

CASE STUDY:

Addaction

TRANSFORMING ADDACTION: AN AUTOMATED SYSTEM FOR PURCHASING AND INVOICING

FROM A 15CM-HIGH STACK OF FIVE FOLDERS OF PAPER THAT NEEDED TO BE MANUALLY ENTERED AND POSTED EACH WEEK, TO BEING PRACTICALLY PAPERLESS. BASWARE HELPED ADDACTION SAVE 60-70% ADMIN TIME AND MADE A 100% IMPROVEMENT IN SUPPLIER RESPONSIVENESS.

Addaction is a British charity that supports people to take control of their lives and make positive changes. For fifty years they have made a difference to people who want to change their relationship with drugs and alcohol and improve their mental health and wellbeing. Their services are delivered in 81 locations in England and Scotland, and they reached more than 130,000 people last year. As a charity, Addaction has to carefully manage the money they receive from local authorities, grant making bodies and other commissioning organisations. They use Basware to process invoices worth £52m per year.

LIFE BEFORE BASWARE

Addaction has to deal with 900-1,000 invoices per month but before Basware the process was manual.

Paper invoices were posted to the finance system at services, logged, sent to the central office, checked against the system, reviewed, printed, checked, signed off, and a manual payment run was done twice a month. Paper invoices were approved by managers who had to be in the office to do it.

In 2015 Addaction were already struggling with lots of paperwork

'LIFE WITH BASWARE IS GREAT! IT'S REALLY, REALLY GOOD. THERE'S A MAJOR IMPROVEMENT IN ALL DEPARTMENTS AROUND THE ORGANISATION - FROM OPERATIONAL STAFF TO ADDACTION DIRECTORS.'

CUSTOMER:

addaction

INDUSTRY:

Charity

LOCATION:

UK


BASWARE SOLUTION:

- E-Invoicing
- P2P

when they merged with another organisation. 'There was pressure for us to get more organised,' says Mira Skura, Head of Financial Accounts. 'We had to manage the workload and volume of £1 million pounds worth of spend each week and wanted to improve our relationship with suppliers'.

basware

Simplify Operations, Spend Smarter.



**'THERE'S MATCHING OF INVOICES
TO PURCHASE ORDERS AND PAYMENT
PLANS. IT'S AUTOMATIC'**

COMPLEXITY

'Because we have a lot of services around the country - over 80 properties paying rent and service charges, including utilities - we have many, many suppliers to deal with,' says Mira. There is a lot of complexity in terms of accounting for expenditure and they needed a system that could meet their varied requirements. 'We went with Basware because we felt it was a lot more flexible than the others. It was a lot more advanced. The flexibility and the look of it convinced us.'

BENEFITS OF BASWARE

Since implementing Basware, Mira says, 'There have been many efficiency savings: process efficiency, staff productivity, reducing source-to-pay cycle times. It has reduced transaction processing times - freeing up staff to focus on value-added activities'. Addaction is also using Basware for IT purchase orders which gives them a lot more control, and there is a plan to use purchase orders across the organisation in future.

The purchase ledger clerk has probably saved around 60-70% of their time, which is now spent on ensuring compliance and liaising with suppliers. As a result, 'Our relationship with suppliers has

improved', says Mira. 'Once they signed up with Basware and the invoices were flowing through the system it was much better. For those who have queries we can get back to them sooner. If it previously took us two days to reply, we can get back to them in one day'. 'It has improved relationships with our IT suppliers in terms of purchase ordering as well. There's matching of invoices to purchase orders and payment plans. It's automatic.' Basware has also made significant time and cost savings in services, since administrators who would have been tied up with processing and entering invoices can now manage other duties within the service.

MORE TIME

'It has definitely brought a big improvement in efficiency', says Mira. 'Cash flow is now managed so much better. Previously we would just pay anything that was

**'THE PURCHASE ORDER
SYSTEM HAS DEFINITELY
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there waiting to be paid. Now we can run payments based on payment terms. The system has made a huge difference in terms of how managers spend their time. They can approve invoices wherever they are in the country. They just need to log in to the system, approve the invoices, and deal with them there and then. They don't need to be in the office and there are no delays on that side of things.'

COMPLIANCE

'Having Basware in place has definitely improved compliance' says Mira. Previously, 'Changes to supplier details were hard to manage, with a consequent risk of fraud. Even though we had staff dedicated to doing a lot of checking, because it was manual you couldn't really bring up signatures of all of our managers to confirm that a change was genuine. With all this now online, it's easy to maintain. For example, if a manager leaves then the change flows through and the leaver has no access to sign anything.'

STORAGE AND COST SAVINGS

Not only is Basware helping Addaction save time and improve

'THE REST OF THE ORGANISATION ARE REALLY PLEASED - THEIR COMMENTS ARE FANTASTIC. THEY THINK IT'S SO EASY TO APPROVE AN INVOICE. IT'S GOOD TO SEE ALL THE INFO IN ONE PLACE. IT'S VERY EASY TO USE. THEY JUST LIKE IT.'

compliance and efficiency, it also saves processing costs (Addaction estimate it costs 20% of the original paper-based processing) and removes the costs of storing paper offsite. 'Previously, we had to pay a storage company for filing these invoices securely - and to access the documents, never mind the administrative burden of filing it. Now, the information is just there. I went through a VAT exercise recently and there was no need to request, say 100 boxes of information to go through.'

SPEND CONTROL

Having Basware purchase ordering in place has also enabled the pre-authorisation of spend on IT equipment and services. Mira

says, 'Previously, our managers would commit to spend, then get an invoice. Finance had no control over how spend was committed. They would commit to it regardless of whether they knew there was a budget or not. Now there is a budget, they know it, and they have time to make a decision.'

IN CONCLUSION:

Addaction's operational staff are very happy with the implementation. One of their managers had been away on sabbatical for a number of months, and when they returned they said 'Basware is fantastic. It is easily the most useful and positive change that came in while I was away'. Mira says, 'the Basware team has been really, really professional and efficient in terms of how they communicate with us and with each other. One of the things we really liked was how Basware helped suppliers to sign up for submitting their invoices digitally. The team also dealt with our queries and supported both us and our suppliers through the process. Working with Basware has really been a pleasant experience,' Mira concludes.

BENEFITS FOR ADDACTION:

- Tremendous efficiency
- Cost reductions through automation and no need to pay a storage company for filing paper
- Easy data retrieval for VAT and tax purposes
- Better cash flow management
- Improved supplier relationships and 100% better supplier responsiveness
- Reduced fraud risk and improved compliance
- 60-70% reduction in the purchase ledger clerk's time spent on processing
- Improved visibility and control over budgets and supplier spend.

ABOUT ADDACTION

As of 2016 the charity provided services to over 75,000 people a year in sites across the country from Argyle and Bute down to Cornwall in England. Over 100 services offer drug and alcohol treatment support to adults, young people and families in community-based programmes.

ABOUT BASWARE

Basware is the global leader in providing purchase-to-pay solutions, e-invoicing and innovative financing services. Basware's commerce and financing network connects businesses around the globe. As the largest open business network in the world, Basware provides scale and reach for organisations of all sizes, enabling them to grow their business and unlock value across their operations by simplifying and streamlining financial processes. Small and large companies around the world achieve significant cost savings, more flexible payment terms, greater efficiencies and closer relationships with their suppliers. ©Basware 2018

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