Hanze University

Hanze University of Applied Services Groningen is the oldest multi-sector university in the Netherlands. It encompasses institutes in Groningen (main campus), Assen, Leeuwarden and Amsterdam. With 40,000 invoices coming in each year, the university needed an automated invoice processing solution that integrated with Microsoft Dynamics AX.

Challenge

Increasing workload, problematic system

Before automation, invoice processing at the university was cumbersome and decentralized. The invoices that suppliers sent directly to the budget holders at various locations ultimately ended up in desk drawers throughout the many campuses—or worse—were misplaced. Copies of the invoices were then made, which created duplicate archives. Stakeholders could not locate invoices within the organization, and it was difficult to identify who exactly was accountable for the delays. The manual workload weighed heavy on the staff, resulting in errors in the keying in of invoice data.

After analysis, the shortcomings of the current system were defined:

- Lack of accountability for payment delays
- Heavy manual workload
- Lost invoices
- Errors from keying in data from paper documents
- Paper-intensive process, and shadow archives

The workload increased again after a staff member left, and the organization had no choice but to replace the employee or adopt a new and better method.

Solution

New process, improved technology

To improve invoice processing speed and accuracy, the university opted to overhaul and simplify its internal methods by deploying an automated invoice processing system. The chosen solution was jointly developed by HSO, Simac Document Solutions and ReadSoft to seamlessly integrate with Microsoft Dynamics AX.

The paper invoices now arrive centrally at the creditor administration, where invoices are immediately scanned and converted into electronic images. Then, the invoice data is extracted by the ReadSoft solution and tested to ensure its accuracy (such as determining whether the subtotal of the invoice line coincides with the number of articles and the unit price, or whether the VAT percentages and amounts are correct). Any identified discrepancies are then manually verified.

Meet Hanze University

Hanze University of Applied Services is located in Groningen, a city of nearly 200,000 residents in the northern part of The Netherlands. The university has a wide variety of bachelor's and master's programs, as well as certificate and exchange courses

- Focus areas: Energy, Healthy Aging, Entrepreneurship
- Students: 26,000
- Staff: 2,700

Products in use: ReadSoft Online

Focus: Higher Education
Financial Process Automation

Implemented in: Accounts Payable

Integration: Microsoft Dynamics AX

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Invoice data is transferred to Microsoft Dynamics AX if determined as accurate.

Invoices received as email attachments, such as PDFs, are processed in a similar manner. The ReadSoft software is in constant contact with the email to which the invoices arrive. The software automatically removes the invoice, extracts and tests the data, and either alerts the user to resolve discrepancy, or automatically transfers validated data to Microsoft Dynamics AX.

The turnaround time for invoice processing has been cut by 30%, according to Heunks.

Results

To maximize internal acceptance, all stakeholders in the invoice processing system were educated through demonstration sessions, newsletters and participation in testing.

"ReadSoft is a sound product, a tried and tested solution that was quickly accepted by our users. Our staff on the accounts payable team did not need much training–an afternoon of instruction and the rest was self-explanatory. The power of the software lies in the simplicity of its operation," says Heunks.

Greater control, faster processing

The invoice processing function at Hanze University now runs more smoothly and efficiently, and with greater control. Errors and double payments are avoided. Invoices no longer get lost and there are no duplicate archives. Staff members with budget approval authority have access to the archive at all times.

The university has gained so much time and efficiency, says Heunks, that the replacement of the departing employee was not necessary.

Building on the advantages

The university expects to expand its automated processes to include the matching of invoices to purchase orders. In addition, the organization plans to upgrade to Microsoft Dynamics AX 2012 and with it, address the automation of other document flows.

"Automation of invoices was a good start for us," Heunks says," and we are going to continue on this course."

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Jean-Paul Heunks
Head of Finance
Hanze University of Applied Services
Groningen

Industry-leading business process automation

In 2014, Lexmark International, a global technology leader, acquired ReadSoft, a leading provider of applications for automating business processes. Together, they become an unmatched solution for financial process automation. Lexmark enterprise software, hardware and services remove the inefficiencies of information silos and disconnected processes, connecting people to the information they need at the moment they need it. This case study reflects ReadSoft products and positioning at the time of acquisition and has been approved for use.

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