

Pentair, Inc.: Keeping POs, Supplier Invoices and Sales Orders Flowing Paper-free



Pentair, Inc. is a global diversified industrial company headquartered in Minneapolis, Minnesota. Its Water Group is a global leader in providing innovative products and systems used worldwide in the movement, treatment, storage and enjoyment of water. Pentair's Technical Products Group is a leader in the global enclosures and thermal management markets, designing and manufacturing thermal management products and standard, modified, and custom enclosures that protect sensitive electronics and the people that use them. With 2010 revenues of \$3 billion, Pentair employs over 14,000 people worldwide.

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Manufacturing Industry

Pentair first implemented Esker DeliveryWare to address recurring problems with the aging TOPCALL fax server it was using to deliver purchase orders and other documents out of its SAP® system. Later, when Pentair was looking to remove the inefficiency of paper from accounts payable and sales order processing, the company again leveraged Esker DeliveryWare to automate those documents into the SAP system — improving productivity and gaining visibility.

Challenges

Fax

Pentair's IT team was supporting fax infrastructure, servers and maintenance across the globe. "There were all kinds of problems with stability and reliability of the TOPCALL fax server we had been using for several years," recalled Christina Crone, Director of Business Technology at Pentair. "It was at end of life; the infrastructure that we had in place was not stable and we had some issues with TOPCALL support."

As a result, fax queues were getting bogged down and vendors regularly reported partial faxes. When the TOPCALL server locked up without warning, delivery of purchase orders to vendors was disrupted and delays rippled through the supply chain. This affected Pentair's ability to ship on time to customers. Documents like notices, invoices and marketing communications were also affected.

Accounts payable

Pentair introduced a shared services model for accounts payable and had invoices coming into the center via email, paper mail and fax. As invoice volume increased, supplier payment times got pushed back and suppliers called to ask about their invoices. "We had a lot of paper getting pushed around for approvals," said Dan Hughes, Manager of Business Technology – Financial Applications at Pentair. "All the time and effort of that paper workflow was the key driver for us to automate and gain visibility into the process."

“ Esker has become known as best of breed. There's a comfort level that you expect. ”

Christina Crone ■ Director of Business Technology ■ Pentair, Inc.

Sales order processing

With sales orders coming into eight fax machines from 20 different fax numbers, about one-quarter of the order entry team had to walk around and find orders to answer customer inquiries. "We wanted to get rid of the paper and improve the process," said John Bartleson, Director of Customer Advocacy at Pentair.

Converting hard-copy documents into scanned images for archiving was another element of the process. "We had a separate data storage of the documents, so there was a fair amount of scanning required every day," said Bartleson. "From an efficiency perspective, the flow and the effectiveness for the customer, we knew there was a better way." Bartleson had attended an order-to-cash conference in Chicago hosted by Esker and was impressed with the paper reduction and process improvement that other companies running SAP have achieved with Esker solutions.

Solutions

Fax

As dissatisfaction with the fax server increased, interest in Esker among Pentair's business leaders had also grown. Crone knew of Esker through her involvement with the Americas' SAP Users' Group (ASUG) and from attending SAP-related events, and Wendy Marker, Project Manager/ Technical Lead – SAP Basis and Technology Lead at Pentair, was familiar with Esker from past work at another company that is a long time Esker customer.

"When the business leaders and technology leaders got together, a light came on," said Crone. Pentair implemented Esker DeliveryWare and Fax on Demand service ahead of schedule and under budget.

In the solution architecture, Pentair's on-premise Esker DeliveryWare feeds the Fax on Demand server at an Esker production facility, where the actual delivery of faxes takes place. With its SAP-certified fax connection, Esker DeliveryWare can automatically process documents directly from Pentair's SAP application as well as the desktop.

“The Esker solution is a huge step forward in how we manage the process. Going from piles of paper to being able to see the volume of open orders is wonderful, not only for the users but also the management team within customer service.”

John Bartleson ▪ Director of Customer Advocacy
▪ Pentair, Inc.

A key objective of Pentair's business case for the project was reduction of TCO associated with running and managing assets to support faxing. The on-demand fax delivery service offered by Esker was appealing to Pentair for scalability to support the company's growth, and to eliminate burdens of managing fax telephony and telecom charges.

As a result, Pentair no longer deals with the time and expense of buying and maintaining fax lines, fax boards and servers. "The less we have to think about those issues, the better," said Marker. "With Esker they are not a concern."

Accounts payable

On the AP side, Esker DeliveryWare has positioned Pentair to meet its objectives for shared services. "The Esker technology puts us in place to be able to realize the benefits of what we want to do with shared services in terms of opening up the door with bandwidth for us to take on more of the business, and to gain automation synergies," said Hughes. "The automated workflow

that Esker has brought means we don't have all that manual communication and paper flow. We've seen reduced processing time with invoices that go through the electronic workflow versus moving paper, and the queue has given us real insight into how to improve the AP process. There's also a lot of value in the time savings when vendors have inquiries about invoices that have gone right into SAP."

Sales order processing

In Pentair's automated sales order process, the incoming fax numbers are mapped to individual queues, so orders can be segregated and are easy to find. The Esker solution also has helped with Pentair's move to a single order entry team by improving the flexibility to share workload.

Pentair staff can see the image of the order immediately and do not have to get up from their desks to chase down orders or wait a day for an order to be scanned in. Noting that Pentair staff is now more productive, Bartleson sees a better level of customer service as the real value of these gains. "Our people now have the ability to provide quicker answers," he said. "One of our mottos is 'one call, one answer' and the Esker solution contributes to that."

"For me a real unexpected victory was not only the fact that orders are attached immediately at the SAP level, but also that they are accessible as soon as 24 hours before they would have been available in the scanned archives in our previous process," said Bartleson.

Results

With the Esker solution, Pentair has seen:

- Fewer help desk requests related to faxing
- Faster delivery of POs to vendors to help meet customer fulfillment requirements
- Document images go into the SAP system 24 hours faster than before
- Elimination of at least 2 hours of scanning per day
- Better visibility to find orders in the electronic queue
- Reduced invoice processing time
- No need to add headcount for document processing

A byproduct of the Esker solution is that users are now attaching more emails and other supporting documents to the SAP record, so all relevant information about a transaction can be found in one place.

In addition, the Esker solution enabled Pentair to implement in phases and get quick, tangible wins for the business. "Our approach is to move quickly and add value incrementally, and that's what we did with the Esker solution," said Bartleson.

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