

"I voiced the opinion to the directors one day in 1976", recalls Wally Fox, Group Administration Controller of Swan National, "that if this company was going to continue growing at the present accelerating rate we couldn't continue with a manual data processing system".

Swan National, a subsidiary of United Dominions Trust, started on January 1 1973 as a car rental company with 26 branches. Within three months a further 30 branches had been opened. The rapid growth was assisted by an arrangement with the National Bus Company, whereby branches were opened at the most suitable of over 300 bus depots located in centres and cities in the UK.

Having these readily available sites gave the Company a quick start. From the beginning the directors were determined to offer a national as distinct from a local service, with the result that the national concept was incorporated in the Company title.

Today Swan National embraces 80 rental branches, 35 forecourt locations, 20 retail shops for accessories and several bodywork shops. It is also in the business of vehicle contract hire.

As indicated by its colours, red, white and blue — it is very much a British company. British but not insular. As the British partner of InterRent, the German Company which has arrangements with vehicle hire organisations in more than 30 other countries, there is available an international network throughout which Swan National will arrange car hire facilities in most of the major locations in the European and American continents.

Swan National's policy is to provide as personal a service to the customer as possible. It emphasises one-way hire. In dealing with national organisations it offers the flexibility of users being able to deal with any of the 80 branches. Billing can be to a central office or to a number of locations, as required by the user.

"Users deal with Swan National as a unit irrespective of where a car is rented and deposited", stresses Group Financial Controller, Peter Cooper. "Our billing is centralised here in Leicester, itself a central location in the motorway network. When it comes to accounting it is vital that there is no slip up between a branch and Head Office".

When a car is hired the branch

completes the rental agreement with all the details of the hire. When the hire is completed the branch sends the document to Leicester, where the terms and rates are verified before the customer is invoiced.

A team of up to 25 people used to check agreements manually. The agreements were then punched into cards, which had to be verified. All the punched cards provided was the sales ledger information to build up the monthly statement for each customer. The invoice to the customer was a copy of the rental agreement produced in the branch. When errors were spotted these were altered manually before

disk storage and a 300lpm printer. It has since expanded to 20 terminals with 71 megabytes of disk storage and two printers. Some of the data processing is done in-house and some by a bureau.

"Our aim in installing the system was two-fold", says Wally Fox. "We wanted to take over the manual processing and the capture of the summary information all in one pass. The alternatives were for our administrative establishment to either grow month after month or collapse under the weight".

By getting the data right in the first place everything that follows is bound to be right. On short term rentals the agreements posted to Leicester are all keyed into the Redifon system. The agreement is the prime document on which invoices, the sales ledger and analyses depend. Within 48 hours of a completed agreement being received an invoice is produced by the system.

"The system always applies the same rules", emphasises Wally Fox. "The risk of 80 locations calculating their own version of the charges and producing a different answer is eliminated. There is a common approach to every single hire, no matter whereabouts in the country the agreement is signed. The result shows in a neatly printed document".

Another aspect of the system is good for customer relations. Cash customers leave a deposit when commencing the hire. Often they will return the car to a location outside normal working hours and nobody is there to check whether a refund or a further payment is due. Previously, these balances were calculated manually. The system now does this automatically. In checking the rental agreement, if the cash already received does not equal the final charge the system either prints a new invoice showing the balance owing or a cheque for a refund. An overcharge, which may have occurred in hurried arithmetic at a branch, is always refunded. A cheque for even a small sum like £1 is always acceptable.

Leasing is based upon a long term contract, the details of which are held on a master file tape created, checked and verified by the Redifon system and held at the bureau. The details cover such items as mileage per annum,

CHECKING ALL CARS

SWAN NATIONAL car rental



submission to the customer. Peter Cooper now refers to this period as "the non-accurate days". They were even more non-accurate during the peak rental season of the summer.

Wally Fox makes the point: "Our job is to produce accurate invoices and get them out quickly. The bulk of the work is on the rental agreement processing. Back in 1976 when the manual system was already starting to show signs of strain we were renting about 2,000 cars a week. Now it's over 6,000. The business is also much more evenly distributed throughout the year".

To cope with the workload Swan National began installing its Redifon data entry system early in 1977. Initially it consisted of 5 terminals, a central processor with 5 megabytes of



An R300 data entry system is installed at Swan National, Leicester.

length of contract, customer's name, amount of payment per period and method of payment.

Fleet records are maintained on the system. The record and whereabouts of any one of 8,000 rental or 4,500 contract hire vehicles can be ascertained at any one time. Data — car registration, model, agreement number — are stored in the Redifon system and through the computer bureau a print out can be obtained of the whereabouts of any vehicle during its life. The information is useful for parking offences, police enquiries and the like.

The whole purchase ledger for all locations, more than 100, is handled in-house. Besides producing remittance advices and cheques the system provides an analysis under expenditure heads. All locations send in a daily return of business done. This information is keyed in and checked so that analyses can be produced. The day to day analysis of turnover and cash position (with shortages and overages) is done in-house and the monthly summaries by the bureau. Petty cash for the organisation is handled weekly by the system. Time sheets are

processed through the system, which handles the payroll data for 250 weekly and 750 monthly staff.

Through the InterRent system and other overseas agencies reservations from overseas come direct to Leicester, mainly by telex. In 1978 there were about 27,000 such reservations. Some made up to six months in advance. The information is recorded and updated in the system. The job was previously done by seven or eight clerks, whose headache was keeping up with amendments.

Now regular print outs are produced so that branches have clear statements of the cars required and when. About two weeks before the due rental date a booking document is produced stating the name of the traveller, flight number, type of car, the charge/deposit, daily rental, insurance etc. When the rental has finished the agreement passes through the system to link up with the reservation for billing on the original terms. Balances are adjusted either way and the agency commission taken into account.

Altogether the data entry system employs 25 people. Thus the same number of staff operating the original

manual system is now handling in excess of three times the amount of business in short term rentals alone. It is also doing other jobs some of which could not have been contemplated with a manual system.

Errors have been considerably reduced. Under the manual system there was a 15% rejection by the computer bureau. That figure is now down to about 1%. Processing is also much quicker.

"We are using the Redifon system as much more than a data preparation system", concludes Peter Cooper. "We get routine management information out of it and this year we've used it for the first time to prepare our budgets. We've prepared our total plan for the organisation for 1979/80. It took us a week instead of two months by hand. It is done in detail, broken down by location by four-week period. Moreover we can feed changes into the system. It is very flexible".

