

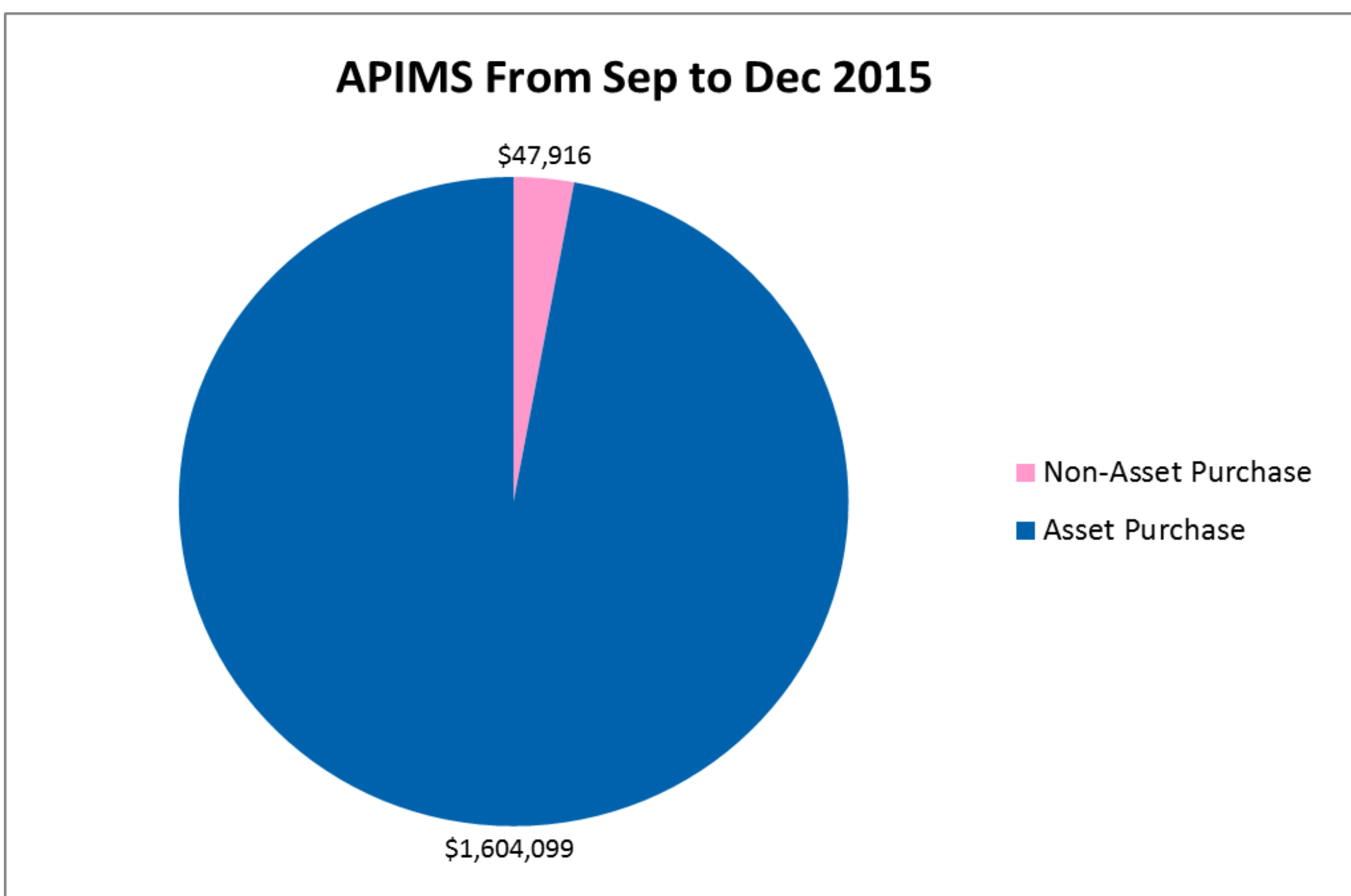
Process Enhancement To Avoid Delay In Payment for Asset Purchase

Introduction

Materials Management Department (MMD) is involved in the process of coordinating with relevant stakeholders to expedite the goods receipt (GR) in SAP before Finance Shared Services (FSS) proceed with payment process. Supporting documents such as Vendor's Delivery Order/Service Report and Asset Handling Over Form (AHOF) are required to facilitate the GR and Payment in SAP system.

(**AHOF is an internal document that requires supporting department(FM/BME/ISD) and user to certify commission is successfully done).

MMD did a study on the past outstanding invoices captured in FSS Accounts Payable Invoice Management System (APIMS).



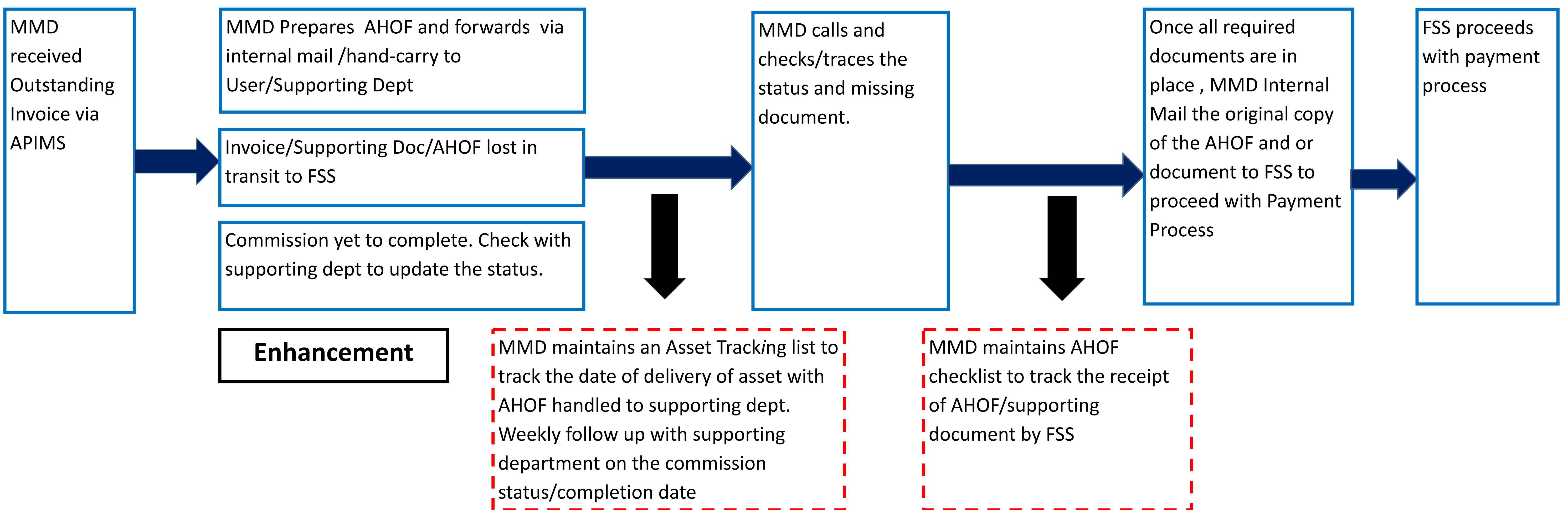
Pie-Chart (on the left) presented the outstanding APIMS in Sep to Dec 2015. Noted that the outstanding value/amount (\$) was largely contributed by the Asset Purchase.

In order to reduce the outstanding value in APIMS, MMD worked to enhance the process to shorten the GR turnaround time on Asset Purchase.

Yr2015 APIMS	No of Outstanding APIMS	Outstanding APIMS Value
Non-Asset Purchase	114	\$47,916
Asset Purchase	100	\$1,604,099

Methodology

MMD did a process review in Yr2016 and observed that the long turnover in GR process on Asset Purchase was due to the lack of monitoring of the commissioning status and the movement tracking of the supporting documents that facilitate the payment process.

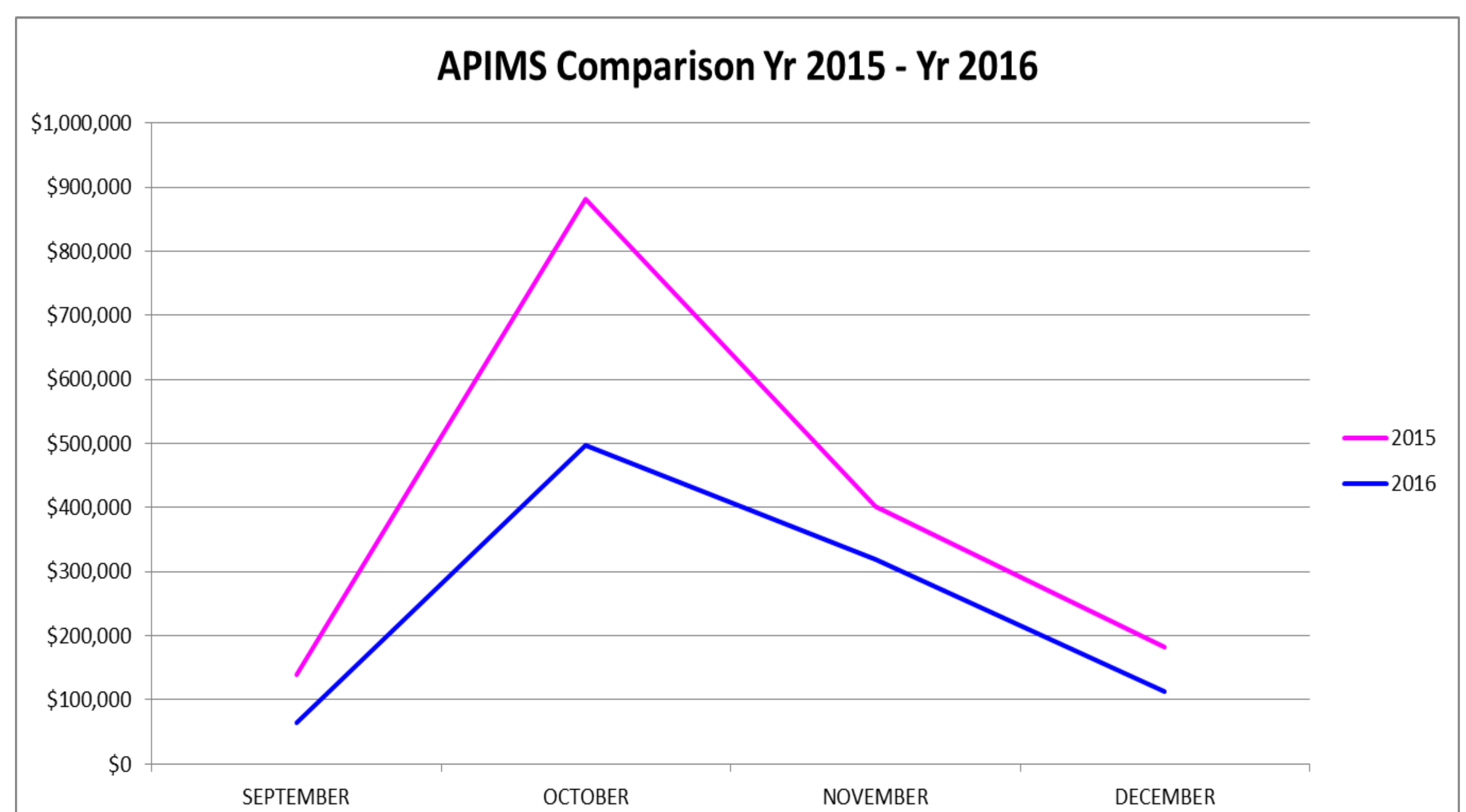


Results & Conclusion

After the process review and the enhancement done on Sep Yr2016 to track on the commission status and the movement on the supporting document to FSS, MMD did a comparison on the outstanding APIMS value for Yr2015 & Yr2016 base on the same period.

Refer to the graph (on the right), the results presented a significant reduction in the outstanding APIMS amount/value .

	Year 2015		Year 2016	
	No of Outstanding	Outstanding APIMS Value	No of Outstanding	Outstanding APIMS Value
Non-Asset Purchase	114	\$47,916	91	\$140,595
Asset Purchase	100	\$1,604,099	83	\$990,721



In Yr2017, MMD will explore the possibilities to have an e-commissioning system to track on commission status with user and supporting department more effectively and efficiently.