



The Weitz Company

Accounts Payable/Job Costing and Billing

Business Challenges for The Weitz Company

Established in Des Moines, Iowa in 1855 by an entrepreneurial German immigrant, The Weitz Company is the oldest construction firm west of the Mississippi. For four generations, Weitz remained a family business until it became employee-owned in 1995. Weitz oversees major construction projects nationwide of nearly every type of residential, industrial, commercial, senior living, golf course and governmental facility. Today, Weitz ranks as the 23rd largest general building contractor in the United States with more than \$800 million in revenues in 2001.

At any given time, Weitz manages a number of construction projects nationwide. Invoices from vendors and subcontractors flow into the various project sites nationwide and to the Des Moines headquarters. Upon arrival, invoices have traditionally been manually keyed into the system, then hand-passed in manila folders among up to three required people for approval, and finally sent to the accounting department for payment.

"Acorde has taken us completely paperless from the minute we get an invoice. We scan in an invoice and five minutes later someone can view and approve it."

Michael Harger
Regional IT Manager
The Weitz Company

The physical transfer of invoices and documents for job costing and billing meant that considerable time could elapse between reviewers, especially if one was traveling. Invoices could be delayed for days or weeks in one person's inbox, or get lost altogether. Needless to say, this resulted in slower payment and service to vendors.

When vendors called accounting to learn the status of an invoice in process, the manual system made it impossible for project accountants to know the approval status and location of an invoice without calling all the required reviewers. Accounts payable (A/P) personnel also spent considerable time filing paper invoices and searching

through files for past invoices when a project required aggregated invoices for proof of backup billing. As a progressive, dynamic company, Weitz has repeatedly turned to technology to streamline its business operations. In order to stay competitive and increase efficiency throughout its organization, including its accounts payable process, the company decided to implement a J.D. Edwards OneWorld XE ERP system. To maximize its use of OneWorld, shorten its A/P cycle, and serve its internal and external customer more effectively, Weitz implemented Acorde Context and Acorde Process imaging and workflow solutions.

In a further testament to Weitz' innovative operations style, the company implemented OneWorld and Acorde simultaneously. Weitz approached the implementation projects just like it would any major building project—shift resources quickly to the project at hand, empower individuals to make decisions in the company's best interest, and create cross-functional project teams for a company-wide perspective.

Weitz turned management and hosting of its OneWorld and Acorde systems over to WTS, an application service provider. This enables Weitz to remain focused on its business operations and reduce risk. The result was a highly integrated, automated A/P system that went live simultaneously.

Increasing Process Efficiency

With Acorde Context and Process in place in its Iowa and national divisions, Weitz has transformed its A/P process into an automated, electronic system and now realizes enhanced efficiency in every phase of the process.

SELECT OPTIKA CONSTRUCTION CUSTOMERS

The Weitz Company
National Seal
The Estridge Companies
Ajax Paving Industries
Livingston Graham/Blue
Diamond
Bovis Construction
URS Corporation

QUANTIFYING THE PROBLEM:

- The physical transfer of invoices added days and weeks to each stage of the approval process, resulting in slower payments to vendors and subcontractors
- Collecting invoices to provide proof of backup billing took on average half a day
- To respond to vendor inquiries, project accountants had to call up to three people to determine the status of a single invoice in process

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As soon as invoices arrive, administrative staff in Des Moines and at project sites scan them into Acorde and fill in just a few identifying fields, such as project and vendor codes. Through a Web-based system, approximately 100 employees currently can access Acorde to review invoices.

With business rules pre-defined in the system, invoices automatically route to up to three different people for approval, depending on the invoice type and project. If they are delayed at any one point, Acorde generates email messages to the appropriate person in the queue of approvers—ensuring that invoices never bottleneck for too long with one approver. A custom workflow form displays invoice information and allows the user to enter general ledger coding and indicate that the invoice is approved for payment. After making the rounds of reviewers, approved invoices automatically return to the right project accountant for completion.

For accounts payable, Acorde offers a way to track the status of invoices at any given time through a simple search, eliminating the need to call or email a series of reviewers. Accounting can aggregate invoices electronically in just a few steps to provide proof of backup billing. Additionally, Acorde tracks job cost and billing for every project and relays that information to OneWorld.

For Weitz, one of the greatest benefits has been the seamless integration between Acorde and OneWorld. With an Acorde integration tool linking the two applications, Weitz can capture information in Acorde and bring it into OneWorld with the click of a button. In addition, Acorde queries the OneWorld database to determine the approvers for a given invoice.

Realizing True Business Benefits

With Acorde, Weitz has realized tremendous time savings for everyone involved in the A/P process, as well as a significantly shorter invoice approval cycles. Imaging allows invoices to be entered immediately into the approval process, while automation enables them to move rapidly through the queue of required approvers. Invoices

no longer sit indefinitely in one person's inbox or have to go through the mail. Managers on the road can access and approve invoices remotely—eliminating the need to wait until returning to the office. As a result, invoices complete the rounds of review days or weeks sooner than before. Previously, collecting past invoices for backup billing took A/P staff, on average, half a day. With Acorde, project accountants can find and group invoices within minutes. Accounting also appreciates that internal customers can look up invoices on their own to learn of the status, instead of calling them, preventing constant workday interruptions. Plus, the OneWorld integration returns valuable time to the A/P department by eliminating the need to enter the same information twice.

Additionally, when Weitz controllers sign checks, they have an extra level of protection against fraud and can ensure that invoices are charged against the appropriate accounts.

Weitz has been particularly impressed with Acorde's ease of use. Immediately after training, users of all technical skill levels began using and embracing Acorde as an integral part of their workflow.

All this amounts to faster invoice processing and stronger relationships between accounts payable and its internal customers and external vendors. Most importantly, no invoices have been lost or misrouted since Acorde went live. Weitz plans to expand these benefits throughout the organization by rolling out Acorde in 100 percent of its A/P operations later this year, including the corporate office, Weitz Golf International, and divisions serving Denver, Florida, Nebraska and the Southwest. The system will have an estimated 300-400 ultimate users.

REAL BUSINESS BENEFITS:

- *Within seconds of scanning, allow project managers and accountants to view and approve invoices from main office, project site or on the road.*
- *Aggregate invoices electronically, saving half a day for each backup billing request*
- *Reduce invoice approval times by days and weeks*
- *Enhance relationships with internal customers and external vendors*

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