



AUTOMATION À LA CARTE

How Parts Town Perfected Its O2C & P2P
Processes with Esker's Cloud Solutions





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INTRODUCTION

A SNAPSHOT OF WHAT'S INSIDE

For today's businesses, achieving operational excellence is a top priority in order to remain competitive and agile — but it's often easier said than done.

This eBook highlights a proven blueprint for success, as achieved by Parts Town, an Esker customer that automated multiple manual processes within its O2C and P2P cycles using Esker's integrated cloud-based platform.

Below are some of the results from their success story:



40%

ANNUAL GROWTH RATE
WITHOUT INCREASING
HEADCOUNT



60%

INCREASE IN STAFF
PRODUCTIVITY



\$30k

IN MONTHLY SAVINGS
DUE TO MORE EARLY
PAYMENT DISCOUNTS



KEY TERMS

Parts Town's story contains a number of abbreviations, which you may or may not be familiar with. Below are the definitions if you need a refresher.

AP: Accounts Payable

AR: Accounts Receivable

CSR: Customer Service Rep

DSO: Days Sales Outstanding

O2C: Order-to-Cash

OCR: Optical Character Recognition

OEM: Original Equipment Manufacturer

P2P: Purchase-to-Pay

PO: Purchase Order

RMA: Return Merchandize
Authorization

SaaS: Software as a Service

BACKGROUND

IT ALL STARTED WITH SOME GROWING PAINS ...

WHO IS PARTS TOWN?

Parts Town is a leading supplier of genuine OEM replacement parts for commercial cooking equipment to the restaurant industry.

INDUSTRY: Wholesale & Distribution

ERP SYSTEM: SYSPRO™

EMPLOYEES: 200+

HEADQUARTERS: Addison, IL

NOTABLES: Named to Inc. 500 list of "Fastest Growing Companies" for six consecutive years



Success is a double-edged sword. While it opens the door of opportunity for even greater accomplishments, undoubtedly, on the other side of that door awaits a new set of arduous obstacles to overcome.

Back in 2013 Parts Town understood this predicament quite well. As a supplier of genuine OEM restaurant equipment parts, Parts Town had, at that time, been **growing at clip of 35%** for nearly a decade. Despite having a relatively new SYSPRO ERP system in place, many of the company's manual document processing methods couldn't keep up with the growing volumes.

Document process automation was a top priority. But in order to build the kind of scalable and stable future Parts Town had in mind, it first needed to figure out what processes to focus on, and more importantly, if there was a solution provider flexible enough to address all of their needs.

RETHINKING HOW O2C & P2P COULD WORK

Parts Town's need for modernization extended to both its O2C and P2P business cycles — and the reasons for making a change went far beyond just growth and scalability.

On the O2C side, a major focus was eliminating the low-value manual work associated with processing AR invoices, sales orders and a variety of other O2C-related documents managed by Parts Town. For example, CSRs previously had to print out PO copies, enter the data into the ERP system, and then file it in a personal folder or inbox. This manual method meant lower visibility, higher error rates, and a reduced focus on customer service.

On the P2P side, Parts Town was not only dealing with similar issues of staff members spending their time on low-value, manual tasks, accountability into things like invoice approval was nonexistent. As a result, money was being left on the table due to lost productivity as well as missed early payment discounts.

“AS WE CONTINUED TO GROW, OUR ORDER PROCESSING OPERATION BECAME MORE CHAOTIC. WE WERE RUNNING INTO A LOT OF ERRORS AND HAD VERY LITTLE WORKFLOW VISIBILITY.”

AMY ARGENTINE
DIRECTOR OF CUSTOMER EXPERIENCE

PARTS TOWN'S PLAN FOR MODERNIZATION



AR & DOCUMENT DELIVERY

Automate the manual processing of 30,000 documents each month, including: invoices, POs, RMAs, quotes statements and more.



ORDER PROCESSING

Automate the manual processing of 2,000 daily customer orders — two-thirds of which are received via fax and emails.



AP INVOICING

Automate the manual processing of 300 daily supplier invoices to avoid adding additional headcount to keep up with growth.

SOLUTION

NOT ALL AUTOMATION PROVIDERS ARE CREATED EQUAL

Any business that's looked into document process automation can tell you: There's a lot to consider when choosing a solution. As companies continue to face added pressures to cut costs and increase efficiency, more tools and technologies have entered the market to help solve these problems. But more doesn't always mean better.

For Parts Town, the goal was simple: Find a solution that could work with its ERP system, be utilized in a SaaS model and, ideally, be flexible enough to extend to multiple business processes. Parts Town only found one provider that met its criteria — Esker.

“ESKER’S ON-DEMAND FORMAT OFFERED US AN EASE OF IMPLEMENTATION THAT LET US HIT THE GROUND RUNNING AND NOT DISRUPT THE QUALITY OF OUR CUSTOMER SERVICE.”

JEFF MUSUR | DIRECTOR OF OPERATIONS

CHOOSING ESKER

Parts Town ultimately selected Esker to automate its O2C and P2P processes due to the solution's:

SCALABILITY

Esker's SaaS solution offered an easier installation and the ability to scale with growth.

FLEXIBILITY

With Esker, multiple processes can be automated from the same integrated platform as needed.

FUNCTIONALITY

Technologies such as OCR, auto-routing and electronic archiving streamline key areas of workflow.

SIMPLICITY

Customizable dashboards and customer/supplier portals bring additional convenience and self-service to daily activities.

A JOURNEY FROM MANUAL TO AUTOMATED

"OUR DISTRIBUTION CENTER CAN NOW SEE HOW MANY ORDERS ARE IN THE QUEUE AND USE THAT DATA TO FORECAST SUPPLY CHAIN AND STAFFING NEEDS."

AMY ARGENTINE
DIRECTOR OF CUSTOMER
EXPERIENCE



With 3,000+ SaaS customers and 200,000+ SaaS users worldwide, Esker is no stranger to helping companies overcome their O2C and P2P challenges.

Installation of Esker began in 2013 on the O2C side; specifically, AR and document delivery. Not only did Parts Town eliminate manual processing steps, Esker's web portal gave Parts Town customers a secure place to view and search invoices, and even select their preferred method of reception — reducing customer service calls. Rounding out the O2C cycle, Parts Town looked to Esker again in 2015 to automate order management. Since then, the entire process has been made electronic, allowing orders to be quickly processed and easily tracked regardless of format.

Finally, in 2016, Parts Town extended its use of Esker to the P2P cycle, successfully automating its AP invoicing process. With every invoice electronic and 100% visible, Parts Town now has instant access to everything that drives value in its process — from shipment discrepancies to early payment discounts to employee performance.

LIFE AFTER GO-LIVE



AR & DOCUMENT DELIVERY

Business documents and AR invoices are now sent via cloud fax services or mail services directly from the ERP system, complete with real-time tracking and 24/7 availability.



ORDER PROCESSING

Arriving fax and email orders are now automatically entered into Esker's solution where they are imaged and scanned into the SYSPRO ERP system — all with full visibility.



AP INVOICING

Virtually every aspect of AP is now automated — from invoice reception to the creation of the accounting book entry — saving time and money while improving supplier relationships.

RESULTS: O2C

Over a period of just a few years, Parts Town was able to automate three critical document processes spanning its O2C and P2P cycles. What's more, it did so without relying on point-to-point solutions or lengthy hardware/software installations that could have disrupted business continuity and increased IT complexity. As they say, the results speak for themselves ...

O2C BENEFITS:



INCREASED SPEED

- Accelerated order processing time by minutes thanks to reduced manual tasks and "taught" rules
- Reduced turnaround time for order acknowledgements



TIME & COST SAVINGS

- Eliminated almost all fax machines
- Reduced employee overtime hours
- Improved staff productivity thanks to fewer manual tasks
- No new staff hires needed to manage document volume increases



ENHANCED VISIBILITY

- Increased visibility into every order and invoice; priority and real-time tracking
- Distribution center can use data to allocate resources and forecast



CUSTOMER SATISFACTION

- Instant document access thanks to self-service customer portal
- Freed up staff can focus more on proactive customer service activities



NATIONAL RECOGNITION

PARTS TOWN WAS RECENTLY NAMED WINNER OF THE
AR & O2C SPOTLIGHT AWARDS' "ORDER-TO-CASH DEPARTMENT OF THE YEAR"

This award is an expansion of the IOFM Spotlight Awards, and was given to Parts Town for automating its manual cash conversion process, improving customer service, increase productivity and reducing DSO.

RESULTS: P2P

“BEFORE ESKER, WE HAD NO CONTROLS IN PLACE WHEN ROUTING AP INOVICES FOR APPROVAL. NOW, ALL EXPENSES ARE ROUTED ELECTRONICALLY WITH FULL TRANSPARENCY AND ACCOUNTABILITY.”

ANDREW PHILLIPS
ACCOUNTING MANAGER



P2P BENEFITS:



TIME & COST SAVINGS

- 30% additional savings each month thanks to more early payment discounts being captured (about \$30K in added savings each month)
- No additional headcount to handle growing invoice volumes



IMPROVED PRODUCTIVITY

- 60% increase in productivity, going from 57 invoices per-day/per-user to 92 invoices per-day/per-user
- More time for staff to be proactive doing value-added activities (e.g., sorting through discrepancies, contracting manufacturers before due dates, etc.).



ENHANCED VISIBILITY

- Important invoice information (e.g., what invoices still need to be processed/paid, which vendors have a discount date coming, etc.) is instantly accessible via customizable dashboards

ABOUT ESKER

A WORLDWIDE LEADER IN DOCUMENT PROCESS AUTOMATION SOFTWARE

Organizations of all sizes use Esker's cloud-based automation solutions to increase efficiency and deliver added value to business processes such as order management, AP, purchasing, AR and more.

After 30+ years of field experience, Esker has helped over 11,000 companies around the world in their efforts to modernize critical business communications. Esker's global headquarters are in Lyon, France, but we're located just about everywhere paper needs quitting.



OTHER CONTENT YOU MIGHT BE INTERESTED IN:

WHITE PAPER

How to Quit Paper in Any Document Process with One Shared Platform

INSTANT DOWNLOAD

SOLUTION SUMMARY

O2C Automation: Improving Cash Conversion Performance

INSTANT DOWNLOAD

eBOOK

P2P Automation: The Secret to Improving Supplier Relationships

INSTANT DOWNLOAD



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