

# NATIONAL

Furniture with Personality®

## AUTOMATING INBOUND FAX ORDERS & GAINING IMPROVED PROCESS CONTROL

Kimball's National Office Furniture business unit leveraged Esker's Order Processing solution to achieve +99.6% accuracy of order entry into its SAP® system.

### The Challenge

#### Previous process

National Office Furniture receives approximately 4,500 sales orders per month – the majority via fax, and many composed of multiple pages. Previously, after an order was processed, customer order care (COC) employees filed the documents into one of the 15 cabinets for access if needed at a later date.

At that time, the company was using a fax server to capture the incoming faxes and send them to a printer. In effect, the printer served the same role as a traditional fax machine. From there, an employee took the faxes off the printer and manually delivered them to the appropriate COCs. National's COCs were assigned specific regions, making it very important for the person delivering the faxes to sort and distribute the documents carefully. The COCs keyed the information in by hand into the company's SAP system.

#### A need for change

National was processing its orders in this manner with the fax server product for more than five years without any updates to the technology. Over this time, National's management team began to notice changes in the industry. Pressure for better Customer Service and demand for more efficient supplier relations, quicker order fulfillment and shorter lead times were apparent. In addition, National was introducing a new furniture product that not only had a very short lead-time, but also had to be shipped within 24 hours of being ordered.

To stay competitive within the industry, and to meet the requirements for the new product, National instituted high goals for achieving metrics of monitoring accuracy and cycle time, which included:

- +99.6% accuracy of order entry into their SAP application
- All orders entered into system within 24 hours

#### Exploring options

National realized it needed a way to process orders into its SAP system more quickly and accurately. Automation was the answer, but the challenge remained to find a solution that could provide this without requiring National to replace its existing IT infrastructure, increase overhead costs, or spend a lot of time implementing the technology and training employees.



I have definitely seen improvements in efficiency. Esker helps me contact the correct people and occasionally even see directly on the order, without having to pull it, if a customer has special requirements. Also, there are calls that can now be 'one-and-done' calls that, in the past, could probably have not been.

Customer Order Entry Clerk – National Office Furniture

In summary, National outlined its business requirements for the fax automation initiative:

- Support sales growth goals without increasing staff
- Provide faster order processing for dealers unable to utilize EDI
- Identify and prioritize key product and high-priority dealer orders
- Improve customer experience through quicker customer support response times and quicker COC order entry
- Retire unsupported fax software

### Solution: Order Processing Automation

After determining the fax server product was not flexible enough to support its efforts to create a more automated order processing infrastructure, National set out on a search for a new fax automation solution. The company evaluated several vendors and ultimately selected Esker's Order Processing solution for automating the delivery of inbound fax orders. A key driver of the decision was the ability of Esker's platform to integrate seamlessly with National's SAP system.

Esker's Order Processing solution takes the pain out of traditional order processing by removing virtually all manual touch points. Esker automates the entire order entry and order management process – from reception of an order to its creation in the ERP/business application to electronic archiving – allowing companies to quickly process and track any order with complete accuracy, visibility and efficiency.

National's Director of Information Technology (IT) knew right away that National and Esker were a good match. "Our top priority was to find a solution that had the backend integration capabilities with our SAP system. Esker is a certified SAP partner, and could also integrate with our home-grown, EDI-based online order submission system. The technology is incredibly flexible. Another example is that we can archive documents either in the Esker solution or in the SAP system. Esker can also prioritize the inbound orders according to our specifications," explained the Director of IT. "Esker, compared with the other solutions we considered, provides a complete document workflow platform for automation. We soon realized that we could not only implement fax automation for this initiative but its use could be expanded in the future."



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Director of IT — National Office Furniture

**Other decision factors:**

- Kimball International was already using Esker software in-house for outbound faxing (which was implemented through an Esker Certified Partner, Merkur Group)
- Kimball migrated to the version featuring enhanced capabilities for inbound order processing

**Esker implementation: Phase 1**

In the first phase of implementation, Esker would capture the incoming fax electronically and automatically deliver it to a queue within the software program. Taking the place of the desktops where faxes had been placed prior to implementation, the queues were organized according to region as the orders were categorized before. In addition, Esker labeled each incoming order with the appropriate prioritization, and according to predefined guidelines.

The transition for the COCs moving from manual to automatic order processing was smooth. The department quickly became accustomed to fulfilling orders from the queue. IT also turned off the department's printing capabilities so all documents were being kept electronic. Each COC was set up with dual monitors with Esker on one screen and the SAP system on the other. During Phase 1, order images were received automatically by Esker, but the COCs still keyed the information from that image into the SAP system by hand. After the orders were processed, each document was electronically archived in the SAP repository, eliminating paper storage.

**Results of Phase 1**

- Reduction in cycle time: Approximately 90% of orders entered in 12 hours or less
- Accuracy rates remained consistent at +99.6%
- Ability to monitor order processing
- Priority order processing
- First in, first out processing
- Ability for Customer Service to view order fax images in the SAP system and provide quick answers to customers
- Eliminated two printers (toner and paper for printing 4,500 sales orders each month)
- Eliminated roughly 15 file cabinets

**Esker implementation: Phase 2**

Moving onto Phase 2 of the implementation, National worked with Esker to eliminate most manual order entry by leveraging its EDI system through Esker's OCR capabilities. This allowed the automatic input of orders received by Esker directly into the SAP system.

National's EDI system was developed the previous year specifically to allow dealers to submit their orders online through the National website. It was critical that Esker successfully integrate with that system, as many dealers still used it as an alternative for faxing orders. Esker's OCR capabilities fit into the EDI architecture, making it easy to streamline the order process. There was no need to rewrite code or adjust customer behaviors.

Now, when an inbound order is received via fax, Esker's OCR technology captures the data on the image and identifies key pieces of information as customized by National. It feeds that data into the SAP system, just as it had been done manually before. The COC still plays a role in scrolling through the image to verify the information is valid. If there are any errors on the order itself, the COC still has the ability to make the necessary changes.

One differentiator of Esker is its ability to be "taught" new formats of inbound documents. National employees have taught the solution to recognize orders from several of their top dealers. As the COCs come across additional opportunities for teaching documents, they send the request to IT and work with them to develop and test the new format. It's a process that takes minutes to complete. With each new taught format, Esker seamlessly captures the information and sends it to the SAP system.

**Results of Phase 2**

- Leveraged existing OrderXchange EDI system/validations
- Validation against the SAP system
- Continued reduction in cycle time

## Benefits

Esker has provided many of the benefits that National had assumed would be part of the Esker experience. However, there were several unexpected benefits that came about as a result of the fax automation initiative.

Because every order is stored in electronic archives, when a COC receives a question from a customer about an order, they are able to find the order status with a couple of clicks. Before, it was extremely difficult to shuffle through the piles of paper or file cabinets to find the answer. Now, the COC always has immediate access to the fax image and can read its status within the order process whenever necessary.

"Having this visibility as to where orders are has made an incredible difference for the COCs. Being able to find information so quickly not only has increased our productivity, but has also allowed us to serve our customers better," said the Director of IT. "Esker also enables the COCs to monitor all the queues. While one COC is only responsible for his or her own queue, if they have more time, they can see who may need support and offer help in processing orders from another queue. Before, when it was just papers everywhere, there was no way to be able to do this."

### Outstanding support

National achieved great success in Phase 1 and Phase 2. At the end of the project, the company had beaten its planned timeline and kept costs under the expected budget. According to the Director of IT, they were able to do this for several reasons: "One, we kept things simple. We had clear goals and didn't try to take on too much at once. Working with the tremendous support from Esker Professional Services, Esker was also easy to implement, operate and teach to others in the Customer Service department."

National was extremely pleased with Esker Professional Services. The team provided outstanding support services, made many on-site visits to National, and worked through a complete Business Process Analysis before each phase. "Anytime you

can deliver a project under budget and ahead of time, you bring smiles to people's faces," said the Director of IT. "Management was very happy and very excited about the progress. We are all eager to utilize the product in other ways."



It is definitely a plus to have the order at our fingertips. It has been extremely helpful when a customer has an issue to report. We are now able to pull the order up on the screen and look at it immediately to confirm what the customer is saying. This is just one example of the time that is saved because of Esker. Customer Service no longer has to search for orders in the files which makes everyone 'more available' to attend to the next caller."

CSR — National Office Furniture

## Future Plans

Looking ahead, National plans to continue "teaching" formats to automate more dealer documents. The company also plans to seek other areas of the business that could benefit from Esker, such as the accounts payable department. National plans to continue working closely with Esker to investigate other areas where Esker can provide benefit.

"Esker has a product that performs as they said it would," said the Director of IT. "The staff is outstanding, experienced and great to work with. Any issues that arose were easily resolved. They also helped us realize other processes that could benefit from automation. From what we asked of Esker and the software, they have delivered and much more."

## About Kimball International

Kimball International, Inc. is a leading manufacturer of furniture for the office and hospitality industries, and electronic contract assemblies, providing engineering and manufacturing services utilizing common production and support capabilities to a variety of industries globally.

Kimball's National Office Furniture business unit is headquartered in Jasper, Indiana. With a strong heritage in wood, National has designed and manufactured office furniture for over 30 years. The choice of design now expands into a diverse range of products and materials that encompass both modern and traditional styles. Intent on providing world-class service, National focuses on delivering the ultimate customer experience to businesses ranging from small companies to large corporations.

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