI continually exceeds my expectations and are in a class above any other service provider I have worked with."

Laroche oversees numerous hotels in the central Canada region and recommends CSI Paysystems to all financial decision makers.

"The convenience, savings, and revenue we get back through rebates, plus the fact that CSI does most of the work – it's really a no-brainer."

PROGRAM HIGHLIGHTS

- 50% vendor enrollment far exceeded expectations
- Estimated \$4,400 annual savings by eliminating paper cheques
- Improved productivity of staff members; time spent on manual cheque processes – printing, stuffing envelopes, mailing - could be spent on more value-added activities
- New revenue generated through monthly rebates delivers an estimated \$25,000 back to the hotel during the first year
- Laroche is quick to remind us that executives that are stuck in 'old fashioned' ways of doing business run the risk of being left behind as companies continually seek to progress through new technology.
- "Change always brings about challenges, but CSI makes it a smooth and easy transition."

FINANCIAL IMPACT SUMMARY*

Spend volume captured	\$4,032,892
Savings from eliminated checks	\$4,420**
Rebate earned	\$25,043
Total annualized program return	\$29,463

PROJECTED 5-YEAR RETURN \$147,315

*Annual estimates based on first nine months of data

**645 at \$5.14 per cheque estimated by The Accounts Payable Network

\$147,315 projected 5-year accounts payable program return

\$25,000 estimated rebate back to the hotel during the first year

CSI team achieved 50% enrollment during the initial campaign