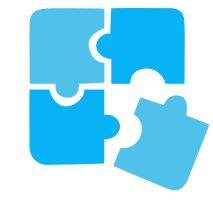




Lean Green Belt Project Example: Streamlining vendor payments and improving service

Challenges

- Budget constraints and resource limitations made gaining stakeholder buy-in for accounts payable (AP) changes a challenge
- Streamlining workflows, managing cash flow, reducing fraud risk and integrating with accounting systems required careful execution



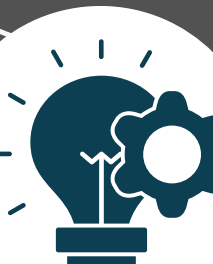
Objectives

The project aimed to optimize accounts payable (AP) to reduce payment delays, improve efficiency and decrease vendor complaints



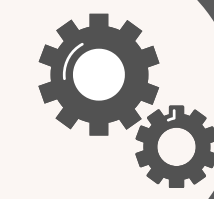
Approach

- Implemented Kanbans to streamline AP workflow and reduce bottlenecks
- Utilized optical character recognition (OCR) technology as a mistake proofing mechanism for data input
- Automated payment advice delivery to vendors for timely communication
- Cross-trained the AP team to enhance flexibility and support more efficient operations



Lean Tools Utilized

- Fishbone/Cause and effect diagram
- Suppliers, Inputs, Process Outputs and Customer (SIPOC)
- Define, Measure, Analyze, Improve and Control (DMAIC) improvement cycle
- Kanban visual signal



Implementation Results

- The monthly cost was reduced from \$4,560 to \$2,410
- Additional capacity of 80 hours per month gained for AP staff and 5 hours per month for Signing Officers

