TRIDENT HOUSING ASSOCIATION GAINS IMPROVED FINANCIAL CONTROL WITH PROACTIS PURCHASING SOLUTION

Social housing organisation streamlines purchasing and accounts payable processes whilst strengthening authorisation, audit trail and reporting.

Goals:

- Improve budget control with a reliable purchase authorisation process and better visibility of commitments

- Streamline the Accounts Payable process

- Capture all purchase activity in electronic form for reporting and analysis

The client

Trident Housing Association (Trident) is one of the UK's leading providers of quality residential housing, along with resident care, support and community services. Trident was formed in 1965 and, as a result of growth through several mergers, is now one of the Midland's leading social housing associations looking after approximately 3,000 homes, costing more than £90m to develop.

Annual turnover is approximately £20m and Trident processes about 10,000 invoices a year with nearly 400 suppliers in support of approximately 530 employees and 138 different property schemes.

The challenge

Many purchases at Trident are initiated by on-site personnel located at the various properties, including such things as repair orders with contractors, catering for eventsand maintenance supplies.

Prior to PROACTIS, Trident had a largely manual procurement process where paper requisitions and purchase orders were frequently buried on someone's desk or lost altogether.

Employees often just picked up the phone or sent an email to order from a supplier with whom they were familiar. The organisation had no formal record of many purchases until the invoice arrived.

Besides putting a large burden on the Accounts Payable function, that environment made it very difficult for managers to control budgets, and provided very little visibility of the expenditure outlook for the Financial Director.

The smarter way

Why PROACTIS?

When Trident determined it was time for an upgrade to the organisation's information systems, they turned to PROACTIS partner, Touchstone Group, to help with that process.

In addition to upgrading core financial systems, deployment of a proper purchasing system was a high priority.

Once Touchstone had helped with implementation of Infor FMS SunSystems core financial ledgers, Trident turned its attention to procurement. After considering the SunSystems purchasing module and other options, Trident selected the PROACTIS purchasing solution.

In addition to providing all the purchase controls and reporting capabilities Trident were looking for, PROACTIS was clearly an intuitive, easy-to-learn, easy-to-use system the project team felt employees would embrace and use.

The team knew they could only get the results they were after if the new system was adopted organisation-wide, so that was a key issue.

> "We had a great project manager who understood how I worked and worked well alongside me, as if we were partners. She understood my needs and time constraints. The Touchstone consultant found answers to every challenge, so the system fitted our business requirements rather than vice versa."

The results

Today, the PROACTIS purchasing solution is being used by employees across all Trident property locations and head office departments for procurement of nearly all the goods and services the Association buys.

About 100 employees and managers use the system on a regular basis.

> "We're very pleased with the roll-out of our purchase-to-pay system," says Ed Reed, Trident ICT Business Process Partner. "Once people adopted the mindset of using the system, they embraced it pretty quickly. They found out it's really quite easy to use and that they get what they need much faster.

> They don't need to think too much about the authorisation process because the system automatically takes care of that."

Touchstone helped Trident with the PROACTIS implementation. When the system was first launched, a half-day training session was provided for employees along with a simple reference guide developed jointly by Trident and Touchstone. A few property locations had to have their Internet access upgraded from dial-up, but otherwise, the system fitted smoothly into Trident's Microsoft-based computing infrastructure.

The system is integrated with Trident's SunSystems ledgers and Genero property management system. The property management system automatically passes approved work orders to PROACTIS as purchase orders for later invoice matching.

PROACTIS templates and supplier website punch-out capabilities are used to simplify common purchases. Managers receive emails notifying them when purchase requests need their approval. Everyone has full visibility of purchase activity from request through to payment authorisation.

Probably the biggest benefit of the system is improved budget control. All purchase requests are now governed by PROACTIS authorisation rules configured for Trident policies and procedures. Some requests are approved and released automatically, while others are routed to the proper person for review and approval based on value and other criteria.

Managers now have clear visibility of all purchase commitments making it much easier to effectively manage expenditures to budget.

The system has also made life better for the Finance department. In addition to better visibility of the cost pipeline, PROACTIS provides a full audit trail and standard reporting capabilities for spend analysis purposes.

> "Our Financial Director considers this a 'business critical' system and is very pleased with the way it is working."

Another important benefit of the PROACTIS system has been a significant reduction in the workload for the Accounts Payable function, allowing re-allocation of manpower to other activities. Any such staff savings are valuable for a non-profit organisation like Trident.

Summarising Trident Housing Association's experience with PROACTIS, Reed says:

> "Our employees have embraced our PROACTIS-based purchasing system as we had hoped. With just about all purchases going through the system we now have a level of financial control and visibility we never had in the past."

Results to Date

- Bank Reconciliation
- Nearly 100% of purchases now managed electronically through PROACTIS
- Purchase requests automatically routed to appropriate person for authorisation based on corporate policies
- Managers have clear visibility of purchase commitments at all times
- Accounts Payable manpower re-allocated to other activities due to automatic three-way invoice matching and troubleshooting workflow
- Complete history of purchase activity providing basis for spend analysis

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