

Siemens: Driving operational excellence through best-of-class processing of customer orders

SIEMENS

Siemens commenced operations in Australia in 1872 and is now one of the country's most reliable and trusted brands. With well-established businesses in Australia and New Zealand, Siemens is a diversified technology-based solutions provider specializing in the areas of water, energy, environment, healthcare, productivity, mobility, safety and security. Through these eight solution areas, Siemens is meeting the demands placed on businesses by the four global megatrends — climate change, demographic change, globalization and urbanization. Siemens operates in 190 countries throughout the world.

Industry / Energy / Transport

Configuration

- ERP: SAP
- Business drivers:
Operational excellence
Customer care

Siemens selected the Esfer Sales Order Processing solution to automate the processing of its "unclean" customer orders into SAP®.

The company recognized the expertise of Esfer in the area of customer care solutions to drive greater efficiencies and operational excellence.

The challenge

Located in Melbourne, Australia, the Siemens Customer Care team for the Industry Products group processes more than 30,000 orders per annum across a range of highly technical products (including Building Technologies, Industrial Automation, Water Technologies and Drive Technologies). These orders can be a mix of stock-to-order or purchase-to-order items.

Siemens embarked on a journey to improve its customer order processing function by first concentrating its efforts on increasing the number of "clean" orders that could be processed more easily by the Customer Care team. Phase two focused on improving the processing of the remaining "unclean" orders that arrived and could not be processed immediately. "Exception" orders include orders with pricing mismatch, orders with incorrect part numbers or configurations, orders from customers on credit block, etc.

After a series of projects to improve its "clean" order rate, Siemens decided that it should invest in a solution to decrease the order processing time for "unclean" orders.

- **"Unclean" orders process project initiated by the Executive Manager of Supply Chain — Siemens Australia**
- **Project sponsored and approved by the CEO and CFO of Siemens Australia**
- **Operational Excellence and Customer Care are two of the key values of Siemens Australia — this project contributes to reinforce these values**

“Esfer was able to best configure its Sales Order Processing solution to meet our business needs, allowing us to create specific workflows for our various types of exception.”

Tom Armour ▪ Process Analyst & Project Manager ▪ Siemens Australia

The solution: Esfer Sales Order Processing for SAP

Having evaluated some alternative scanning solutions, Siemens selected the Esfer Sales Order Processing solution for SAP. This solution is the leading solution for processing inbound customer orders arriving via fax or email.

"We use Esfer for all of our product orders. Esfer processes all orders coming in via email or fax to either create the order in SAP without any typing or to reject the order. Additionally, the images of all orders are now available as attachments in SAP," says Tom Armour.

Siemens wanted to fast track the implementation in order to achieve the expected business benefits in as little as three months. Esker set up a team of local consultants experienced in sales order processing solutions for SAP and accepted the challenge to deliver a completely working solution in production within the time frame.

"Everyone at Siemens has been very impressed with the Esker solution and processes and especially with the Esker culture and people," says Tom Armour.

The technical team at Siemens included experts located in Melbourne, Singapore and Thailand. Esker's international experience with large and complex multinationals proved very useful to drive the project to completion on time and on budget.

"The Esker project team has been very responsive and we have found the communication throughout the project to be excellent (even with the project teams operating from different cities and countries)," says Tom Armour.

“ The technical expertise in the Australian Esker team is impressive, as is its ability to easily understand the scope of our requirements, and then analyze and provide (and communicate/collaborate on) a technical solution. ”

Tom Armour ▪ Process Analyst & Project Manager
▪ Siemens Australia

Business benefits

Not only does Siemens Australia clearly measure the ROI of new solutions against the previous process but also against the expectations set in the business case as approved by senior management.

- Reduction of order processing time by 65%
- Reduction of “unclean” orders turnaround time by 80%
- Reduction in processing SLA time (waiting time for order to be processed) by 70%

"We review these metrics every three months, and after six months of operation we are achieving all tangible benefits and exceeding intangible benefits," says Tom Armour.

Siemens Australia recognised that the Esker team made a big difference through its implementation methodology and its commitment to deliver on time and on budget.

"The project could not have delivered on our requirements within the very tight budget and time deadlines without the Esker team's hard work and dedication," says Tom Armour.

“ Esker delivered a huge benefit to our company, the Esker solution and processes delivered as promised. ”

Steffen Raab ▪ Supply Chain Manager ▪ Siemens Australia

Next steps

Siemens Australia is planning to further leverage its investment in the Esker DeliveryWare platform to extend the Esker Sales Order Processing solution to other divisions within Siemens Australia.

Additionally, Siemens Australia is exploring the use of the formatting and document delivery capabilities of Esker DeliveryWare in order to integrate some customer care communication into its processes.

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