

Effectiveness versus efficiency

What do large organizations aim for nowadays with respect to a Shared Service Centre (SSC)? Before setting up a SSC, it is often not even clear what the ultimate aim is. Yet experience has shown that it's essential to the effectiveness of the process to focus on efficiency.

Testing the process enables you to identify any potential bottlenecks and earmark any areas for improvement. Once the process is running smoothly, you can transfer and/or outsource it. Transparent's independent testing mapped out our areas for improvement. Transparent's advisory report also clearly showed how well we do compared with other organizations.

Degree of stability

An organization's stability and its processes are very important when it comes to successfully merging companies, departments and/or accounts structures.

Enrichment of creditor name and address data

Experience has shown that inaccuracies in payment data and supplier data in the ERP system make merging accounts systems more difficult.

Right at the start of the analysis it became clear that the name and address data in the ERP system was inaccurate and in need of cleaning up.

As a result of the statement mailing sent by Transparent on behalf of the organization, the advisory report clearly showed which names and addresses were incomplete and which suppliers could be removed from the system.

KPIs

Thanks to Transparent's advisory reports, we succeeded in formulating a number of Key Performance Indicators immediately after completion of the Accounts Payable Analysis. This included improving the data in the ERP system via clean-up operations.

This entailed looking in detail not just at the data itself, but also at the processes for updating data in the ERP system.

Accounts Payable Analysis leads to effectiveness

Evaluations conducted by an independent party such as Transparent improve the process and any incorrect payments are reclaimed. Consequently, we know exactly what we need to focus on over the next 24 months in order to be able to work more effectively. The Accounts Payable Analysis has enriched the supplier data file and communication with suppliers has also improved. In addition to funds which have been retrieved, which is always a plus, we are now able to achieve our intended level of effectiveness by implementing the recommendations in the Accounts Payable advisory reports.

We have also come to new arrangements with those suppliers responsible for a large portion of the invoices.

Partner-driven Accounts Payable Analysis

Little time was required to support and get the Transparent employees up to speed. Over several months, one hour a week was spent going through current issues with the head of accounts. The analysis was started in January and concluded at the end of March, after which the advisory reports were presented in May.

Digital updates

One major advantage of the Accounts Payable Analysis process is the digital reports which are discussed weekly. These reports enable facts to be made known immediately and optimize communication between the parties.

Future

We have agreed with Transparent that Accounts Payable Analyses will be conducted periodically with a view to goal-oriented working and introducing periodical evaluations. For instance, it is valuable to have an Accounts Payable Analysis conducted when new hardware and software are implemented. The analysis results enable us to make immediate alterations and to retain confidence in the Accounts Payable process.