



ABBYY Helps Adactus Improve Its Purchase Order Processes

Customer Overview



adactus

Name

Adactus Housing Group

Location

Lancashire, UK

Industry

Housing

Web

www.adactushousing.co.uk

Challenge

Slow, manual processing of purchase orders and high operational costs

Solution

Document management system and automated data capture

Results

- Increase of transparency and budgetary control
- Elimination of manual work
- Reduction of operating costs
- Compliancy with financial regulations
- Optimisation of invoice coding accuracy

Adactus, a group of housing associations with over 13,000 properties across the North-west of England, with offices in Leigh, Chorley and Manchester, is focused on saving and getting the best value for money. Listening to recommendations from its external auditors, the company decided it was time to implement a Purchase Order Processing (POP) solution to make sure it had robust control over spending across all departments with a clear and transparent system of accountability for budget holders.

Challenge

Prior to implementing an electronic document management system (eDM) with automated invoice processing, Adactus had a manual process that had resulted in long delays in handling invoices. While automating the process significantly improved invoice approval practices, it did not allow budget holder's full control of their budgets at the point a spending commitment was made. What was missing was a purchase order system to connect to and complement the entire purchase planning and accounting process.

For Adactus it is important to ensure that money is spent wisely to get the best deals with its suppliers. In addition to strengthening its business processes to improve internal controls, it was crucial that Adactus partnered with companies it could trust to develop a software solution that was as intuitive to use as Amazon, while delivering real control and visibility over the purchasing process.

Solution

Adactus compared different purchase ordering solutions on the market and chose Invu as a document management system provider. Invu developed a customised solution, which moves the point of control from the invoice arrival to the earlier point of requesting a purchase and enables the budget holder to see the potential impact of that commitment on their budget before any expenditure is committed to. Employee engagement was critical to obtaining buy-in to the project. It was therefore important that those employees responsible for placing orders found it as easy to use as making purchases at home through services such as Amazon.

"We had no central purchase ordering solution in place. Having looked at other purchase ordering systems on the market that were not user-friendly we decided to develop a bespoke solution with Invu. We wanted a POP solution that embodied the same principles as Amazon by being easy to use and intuitive."

*Chris Holden, Management
Accountant at Adactus*

"The Invu and ABBYY solution enables our budget holders to easily approve purchase requisitions or reject any that they do not wish to commit to before the supplier receives a purchase order – thereby preventing cash from leaving the business unnecessarily."

*Chris Holden, Management
Accountant at Adactus*

The solution is based on the powerful data capture and document processing platform ABBYY FlexiCapture®, which helps automate the capture and extraction of data from any kind of document like supplier invoices for matching against purchase orders. Solutions based on the FlexiCapture platform help organisations like Adactus streamline their document-based processes through automated extraction of key data for use in a variety of downstream business systems (database, ERP, DMS, SAP®, SharePoint®, etc.).

Invu's solution allows staff to search previously purchased products or services to use as a template – or simply create a new one, add it to their basket and send a request for approval based on automated business rules within the system. It uses these rules to relate General Ledger (GL) codes to the relevant budget holders, who can themselves approve requests, while the system also has the capability for budget holders to delegate a level of authority on each GL code to users based on monetary value. The solution is self-service, thus once the line items are extracted by ABBYY and approved, an employee can raise and place an order with the supplier and 'receipt' the goods or service when delivered. Supplier invoices when received, are read via the ABBYY data capture solution and then the relevant meta data is automatically extracted for indexing using multiple criteria. Subsequently, the invoices are either automatically matched to fully received purchase orders or adjusted and approved by budget holders.

Invu's professional services staff have been closely involved with the installation, configuration and integration of the software, which was carried out on an agreed plan. Since the users access the system via their web browser there is no end-user software installation required. The Corporate Services and Finance departments were first to pilot the solution and iron out any queries, when ordering items such as stationary or IT equipment. The solution has been used to raise purchase orders, and the number of purchase orders processed has increased, as it has been rolled out across more departments over the year since its introduction.

Results

"Our budget holders have far greater control over what is being spent against budgets because they are seeing purchase requests before goods are ordered. This gives Adactus better oversight and we are better able to forecast our cash commitments," says Chris Holden.

With this solution, Adactus has increased budgetary control and full oversight on expenditures. In the future, they will look to enhance the solution to further help staff collectively improve their purchasing choices by using the historic data from across the business combined with management tools to suggest the very best matching options when they next make a request. The solution has so far received positive feedback from employees who have embraced moving to the automated solution.

"Now we have an inclusive purchase ordering system in place, visibility across the whole business has since been significantly improved," explains Chris Holden. "Most people have used Amazon or an eBay portal without having to use a help manual, which is the spirit in which our system has been designed and built. While our system includes a 'tips' mechanism, it is an intuitive system requiring minimal training. Staff feel that the system is easy to operate which is testament to one of the guiding principles that influenced the design of the POP solution – to be intuitive and easy to use for the end user."

ABBYY Solution Partner



www.invu.net

About ABBYY

ABBYY is a leading global provider of technologies and solutions that help businesses effectively action information.



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