

Stephanie Turner

Accountant – Facilities Management

FM Invoice Processing



Mission

The FM Invoice process exists to pay vendors for services provided in order to keep vendors engaged while ensuring FM meets budget and Accounts Payable guidelines

Vision

A 20% reduction in cycle time by Spring 2022

SIPOC

| Suppliers | Inputs | Policies | Outputs | Customers |
|--|--|---|--|---|
| <ul style="list-style-type: none"> • Team leaders • Director of FM • Accounts Payable | <ul style="list-style-type: none"> • Team leader approval • Invoice meeting requirements • Supervisor approval • FM requirements met | <ul style="list-style-type: none"> • Budget policies • FM approval policy • Accounts Payable approval policy • Generally Accepted Accounting Policies | <ul style="list-style-type: none"> • Timely payments for various services | <ul style="list-style-type: none"> • Vendors |

Future State – Metrics Compared

Current State Metrics:
Touch Time: 303 min. (5.05 hrs) per week
Cycle Time: 59 days
Non VA Steps: 23
VA Steps: 2
Rolled Throughput Yield: 29.25% or 0.2925

Future State Metrics:
Touch Time: 26 min. per week
Cycle Time: 15 days
Non VA Steps: 8
VA Steps: 2
Rolled Throughput Yield: 100% or 1

Metric Improvements:
Touch Time: - 277 min. (- 4.61 hrs.) per week
Cycle Time: - 44 days
Non VA Steps: - 15
VA Steps: + 0
Rolled Throughput Yield: + 70.75 percentage points or .7075

Results- Check

- How the metrics improved?
 - 277 minutes saved / 60 minutes x 30 dollars per hour = \$139 saved per invoice x 2900 invoices = \$403,100 in soft savings or 1673 work days saved yearly
 - Cycle Time reduced by 44 days per invoice
 - 15 NVA steps eliminated
 - RTY increased to nearly 100%
- How has the balancing metric changed?
 - Budget requirements have stayed the same but are easier to meet with new process
- How has this event affected the original problem statement/mission?
 - Speedier process and fewer errors has made process much better and reduced/eliminated the problem statement
- How will the change be institutionalized?
 - Started implementing with some vendors in January, and have since extended the process to most vendors
 - Changes have been put into writing with communication with vendors, new process will have no exceptions
 - Team leads have been introduced and trained in new process, making sure invoices are directed/redirected as they need to be

