



Jackson National Life Insurance Company®



Customer Highlight on...

Lynn Arntson

Jackson National Life Insurance Company

Founded in 1961, Jackson National Life Insurance Company (JNL) has evolved from a single-channel insurance company offering few products to a \$50 billion full-service financial services firm offering multiple products through multiple distribution channels throughout the United States. Purchased by London-based Prudential plc in 1986, JNL has become a core component of the roughly 45 percent of the group's statutory operating profit in 2003. Jackson National's objective is to continue building a profitable and sustainable position in the U.S. market that contributes materially to the value growth of the Prudential group.

The Buyer for JNL's Michigan-based operation is Lynn Arntson, who has worked in the supply chain management field since 1984. He has been with JNL for three years and is responsible for all buying within his facility and most of the buying in three other locations and affiliated companies. JNL's annual spend budget is between \$12-15 million dollars, and they execute between 30-40 thousand purchase orders per year.

Searching for a purchasing software package

When Lynn came on board with JNL, the Lawson financial package was in place, and it included a purchasing segment. Lynn says the software was difficult to use and did not provide the functionality or ease of use that they needed; nevertheless, this purchasing software continued in place for two years. "Then," Lynn said, "We were forced into a decision. We were using an older Lawson version that was not going to continue to be supported. We had to upgrade which meant a very sizable investment or look elsewhere for a more reasonable alternative. We chose the latter alternative." Lynn was charged with the responsibility of evaluating different purchasing software packages, and this search took a year.

Jackson National Life looked at several packages during the year, including Bellwether's Purchasing Management eXtra (PMX), which he found through The Institute of Supply Chain Management. At the end of the year, the choice of vendors was still not clear, so Lynn decided to look at the choices again. This time, he found that Bellwether had released a new version of PMX, and he liked the changes in the product. He asked for a trial of PMX, and he evaluated the product. Lynn stated, "The evaluation copy was excellent, and the manual that came with it was thorough and detailed. We knew exactly how the product would perform, and we were sold."



PMX is implemented

“When we implemented PMX, the first thing we realized was a huge timesavings. It cut our processing time in half. For example, the Lawson purchasing package required 12-15 clicks to get a printout of a PO. PMX requires 2 clicks. With 30-40 thousand purchase orders per year, the timesavings were very significant. JNL first purchased PMX as a stand-alone system, but when new programmers came on board, they recommended that we upgrade to the SQL version. I don’t know how we functioned before PMX,” Lynn stated.

A big fan of PMX

Lynn is a big fan of PMX for a lot of reasons. Here are some reasons he listed.

PMX allows the review of the PO document on screen at any time during the creation of the PO. This is important because our department constantly checks for pricing, spelling and part number errors. With the old software, this was not possible because we could view only the last three lines of the PO. We had to print a copy of the PO before we could even review it, which took 12-15 steps. With PMX we can easily see, review and edit the entire PO on screen.

PMX has an unlimited number of characters available for PO instructions. The old software had a limit of 180 characters. Sometimes, special instructions can use up 180 characters very quickly, and there is no room left for anything else.

With PMX we can attach multiple pre-stored text paragraphs to the PO document. Special text codes allow us to enter phrases that might go on a PO, like “special care” or “extra crating,” instead of typing them in on a comment line. Special text is easy to get to. It’s all in the PMX header.

PMX can easily “drill down” and display the entire PO document for any purchase order in the database. We can look at the auto-history card, see the number of purchases per vendor and look at most of the text. We can scroll down to any particular PO, click on that line and PMX will bring up that PO. We could not see anything but the first line with the old system, and we could not click and open any previous PO’s.



PMX really cut down on our “fumbling about” to locate things on past PO’s.

PMX’s standard reports are very intuitive. With the old system, there were many reports we could not run. We would have to farm the task out to Accounts Payable, and since running purchasing reports was something they did not do on a regular basis, it was cumbersome and time consuming. With PMX we can run any report we need. Everything is here, and we can sort by vendor, date, account code, etc.

“I would recommend Purchasing Management eXtra to anyone who is looking to save time, become more efficient and improve system flexibility. PMX offers extensive functionality at a reasonable cost, and the system is easy to use,” Lynn concluded.

Learn more about Jackson National Life Insurance Company at www.jnl.com