



# EXPANDING THE USE OF ESKER'S PLATFORM TO FULLY AUTOMATE THE ORDER-TO-CASH CYCLE

After first automating its accounts receivable (AR) process, Tessenderlo Kerley, Inc. (TKI) then set out to go paperless with order processing automation – maximizing its SAP® investment and streamlining the entire order-to-cash (O2C) cycle.

## Accounts Receivable

TKI's initial step towards full automation of the O2C cycle came after seeking a way to improve its AR process. Previously, TKI's approach to AR and customer service involved a paper-heavy and labor-intensive invoice approval process that the company soon realized would need a more modernized replacement.

### Manual challenges

The process TKI employed was not unlike how countless other traditional AR departments operated. Manual steps were commonplace, with customer invoices all following a similar path:

- 1) Invoices were batch-printed daily to a physical printer.
- 2) Employees would then check each document to make sure everything was correct and add it to the pile of other invoices to be approved.
- 3) These approved invoices would go to other employees to be collated, folded, stuffed, stamped and delivered by mail.

With its high monthly order volume, TKI sought to reduce the amount of time and money it spent handling all of the paper involved in invoice approval. TKI needed to maintain the interim pricing-check step for each invoice prior to delivery, and simply wanted to take the high cost and inefficiency out of the process.



Processing an invoice used to take one to two minutes. Now it's only taking 30 seconds. The CSR group loves this new tool. Our only regret is not implementing it sooner!

Dan McMenomy, Director of Business Systems

### Solution: accounts receivable automation

Having already been familiar with Esfer, TKI selected Esfer's Accounts Receivable automation solution to replace its manual

process. The company had implemented Esfer technology several years earlier, primarily to integrate automated faxing with its SAP system, and the project had proven successful.

Working together, Esfer and TKI determined the best way to automate the invoice approval process was to send invoices through Esfer.

In the automated process, invoice jobs batch-print to Esfer and are accumulated in a queue. Employees can then log in to review the invoices. Invoices that are correct are approved and then emailed, faxed or printed for physical mail delivery, depending on individual customer preferences. Invoices with pricing exceptions are returned to the originator for re-issuance, and then come back through Esfer for approval and delivery.



As part of the project, TKI switched to only using BC-XOM print output from SAP applications. BC-CON integration gave TKI the option to use fax, email and Esfer Mail Services – an on-demand service where invoices are electronically sent to Esfer production facilities to be printed, folded, inserted and delivered by mail.

### Benefits

Creating a paperless environment has produced significant efficiency gains in moving AR invoices through the process faster as well as cost savings from fax and email delivery.

"Processing an invoice used to take 1 to 2 minutes, and now it's only taking about 30 seconds," said Dan McMenomy, Director of Business Systems at TKI. "The CSR group loves this new tool. Our only regret is not implementing it sooner!"

Going from a paper-based system to the electronic system with Esfer has also given TKI the capability to gradually reduce mail delivery as more and more customers accept electronic invoices.



The results have been fantastic — we've actually reduced our order processing time from three minutes down to one-and-a-half minutes by automating with Esfer.

Dan McMenomy, Director of Business Systems

## Order Processing

Following its AR automation initiative, TKI next focused its attention on the second half of the O2C cycle — order processing. Up to this point, TKI had been operating order management much like AR, relying heavily on manual processing methods that were causing a number of critical business challenges.

### Manual challenges

A number of factors led TKI to search for a new way to operate order processing. For starters, TKI processes approximately 35,000 orders each year with eight Customer Service Representatives (CSRs) shouldering the workload. The manual tasks involved in the process pulled the CSRs away from their primary role — customer service.

TKI's process was also very complex, with 75% of its orders being delivered in the first five months of the year. This put added pressure on the CSRs, particularly when it came to dealing with all the unformatted email and fax orders coming through.

Like countless other modern-day companies, the push to "do more with less" was also being emphasized within TKI at the time. In order to better manage its business growth while also maximizing efficiency, TKI knew it needed a solution that could accomplish three key objectives:

- 1) Automate the order management process and/or reduce the time needed to enter an order into the SAP system
- 2) Increase customer response times
- 3) Repurpose existing employees to other higher value needs and functions within the organization

### Solution: order processing automation

TKI found its solution to order processing in the same place that it found its solution to AR — through Esfer. Using the same shared platform, TKI was able to extend its automated capabilities to fully streamline the O2C cycle.

Thanks to Esfer, every phase of order processing is now automated. From reception of an order to its creation in the SAP system to electronic archiving, TKI can now quickly process and track any order, regardless of how it arrived, with complete accuracy, visibility and efficiency.



### Benefits

Since implementing Esfer's Order Processing solution, TKI has seen a number of benefits thanks to automation. Time savings has been a key result, with both order processing time and customer response time speeding up dramatically.

"The results have been fantastic — we've actually reduced our order processing time from three minutes down to one-and-a-half minutes by automating with Esfer," said McMenomy. "Not only have our CSRs had more time for higher-value tasks, we've been able to repurpose some employees to satisfy other business needs."

In the future, TKI plans to leverage Esfer's tools to make their sales order process completely touchless by removing any need for human intervention.

### About Tessenderlo Kerley, Inc.

Tessenderlo Kerley, Inc. (TKI) produces and markets specialty chemical solutions, including fertilizers, crop protection chemicals and process chemicals and services to diverse markets. TKI operates 10 manufacturing plants in North America, in addition to an extensive terminal network. TKI is a subsidiary of Tessenderlo Group, a worldwide specialty company, focused on food, agriculture, water management and on valorizing bio-residuals. The group employs about 7,000 people and is a leader in most of its markets, with a consolidated revenue of 2.1 billion EUR in 2012.

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