



## STATISTICS GREATLY IMPROVES AP PROCESS



### key benefits...

- Increased efficiency
- Improved control
- Reduced costs
- Improved supplier relationships
- Quick online access to invoice information
- Minimal staff training required
- Decreased paperwork
- Transparency at every step
- Comprehensive view of invoice status
- Accrual provides accountability
- Integrates with most financial systems



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Statistics New Zealand is New Zealand's national statistical office. It administers the Statistics Act 1975, and is the country's major source of official statistics such as the competitiveness of New Zealand businesses, energy use, agriculture, water resources, fish stocks, retail figures, tourism, incomes, inflation, and who New Zealanders are.

Every year Statistics collects over 60 million pieces of information. With such a large volume of information to manage, Statistics is always looking for ways in which it can leverage technology to make its staff more efficient and productive.

### Staff hampered by paper-based process

Statistics identified that staff involved in the accounts payable process (especially those responsible for coding and approving invoices from suppliers) were being hampered by a cumbersome, paper-based process.

Explains Raj Narayan, CFO, "Suppliers were sending invoices directly to staff at our various offices, which meant that our AP staff had no visibility of where an invoice was in the organisation until after it had been approved for payment. Often invoices would be mislaid or lost altogether."

The existing manual process also meant that staff only ever had access to current supplier invoices. To look up historical invoices involved either sorting through boxes of paper or querying the financial system (which did not contain all of the details on the invoices).

This severely hampered the ability of staff to make timely business decisions. For example, staff responsible for managing Statistic's massive population census every five years need to be able to quickly identify which suppliers were used during the previous census, or how much was spent on particular goods and services.

The existing process was not only inefficient but also inherently risky as staff had to refer to out-of-date paper copies of Delegated Authorities lists. "Our auditors raised concerns that some invoices were being signed off by staff who did not have the correct level of authority," says Narayan.

"Not only did a paper-based process make it difficult for staff to ensure they had the correct level of authority, but it also made it difficult for AP staff to identify any mistakes that had been made. We felt there had to be a better way."

# FUSION5 CASE STUDY

## AP-EAS provides the answer

Statistics decided to approach the market for an online system which would enable all invoices to be centrally scanned and then routed to staff electronically for coding and approval. The approved invoices then had to be able to be exported to Statistics' finance system, Navision.

After evaluating several systems, AP-EAS\*, was identified as providing the best fit for Statistic's needs. AP-EAS was implemented in 2005 and configured to interact with Navision. The system has since been rolled out to most of Statistic's staff.

AP-EAS can be configured so that every approver is given a limit up to which they can approve invoices (the limits can include both CAPEX and OPEX expenditure as well as project-related expenditure). This means that staff no longer have to refer to pieces of paper. AP-EAS automatically controls whether they have the necessary authority to approve expenditure and if required submits the invoice to a person with a higher authority level.

Every invoice in AP-EAS contains a history section which records each action taken on the invoice (e.g. entered, assigned for coding, coded, rejected or approved, placed in dispute, etc). Therefore Statistics' auditors can now quickly match names on an invoice to the list of delegated authorities.

## Enthusiastic response from all

The Assistant Financial Accountants explained, "The feedback from staff has been extremely positive, with a frequent comment being 'it's so simple!' Users like the fact that they can access invoices directly from their email by simply clicking on a link. They also like being able to see their invoices forever - in the past they only had access to the latest invoices."

AP-EAS has also made life easier for the AP staff. "We found it quite easy to use. In fact there are some things we can do faster now, such as batch posting invoices. Having AP-EAS has definitely been of tremendous value in helping us cope with the AP workload associated with the 2006 census. And AP-EAS has eliminated some issues we had around the way Navision handled things, for example invoices matched to purchase orders."

Implementing AP-EAS has also reaped some unexpected benefits for Statistics. As the result of an office move into a new building, the Finance Department now has much less storage space, necessitating the off-site storage of all paper invoices more than a year old. Having AP-EAS meant this was not a problem, as staff are able to quickly access historical invoices online.

According to the Accountants, "Users like being able to download data from AP-EAS into Excel for further manipulation. They can now also easily delegate their duties to someone else when they are absent, and the Accountants and Managers have just loved the ability to create monthly accrual journals at the click of a button!"

## Looking to the future with AP-EAS

Statistics has been so impressed with the results it has achieved from implementing AP-EAS that it is now planning to implement the Purchase Orders module. "Like the rest of AP-EAS, we are attracted to the simplicity that the Purchase Orders module offers," says Narayan. "It will enable us to only touch an invoice once and eliminate some of the cumbersome re-work that our current processes involve. We are also planning to look at the Expense Claims module in the near future as we believe that this will make it easier and quicker for our staff to be reimbursed for their business-related expenditure".

\* AP-EAS is the earlier version of ApprovalPlus