iTESOFT supports **Network Rail** on finance automation solution

NetworkRail

ABOUT NETWORK RAIL:

- Public sector company
- £6,087m revenue in 2015
- 20 AP and 10 Procurement staff

- 1 million supplier invoices, 432,000 paper invoices per year
- Oracle ERP finance system

> " *Invoice rejection is decreasing period on period and that's been the case for the last three years, and that's because of the information we extract out of iTESOFT.* "

Network Rail runs, maintains and develops Britain's rail tracks, signalling bridges, tunnels, level crossings and many key stations. They transport 1.7 billion passengers yearly, maintain 32,000 bridges and tunnels, 8,200 commercial properties and have 20 managed stations.

In 2011, Network Rail chose iTESOFT to support a major project to improve and integrate their finance solution. Project SWIM (scanning, workflow, invoice management) began in November 2010, and today the company still works closely with iTESOFT on upgrades and improvements.

THE AIM

With a huge amount of invoices going through Network Rail every day and a long processing cycle, Network Rail decided it was time to explore new finance solutions. Their main requirements were a more automated and integrated approach and a similar way of working to limit the impact on users. Not only did they implement FMFI and Share in 2011, they had also undergone an Oracle R12 upgrade later followed by Oracle eBus Tax. Their huge efforts during this challenging finance journey have been extremely successful.
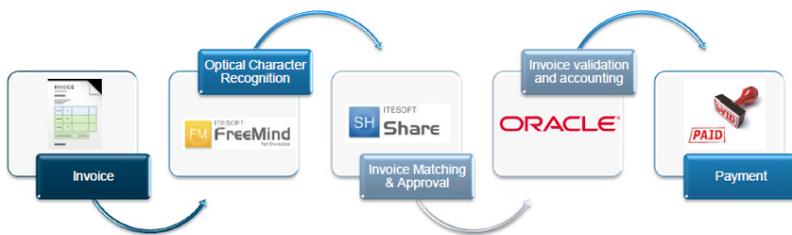
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MAIN CHALLENGES

- 423,000 invoices a year, on average 1600 a day
- 30 staff working to input, approve and validate invoices
- Average of seven days to clear an invoice
- More integrated approach necessary
- De-supported current solution

HOW DOES ITESOFT WORK WITH NETWORK RAIL?

30% of invoices are still on paper, and 30% are PDFs via email – everything is captured in iTESOFT FMFI.

FMFI then recognises the data and populates 12 fields. When the new software was first implemented, Network Rail used templates to help the process, but nowadays, 45-50% of invoices, some days even 60% go through the system with no touch or templates. On top of that, with the ones that are touched, the number of fields that need recognising has reduced dramatically.

Rejections also go out of FMFI, for example an invoice without a PO number, suppliers are emailed directly and periodic analysis is done to see the most commonly rejected suppliers, and their reasons – all of this data is extracted from iTESOFT.

Invoices then pass in to Share for Line Level Matching – 82% of invoices go though there without anyone having to look at them.

MAIN BENEFITS

- Reduced operating costs - AP team has now reduced from 20 people to 14, and Procurement staff reduced from 10 to 4
- Reduced processing costs by 60%
- Reduced processing times by 90%
- Support calls have decreased from over 6,000 to below 4,000
- Invoice matching automation 82% - rejections decreased and better analysis in place

WHY NETWORK RAIL CHOSE ITESOFT

Reduced processing cycle times to 1.2 days - industry average is three days

Hackett benchmark Accounts Payable as world class against peer group

Constant and valuable advice from iTESOFT

Less complicated relationship with just one supplier

Quick and professional support on issues

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