



Not for Profit gains 500% improvement in complex funding reporting efficiency

Mental Illness Fellowship Victoria (MI Fellowship), established in 1978, is one of the state's leading membership-based not-for-profit organisations working with people with mental illness, their family and friends to improve their wellbeing. MI Fellowship creates pathways connecting people with mental illness to the broader community, through education, employment, accommodation, rehabilitation and support services.

MI Fellowship employs over 250 staff, works with 300 volunteers and has a membership of over 1,000 people. It delivers community-based mental health services to thousands of Victorians each year.

Keeping the stakeholders happy

As a not-for-profit community-based organisation, MI Fellowship has several streams of income, including government contracts, grants, donations, membership, appeals and raffles, amongst others. Consequently, **there is a large group of stakeholders who require detailed reports of funding expenditure and performance against targets.**

"We need to quickly identify how we are performing according to project budgets and targets, and to see any areas where there might be problems. It's critical that we respond to the reporting needs of many parties, including internal and external stakeholders. However, this had not been easy," says Advan Hadzic, Chief Financial Officer.

Until 2009, Mental Illness Fellowship Victoria's financial system comprised two separate financial management systems: one for the general ledger and another to manage accounts payable and receivable. Every month accounts data had to be imported into the general ledger before being reconciled. It was a time-consuming process, particularly if errors were found in the expense account. System inflexibility made the creation of new reports difficult and necessitated the involvement of external consultants which, in turn, increased costs and caused further delays.

"It came to a point where we needed more flexible reporting and a better system," Hadzic says. "We wanted one financial system to process and maintain, something that also had the ability to offer tight integration to other key business applications such as fundraising."

In addition, the organisation wanted to move away from its reliance on spreadsheets. "Because of our complex funding and staffing structures, budget models were managed using spreadsheets. This was a very manual and slow process which was prone to risks and errors," Hadzic adds.

Solution Snapshot

Solution

Infor FMS SunSystems, Infor Performance Management

Benefits

- Reduced reporting timeframes from 10-11 days to 3-4 days.
- Improved data integrity by eliminating reliance on spreadsheets.
- Greater analytical capabilities, control and flexibility across 100 projects.
- Five times more efficient budget process across multiple sites in real time.
- Improved reporting and visibility for stakeholders.
- Budget preparation used to take a month, now takes an hour.

Personal recommendations from the not-for-profit sector

Hadzic began the search for a replacement financial solution. At the bare minimum, he required a single software system that included general ledger, accounts payable and receivable, and asset management capabilities. The system had to offer easy, flexible reporting and a strong allocations function that would enable the finance team to apportion internal services and shared costs to multiple cost centres.

A fellow accountant recommended Hadzic take a look at the Infor FMS SunSystems financial management solution. "She had used the system and told me lots about the advantages. A personal reference from someone who knew what we needed was very important," Hadzic says. "Real-world feedback means a lot more than vendor-speak."

Professional Advantage (PA) came highly recommended by others in the Not-For-Profit sector as the implementation and services partner. "Their advice was that PA had done an excellent job in implementing and supporting previous systems. **Also, when we talked to PA we realised they really understood the challenges we were facing due to the extensive experience they have within the sector.**"

"It's made my life much easier...budget preparation takes one hour instead of one month." - CFO



In February 2009, the decision was made and Mental Illness Fellowship Victoria commissioned PA to deploy a new SunSystems solution.

Key to the planning process, PA listened to staff feedback and tailored the system to overcome any issues. Additional features were incorporated to provide easier and faster access to data. Rather than the previous large chart of accounts that users had to scroll through, PA designed summarised views that require a **single click to drill down into different expense groups or to switch to period-specific data**. Data wizards were also built to make it simple for finance staff to import and export data.

Work began in February and the implementation was quickly completed, going live in July 2009. "It was a fantastic achievement by the whole team," Hadzic acknowledges. **"It's made my life much easier.** The fact that PA was able to listen to us and change the interface improved our ability to get users to take on the system. It also made it easier to get information to make decisions quickly. From a user perspective the system is a big improvement on what we had before and that's why it has been so well accepted by the team."

Keeping tabs on performance

Asked to nominate the biggest benefits of the new financial system, Hadzic doesn't hesitate: "Access to the right information at the right time. It used to take 10 or 11 days to produce reports. Now they are produced within three to four days. We no longer have reconciliation issues with control accounts and subsidiary ledgers and budget data is collected in a timely manner. **"We're achieving all of this without any increase in the number of staff,"** he says.

Reporting on the more than 100 projects in play at any given time has been streamlined through the creation of report templates. These are deployed via Microsoft Sharepoint, making it a simple matter for managers to update regularly. **"Project staff like the new reports," Hadzic says. "And our top-level board reports are well received by management.** This was acknowledged by the finance and risk management committee who congratulated finance on the new improved reporting."

Budgeting has become noticeably easier and far more reliable. Previously it would take one FTE administrative staff member at least a couple of weeks to prepare Microsoft Excel templates and links for the upcoming budget cycle. These would then have to be reviewed by Hadzic. It was time consuming and required intense attention to detail, and therefore a very costly exercise. With the introduction of

the SunSystems and PA solution, all of this has changed. The templates are permanently set up within the system and just need to be opened to kick-start the next round of budget preparation. **What took one month to complete, now takes an hour.**

The budgeting system has also removed the problem of version control over multiple Excel spreadsheets. "Maintaining consistency and keeping a master spreadsheet proved difficult with so many versions being received over a period of time. Now we have one version that we all work on." This is a critical issue for an organisation with offices throughout Victoria.

The combination of version control and inbuilt workflow processes has also enabled Hadzic to introduce new processes making managers responsible for inputting and updating their own budget data – something that was never feasible under the old system. This step has removed the need for Finance to re-key data and is delivering greatly enhanced data quality and integrity. **Hadzic notes, "Workflow has given us the ability to control the budget process while spreading involvement and responsibility." The scalability of the system has meant that an increase from 6 project managers to 30 has been seamless.**

Asked to evaluate the impact of the budgeting improvement alone, **Hadzic estimates a five-fold increase in efficiencies over the organisation's previous spreadsheet processes.** "The solution allows me to collaborate with managers and it improves the timeliness of the data collection. We have a better ability to manage the funds as we can now identify any areas or sites that are not performing as well as others and we can make informed decisions about where we need to invest more staff," Hadzic enthuses.

"PA has been a great partner. They have excellent business process expertise which was particularly useful when it came to finding ways to improve corporate allocations. **Their support is also outstanding. I have never come across such good support.** Throughout the project whenever I had deadlines to meet and I needed help, it didn't matter what time of day or night it was, PA would always be there to help. I received the support at critical times – and that's when you need it most," Hadzic concludes.