CASE STUDY

LeaseEagle

Specsavers – leading the way in lease management excellence

Specsavers is the third largest supplier of eye care in the world, with more than 340 stores across Australia and New Zealand. Until recently, the company's property team relied on a legacy system and spreadsheets to manage store data, making it difficult to streamline and integrate this data with finance procedures. As a result, the payment of property invoices on a monthly basis was inefficient, more susceptible to error and led to the property team not having a complete and precise view of each store's performance.

To tackle these challenges, Specsavers partnered with LeaseEagle. Beginning with a complete data audit, the LeaseEagle Data Services team was able to establish a single source of truth for all property related information, which could be integrated with the finance team's payment processes. The flow-on benefits of improved data accuracy, more automated and streamlined lease payment processes and complete, mobile access to all property were significant.

Specsavers

CLIENT

Specsavers

INDUSTRY

Retail Optical & Franchising

CHALLENGES:

- Critical lease data was held separately to occupancy data, making it difficult to get an accurate, comprehensive view of store performance
- Property teams couldn't access data in real time, out on the road
- Processing monthly lease invoices was time consuming and complicated.

BENEFITS:

- Property teams now access one, comprehensive, mobile database for all lease and store portfolio information
- Integrated lease and finance processes make monthly lease payments simpler and reporting more accurate
- Specsavers enjoys a clear, precise overview of each store's property costs versus sales across Australia and New Zealand.

BACKGROUND

Specsavers is an established, highly respected international franchise with more than 1500 stores across 10 countries. 338 of these are located throughout Australia and New Zealand and passionately provide best value eye care to everyone, exceeding customer expectations every time. This year, Specsavers Australia won four top awards for excellence—the Australian Retailer Association's awards for Australian Retailer of the Year and Australian Retail Employer of the Year, and the Franchise Council of Australia's Established Franchisor of the Year and Excellence in Marketing awards.

PRIOR TO IMPLEMENTING LEASEEAGLE

Previously, Specsavers managed their property portfolio in Australia and New Zealand using a locally installed legacy software application that was not meeting the modern business demands of the company. This application was not user friendly, didn't offer any mobile capabilities and was not integrated with Specsavers' financial software. As a result, the Specsavers' property team operated predominantly using spreadsheets to access portfolio information and business intelligence, inhibiting real time reporting, analysis and property negotiations.

"One of the biggest challenges for us was a lack of flexibility in how to access property data held in the database," said Dean Batchelor, Head of Property, Specsavers. "Our team frequently meets with landlords right across Australia and New Zealand to discuss intricate contract details and historical information about tenancies, but we felt outgunned with information. Where we were carrying around printed spreadsheets, they had access to their whole portfolio electronically. We simply weren't properly equipped to negotiate."

FINANCE AND PROPERTY DATA HELD IN SILOS

Not being able to seamlessly integrate Specsavers' critical property data with the finance system and processes was also proving inefficient. The time and effort spent to generate, verify and authorise property payments was excessive and critical property portfolio and performance information was held in isolation to occupancy costs.

This approach to managing property and finance data made paying 500 property invoices per month a complex, manual task. "It used to take us a full day just to carry out the actual lease payments because we'd have to enter each invoice into a spreadsheet and then import it into our ERP system. From there we'd manually select each landlord invoice and run an individual report using separate reporting software to get a payment file. It was time consuming and reactive. There was room for improvement," explained Rachelle Barnard, Specsavers' Support Office Transactions Team Leader.

THERE WAS ONLY ONE SOLUTION

Staying true to its mandate for innovation and sound business practice, Specsavers chose the award-winning LeaseEagle solution, which would integrate property data with financials in a completely streamlined

process. No other solution was even considered, as Mr. Batchelor explained, "When we started thinking about changing our portfolio management system, we didn't look at other solutions. I had been aware of LeaseEagle for many years and word of mouth among retailers is that it's the best in the marketplace. We just went straight to it."

"Our property team across Australia and New Zealand now has all the information they need at their fingertips. They can run reports in real time, track critical lease dates and contract options, and set alerts and reminders.....This technology is far superior to what we were using before."

Dean Batchelor, Head of Property

"LeaseEagle has become my daily reference point, constantly accessed and updated. I can use the one system to easily customise reports and verify payments - in an instant."

Liz Ricci, Property Administrator

ESTABLISHING A SINGLE SOURCE OF TRUTH FOR PORTFOLIO DATA

With the LeaseEagle team on board, Specsavers undertook a comprehensive audit of their existing data. They then migrated it to the new system and added layers of additional reporting capabilities. For Liz Ricci, Specsavers' Property Administrator, having all the data in one place has improved workflow and data accuracy significantly; "LeaseEagle has become my daily reference point, constantly accessed and updated. I can use the one system to easily customise reports and verify payments - in an instant. I can see critical dates for leases, option dates, whether or not we hold the lease, our business models, capacity, partner (franchisee) details, sales data and lease charges."

She continued, "We can use this to look at occupancy costs and figures for individual outlets and generate unique reports for different landlords, who often have individual requirements. Prior to end of month rent reviews, I can now see clearly which Specsavers stores need to be updated. If an invoice doesn't match the budget, the store's financials are evaluated closely before anything gets paid."

With a growing mobile workforce, Specsavers is also enjoying the power of being able to access property data from their tablet, iPhone, iPad or smartphone while out in the field. Mr. Batchelor commented, "Our property team across Australia and New Zealand now have all the information they need at their fingertips. They can run reports in real time, track critical lease dates and contract options, and set alerts and reminders. It's also great from my perspective because I can truly have a bird's eye view of the whole portfolio and easily oversee all the notifications that go out to property managers. This technology is far superior to what we were using before."

CONNECTING FINANCE AND LEASE INFORMATION

Following deployment, LeaseEagle Technical Services was engaged to integrate Specsavers property portfolio data with the LeaseEagle finance module to seamlessly connect lease and finance processes. The result was a single source of data for the processing, verifying, approving and paying all leasing invoices. Mr. Batchelor explained, "We added the finance module because we wanted to maximise the benefit of being able to validate and action invoices through the LeaseEagle database where everything is checked, benchmarked, analysed and managed very closely. From there we then seamlessly process the actual invoices using our ERP software, which means that no one person has complete control over this process – safeguarding us as much as possible."

NEW PROCESSES SAVE TIME AND MONEY

Since implementing LeaseEagle and integrating the finance module, Specsavers has saved itself significant time and resources. Mr. Batchelor explained, "By streamlining our property portfolio management with lease payment processes, our team has saved about three days work every month processing the rental invoices. The whole procedure is simpler and allows for greater accuracy in the reporting, right across the board."

Ms. Barnard manages the rental invoices for all the stores and offices throughout Australia; "Prior to implementing LeaseEagle, processing invoice payments used to take an entire day. Directly from LeaseEagle, I can now generate bank payment files (ABA and BPay), to the template for Specsavers' chosen bank, making paying the rents so much simpler. Now we can also generate import-ready transaction journal files to the financial system and then payment files back into LeaseEagle to record details of invoices paid. With the full payment reference history in LeaseEagle, we now have a single source of truth for all occupancy related invoices."

PROJECT MANAGEMENT – THE NEXT STEP WITH LEASEEAGLE

Following the successful deployment and integration of LeaseEagle, Specsavers is looking ahead to implement the LeaseEagle project management module. Mr. Batchelor said, "At the moment we do not have any software capable of effectively managing store expansions, relocations or new builds. We're currently discussing with LeaseEagle the possibility of deploying and building on the customised project management module, to compliment both the property and finance modules. That's one of the greatest things about LeaseEagle and its solutions—adaptability and openness to innovation. Like all LeaseEagle customers, we are able to provide feedback and ideas for the product roadmap, and we see them being delivered upon."

LeaseEagle

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