

ORDER PROCESSING

AUTOMATING FAX, EMAIL & EDI ORDERS IN AN ERP ENVIRONMENT

How to Bring Speed, Visibility and Accuracy to Every Phase of Order Processing

AUTOMATING FAX, EMAIL & EDI ORDERS IN AN ERP ENVIRONMENT

How to Bring Speed, Visibility and Accuracy to Every Phase of Order Processing



TABLE OF CONTENTS

Introduction 3

Fax, Email & EDI Orders: Where It All Goes Wrong 4

Turning to Automation for Help 5

How an Automated Order Processing Solution Works 6

Levels of Automation 9

Customer Success Story: SanLucar 11

Conclusion 12

About Esker 13

INTRODUCTION

In a perfect world, every sales order your company receives would be electronic. Each one would arrive in the same format, with all the necessary information clearly defined, and feed directly into the ERP/business system through electronic data interchange (EDI) without any hiccups.



The reality, unfortunately, is not so rosy. Orders come in via a variety of channels — the most predominant being fax and email. The problem is, fax and email orders require vast amounts of time and labor to process, resulting in high error rates and slower fulfillment. Plus, when customer service folks have to print out and manually enter orders into an ERP/business system, they're prevented from doing what they do best: serving customers. Ultimately, fax and email orders lengthen the order-to-cash (O2C) cycle and cause your company's competitiveness and customer service to suffer.

Regardless of how large or small an organization is, fax and email orders typically mean:

- High order processing cost
- Complex IT environment
- Difficulty prioritizing orders
- Poor responsiveness to customers
- Lack of visibility and process control
- Lengthened O2C cycle
- Lackluster customer experience
- More time spent on low-value tasks

For companies looking to overcome these challenges and gain the efficiencies of electronic processing of fax and email customer orders in their ERP environment, this white paper outlines essential factors to consider.

Why Change Hasn't Come Easy

One oft-considered option for avoiding the headaches of fax and email order processing is to push customers toward EDI. However, there are still many customers who are simply unwilling or unable to do so. While larger corporations may have the leverage to force EDI adoption, most companies accept fax and email orders as a necessary evil rather than refuse business or agitate customers.

Another roadblock to implementing change is the cost of EDI systems, which many businesses cannot afford. Despite the standardized nature of EDI, everyone still seems to want their own formats. For example, companies routinely modify the EDI 850 purchase order (PO) format to fit their particular needs. Even in the best situations, large organizations often have 20 to 30 percent of their orders coming in by fax or email.

About This White Paper

If your company wants to eliminate the problems caused by fax, email and EDI orders, there are many factors to consider. This white paper explores those factors, while highlighting how specific automation solutions can deliver cost savings and process efficiencies via the electronic processing of fax and email orders into an ERP environment.

FAX, EMAIL & EDI ORDERS: WHERE IT ALL GOES WRONG

Sales orders typically come to companies in three different ways — fax, email and EDI — each causing its own laundry list of unique challenges.

How Orders Arrive



Fax

Fax often represents the bulk of a company's order management expenses regardless if the number is a minority or majority of total sales order volume. Fax orders typically require a separate processing environment made up of fax machines or fax server software to capture orders and distribute them among Customer Service Representatives (CSRs) who enter the information into the ERP/business system.



Email

In the interest of going paperless, some companies have started sending POs to suppliers by email. This eliminates paper on the customer side, but on the supplier side, CSRs are forced to print the email, walk back to their desks and key it in just as they might do with a fax order.



EDI

In addition to faxing systems, many companies have an EDI system. The question is, how many EDI orders are actually processed without being touched? In Esker's experience, it's not uncommon for the number of orders containing discrepancies to represent up to 35 percent. Orders might arrive in the proper format, but item details could be wrong in the EDI file (e.g., reference, address, price, etc.). If this is the case, the order goes through a complex workflow often involving IT before it is entered into the ERP/business system, resulting in costly mistakes, customer dissatisfaction and lost profits. Frequently, handling EDI exceptions requires the help of both IT and customer service teams — meaning companies pay two teams to complete one job.

Pitfalls of outsourcing the problem

In Esker's experience, many companies have used outsourcing to automate aspects of order processing. However, because of exceptions that are too complex for the outsourcing firm to handle, some orders still need to come back into the workflow. This also can happen with add-ons offered by EDI vendors to translate faxes into EDI. These approaches may pass off the problem (or part of it) to someone else, but they do not fully automate the process.

The issue of customer claims

It's also important to consider that businesses using manual methods to handle and process fax, email and EDI orders are likely to use equally inefficient practices to track and manage customer claims associated with those orders. Limited visibility and control over customer issue management not only means less productive CSRs, the impact can negatively affect the reputation of your company.

Other functional considerations

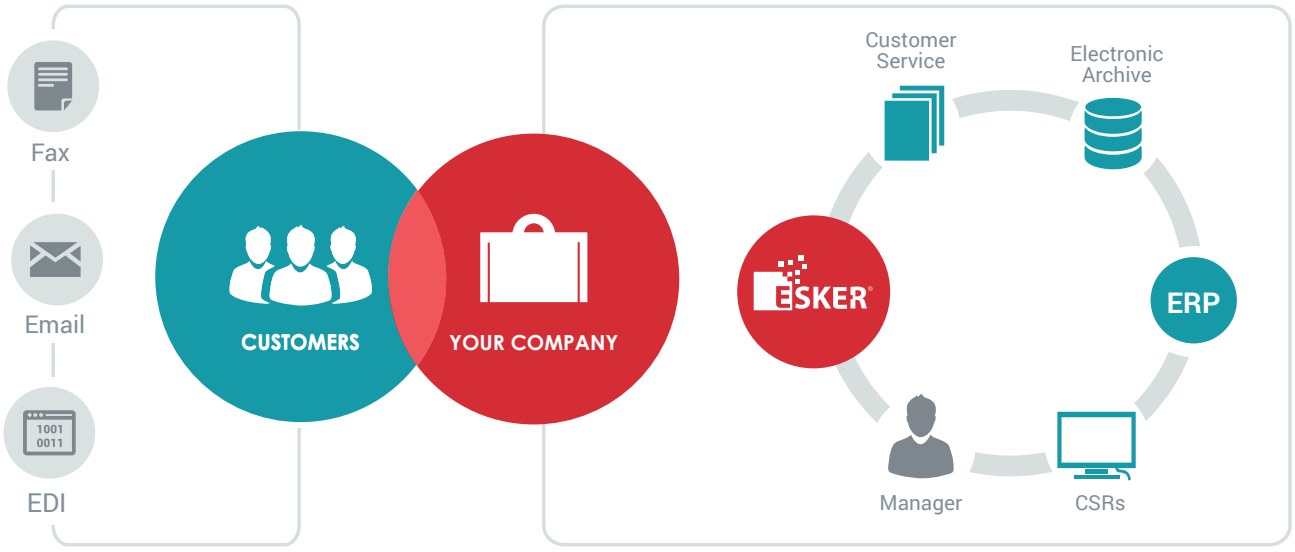
Consider these questions: Do you want to separate single fax or emails that contain multiple orders to ensure they're handled independently rather than as one large order? Do you want the ability to process orders in a desired order instead of first in/first out? In cases of rush or overnight orders, do you want the ability to prioritize? If the answer is yes to any of these questions, it's important to find the right automated order processing solution so you're not missing out on potential areas of improvement.

TURNING TO AUTOMATION FOR HELP

Addressing the problems of fax and email order processing requires an automated solution that can turn every order electronic, while still allowing customers to send orders in any format (e.g., fax, email, EDI, XML, etc.). Esker has the ability to capture all of the necessary data, automatically route it to the appropriate CSR and give full visibility into the process before orders are even entered into the ERP/business system.

Full Control & Visibility — in Every Phase of Processing

By placing data at the users' fingertips in real time, it's easy to access vital information such as the value of orders that are waiting to be processed, what products the orders are for and what customers they are for. CSRs gain instant insight when customers call to ask about their orders, and have the ability to look up orders inside the ERP/business system, see the order image, and report back to the customer what is happening.



Companies also have the ability to automatically send out a confirmation once an order is received (or after it's created inside the ERP/business system) to let customers know the order is ready for processing. This helps improve communication with customers and allows them to send orders in whatever format that they are comfortable with.

Turn Fax & Email into an EDI-Like Process

Even though your customers may not all be electronically enabled, you can treat every order as an electronic transaction. Esker is able to take information captured from a fax or an email order — or from an EDI file — and present it to your team in the electronic format you want. You can automate all orders, eliminate the cost and errors of manual processing, and consolidate resources to simplify your ERP landscape. Since all of the functionality is built into one platform, the cost of processing fax and email orders is reduced from the $30 to $60 range to between $1 and $3.

Empower the Customer Service Team

You have an intelligent, driven customer service team — yet most of their time is spent on menial tasks such as sorting fax orders or manually entering order data. Give them the recognition and responsibilities that they deserve by introducing an automation solution to the workflow. They'll gain valuable time which can be spent on higher-value tasks (e.g., resolve customer claims, foster customer relationships, etc.) as well as elevate their careers with newfound insight on the tools and skills necessary to run a truly efficient O2C process.

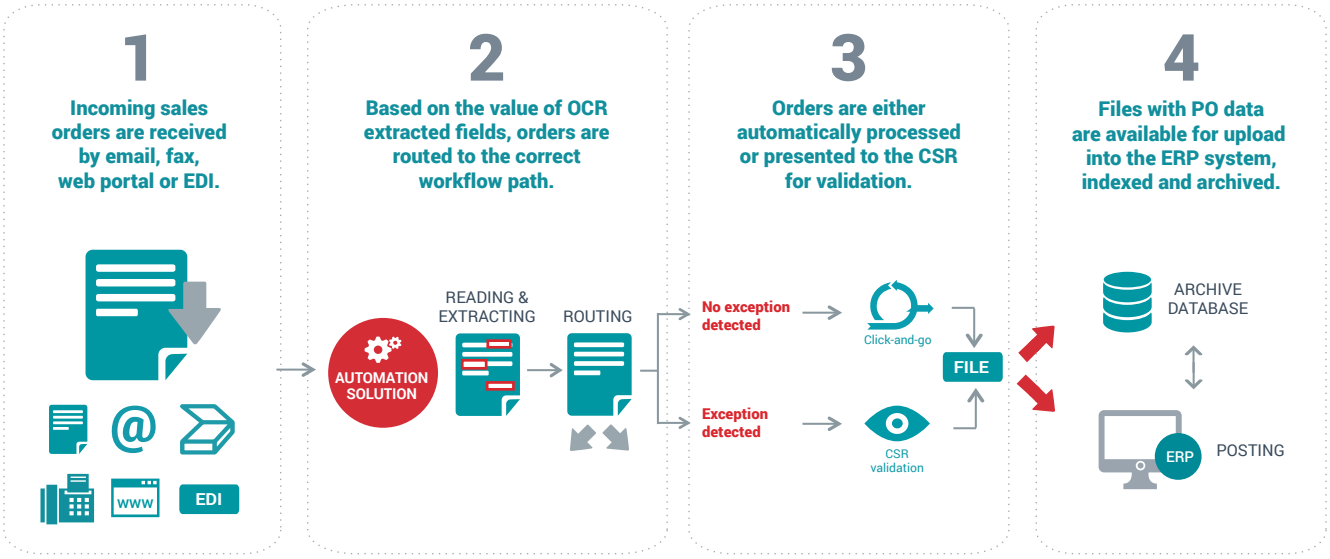
HOW AN AUTOMATED ORDER PROCESSING SOLUTION WORKS

Esker provides all of the necessary functions and technologies for automated order processing — from fax and email to EDI and XML — all via one unified and integrated platform.

The Best Way to "Quit Paper"

Here's how the solution works: Esker captures the order data, validates that the information is correct, archives the orders inside the Esker system, and links the order back into the ERP/business application.

Esker's intelligent content recognition and data extraction capabilities get better results than with standard optical character recognition (OCR) and templates alone. And, with the ability to teach the system to recognize different formats, Esker can handle the variety of customer PO layouts. Companies avoid the time and cost of defining and managing countless templates, and are able to bring new customers into the automated process quickly.



Solving the Fax & Email-to-Order Problem

Esker solves the fax and email-to-order problem with a universal, source-independent platform for orders received by fax and email, as well as with EDI, web and other channels. With Esker, companies of any size can:

- Process fax orders with the same efficiency and accuracy as EDI
- Reduce fax order processing time up to 90 percent and devote more resources to core business processes
- Bring visibility, control and instant accessibility to every order processed
- Handle multiple orders within a single fax and prioritize orders to get them to the right people automatically
- Replace multiple point-to-point systems with a single platform

In addition to enabling 100 percent electronic throughput, Esker offers a full view of individual order processing as soon as a fax or email order arrives. Orders are presented in a convenient online interface for validation, made available to your ERP/business system, and are automatically archived. When customers call about orders they have faxed or emailed, your customer service team can answer questions immediately.

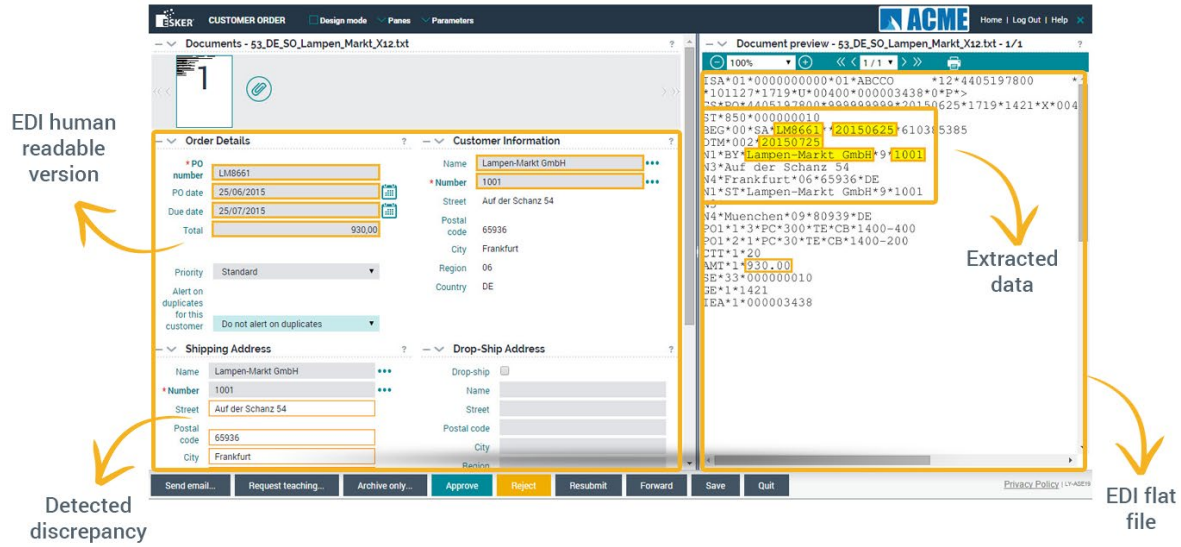
Bringing New Levels of Efficiency to EDI Orders

As discussed earlier, EDI orders with exceptions can comprise one-third or more of total EDI orders, creating a lot of additional work and headaches for CSRs and IT. With Esker, your organization can put an end to costly and time-consuming aspects associated with processing EDI orders and achieve 100 percent e-ordering all at your own pace.

Esker takes information captured from an EDI order and creates a human readable version which CSRs can complete or correct data and start the workflow as usual — eliminating dependence on IT. What's more, CSRs can quickly and efficiently process customer orders from a single interface regardless of their submission method or format. EDI orders are no longer stuck in the EDI workflow and difficult to locate.

Benefits of managing every order with one solution:

- Enhance order visibility across all formats and channels
- Reduce the amount of time spent fixing EDI exceptions
- Gain insight into order errors prior to processing
- Quickly search and retrieve orders in the EDI workflow
- Complement an existing EDI infrastructure
- No reliance on IT to fix EDI exceptions



Dashboards for Every User

Manual processing methods offer little in terms of packaged key performance indicators (KPIs) and dashboards, which can provide better organization for CSRs and real-time visibility for managers and executive management. This lack of control and monitoring makes it harder for everyone involved to perform daily tasks, monitor performances, analyze areas of improvement and allocate resources and workloads.

Esker's Order Processing solution comes equipped with intelligent dashboards that enable users to facilitate daily tasks, monitor performances, and react quickly to prevent problems or spot opportunities early — making every action smarter and more strategic.

Dashboards are also customizable so that users can choose what they want to display and to which user or profile. Plus, users are free to remove, edit or add other indicators to their dashboards.



VALUABLE DASHBOARDS FOR EVERY USER		
COO	**CS MANAGEMENT/STAFF**	**SUPPLY CHAIN**
▪ Orders per day	▪ Orders lines per month	▪ Priority orders to validate
▪ Value of orders to be validated	▪ Orders approved today	▪ Orders waiting to validate
▪ Ratio of EDI orders	▪ Number of lines by user	▪ Out-of-stock orders
▪ Customer issues/claims per month	▪ Processing time by CSR	

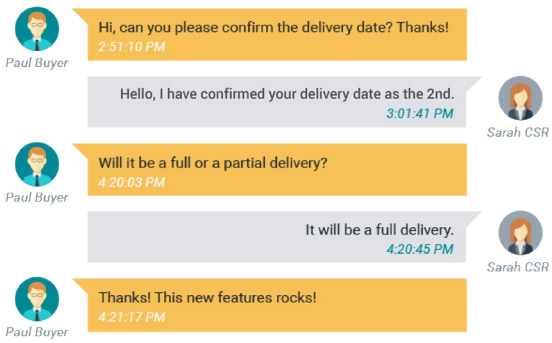
Streamlining Customer Issue Management

Esker's dashboard metrics go beyond visibility into orders to provide clear and up-to-date information on the number of complaints awaiting resolution as well. Using the same interface as their customer orders, CSRs can create, manage and track customer issues electronically while maintaining full process visibility from order creation to product reception. With immediate access to documents, CSRs are able to quickly answer order status inquiries and maintain good relationships on the customer side, while also improving collaboration and job satisfaction on the company end.

Enhancing Customer Experience Through a Self-Service Portal

Customer service teams that are free to focus on activities beyond data entry are able to deliver an exceptional customer experience that keeps people coming back. Esker's automated solution furthers this by transforming the way customers do business with you by providing them with a self-service customer portal that allows for:

- **Instant communication** — You and your customers can easily exchange information and chat directly via the portal to quickly clear up any discrepancies or questions.
- **Easy-to-use customer dashboards** — Self-service access to important order information means customers no longer need to call to check on their order status. Customers also have immediate access to past orders, regardless of how they were submitted.
- **Effortless ordering** — Customers can accurately place orders via the online portal directly from your e-catalog of services and/or products. They are also able to reload past orders and save valuable time when ordering the same items on a regular basis.



The open line of communication and range of self-service options provided by Esker's online customer portal improves communication and collaboration, which ultimately leads to an enhanced customer experience.

LEVELS OF AUTOMATION

Esker offers three standard levels of automated fax and email order processing, ranging from a basic "quit paper" solution to full-blown data extraction and verification that the information is correct inside of the ERP/business system.

LEVEL 1	**At the first level of automation**, information is captured by Esker and presented to the CSR in a dual-screen mode. On one screen, they see an actual image of the order. If orders come in via EDI, they are presented in a readable image. At this point the CSR can verify that everything is correct on the order and key it into their system. This option helps companies take paper out of the process, create the order inside of the ERP/business system, and link it to an order image so that, down the road, orders can be found quickly for audits.
LEVEL 2	**Level 2 adds intelligent OCR** to not only capture the information on the order, but also verify that the captured data is correct (through validation) and feed it into other systems. These systems might include an existing EDI solution, as it is common for companies using EDI to not gain everything they expected from the technology.
LEVEL 3	**The third level of automation** is for those who may not have an existing EDI solution or simply do not want to slow down workflow in their existing EDI solution. In this step, through the use of business application programming interfaces (BAPIs), intelligent OCR goes inside the ERP/business system to determine if the captured part number is correct, if the customer exists in the system, etc. Getting all this information from the ERP/business system and bringing back into the process before the order is created enables orders to be 100 percent correct. This is perhaps the most common way Esker is implemented, as it provides all of the functionality available.

Executing the Project

Agile methodology

When implementing an order processing automation solution, Esker always aims to make the process as quick and responsive as possible. That is why Esker utilizes the Agile methodology, which allows our customers, business partners and their key stakeholders to achieve maximum value throughout every phase of solution delivery. These benefits include:

- Gaining the benefits of the solution more rapidly with faster ROI
- Ability to make decisions and modifications with context and experience
- Quickly receiving new features to test
- Being directly involved in the project; greater process insight
- Investing resources in the most valuable features
- Reducing risks and lowering overall startup costs

Typical project stages:

STAGE 1

Signing the SOW



All Esker projects begin with the signing of the Statement of Work (SOW), confirming that the general framework under which the project will be executed is correct.

STAGE 2

Project Inception



Project Inception is a 2-4 week stage where Esker establishes a rapport with the customer team members and outlines the broad project objectives and potential project timeline.

STAGE 3

Foundation Increment



Occurring over 8-12 weeks, the activities in the Foundation Increment stage are where Esker establishes the foundation platform upon which the entire customer solution will be built.

STAGE 4

Increment Delivery



This is the stage where Esker configures the solution in increments, enabling users to test and accept features as they're delivered. The delivery of a single increment typically takes four weeks.

Change Management

Similarly, Esker also understands the importance of devising a comprehensive plan for Change Management during implementation. Change Management is a set of processes and techniques that get you to your desired outcome with maximum user acceptance by delivering the right information to the right people at the right time. This means participation by everyone impacted, from executives and managers to supervisors and front-line employees.

Esker's highly trained and certified experts work closely with you to align all expectations and strategies. The following are some of the most common outcomes organizations can expect from effective Change Management:

- Increased likelihood of project success
- Improved morale of employees affected by the project
- Greater chance for project to be within budget
- Greater chance for project to finish within time frame
- Less stress before, during and after project
- Increased project legitimacy

Esker Solution Methodology

Esker recommends that companies looking to carry out a fax/email order automation project take a close look at their current process and identify as many manual touch points as possible. At times, there may be a manual step in a company's order process that is critically important (i.e., there is a reason why it is done), and it should not be eliminated altogether but simply automated as much as possible.

Esker seeks to understand its customers' business processes and explore why they are doing things a certain way. Only then is it the best time to look for areas where paper can be removed and gains can be achieved. An important consideration in this approach is to keep it simple and not try to do too much at one time.

CUSTOMER SUCCESS STORY:

Headquartered in Valencia, Spain, with 20 years of experience, SanLucar has become a leading international fruit and vegetable distributor with subsidiaries in Germany and Austria as well as locations in Italy, France, Portugal, Turkey, Egypt, Tunisia, South Africa, and Central and South America.

The Objective

For SanLucar, being able to deliver a fresh, quality product anywhere in the world in the shortest possible time is essential — particularly for one large-volume customer, Edeka, Germany's biggest retailer. Previously, fax and email orders received by SanLucar were handled manually and archived in physical file folders, causing data entry errors, lack of process visibility and limited order-processing capacity. The objective was simple: Automate the manual entry of non-EDI orders into its Microsoft Dynamics (MSD) AX software.

- Automated order capture by fax and email via cloud fax services with local (German) numbers
- Ability to automatically redirect orders to multiple partners, as well as the ability to redistribute work (load balancing)
- Automated data capture and validation
- Automated storage of digital documents (reducing the cost of physical paper storage)
- Integration of data in MSD AX in parallel with orders received by EDI

The Solution

Esker technology was installed in stages over a two-month period. First, a cloud fax service was set up to receive orders sent via fax, while a POP3 account was created for orders sent by email. The solution publishes captured orders to a window that contains fields with the extracted order information, where it's validated and integrated into MSD AX via a TXT file. The order image is saved in Esker's Document Manager, allowing authorized users to access the document directly from the ERP software.

The Results

- Eliminated manual intervention (i.e., click-and-go processing)
- Achieved 84 percent faster order processing times
- Two fewer admin staff members required for manual order entry
- Eliminated potential for errors and lost documents
- Improved the capacity for sustainable future growth

CONCLUSION

Fax, email and EDI orders play a common and, ultimately, confounding role within order processing. With IT being relied on to fix EDI exceptions and customer service teams hard-pressed to deliver the best possible customer experience due to their time being spent manually processing orders, inefficiencies can run rampant. Rather than accept the consequences (lengthened O2C cycle, loss of competitive advantage, poor customer service), empower your customer service team with an automation solution that reduces reliance on IT to fix EDI exceptions and improves customer experience by freeing up your CSRs to focus on customers instead of order entry.

ABOUT ESKER

Esker is a worldwide leader in cloud-based document process automation software. Organizations of all sizes use our shared platform of solutions, offered on-demand or on-premises, to automate accounts payable, order processing, accounts receivable, purchasing and more. Esker's solutions are compatible with all geographic, regulatory and technology business environments.



Global Expertise

Founded in 1985, Esker's solutions are used by over 11,000 customers globally, from small to mid-sized businesses to large corporate entities. Esker operates in North America, Latin America, Europe and Asia Pacific with global headquarters in Lyon, France, and U.S. headquarters in Madison, Wisconsin.

Cloud Computing

Esker is one of the first software vendors capable of offering a 100% cloud computing automation solution to its customers. Esker's on-demand customers now represent 40% of Esker's total sales revenue.



©2016 Esker S.A. All rights reserved. Esker and the Esker logo are trademarks or registered trademarks of Esker S.A. in the U.S. and other countries.All other trademarks are the property of their respective owners.

ESKER®
Document Process Automation

Esker, Inc.
1212 Deming Way, Suite 350
Madison, WI 53717
Tel: 800.368.5283 | **Fax:** 608.828.6001
Email: info@esker.com | **Web:** www.esker.com

Share this White Paper!

Blog: blog.esker.com

WP-ESKER-US-015-E