



The Importance of Integration & Workflow Automation on our Supply Chain

Two vital factors positively impact our supply chain: **integration between systems and workflow automation**. Whether you are a vendor selling to retailers, a retailer purchasing from thousands of vendors, a warehouse fulfilling orders for various companies, or a logistics organization ensuring packages are delivered on-time, automation is important now more than ever. As eCommerce, drop ship, buy online pickup in-store (BOPIS) and curbside pickup take over the market, adopting a simplified, streamlined process is necessary to the success for all parties involved.

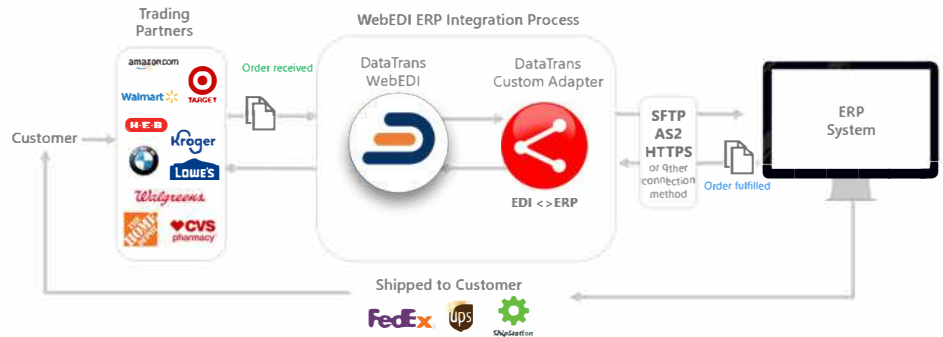
Evaluating the Impact of Workflow Automation

A startling 49% of warehouses in 2019 still used a mostly manual process in order fulfillment. Manual processing is error-prone, time consuming and very inefficient. As we move to heavily depend on our warehouses and distribution centers to get products to consumers on time, the upcoming years will see a major shift to an increase in automation. "Automated technologies have been proven to speed up and streamline processes" (Neufeld 2020).

With the recent climate and start of 2020, a slowdown has provided companies to take a deeper look into their daily operations, finetune, reduce costs and streamline their day-to-day processes. Workflow automation can be accomplished with a simple integration. For example, integrating EDI processing with your ERP, provides automation and streamlines workflow between customers, buyers and vendors.

The example to the right illustrates how simple you can connect with retailers through WebEDI, integrate WebEDI with any ERP, WMS or similar application and efficiently fulfill orders.

DataTrans workflow automation and integration example



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Forms of Automation

Vendors

Starting with vendors that fuel our supply chain, a basic integration has a huge impact in simplifying daily operations and significantly reducing unnecessary manual data entry. As vendor EDI compliance is required by most all retailers, DataTrans WebEDI supports vendors with an easy to use, scalable, multi-channel solution. With WebEDI vendors can easily connect to their retailers and become EDI compliant. Ship easy, manage bookkeeping effortlessly or completely automate. Order fulfillment is streamlined with a simple WebEDI integration with shipping services, accounting platforms or end-to-end ERP or warehouse management system. As order volume increases, WebEDI scales with a flexible solution. Vendors can integrate core documents into their ERP and process non-critical documents through WebEDI.

Buyers

Retailer EDI requirements ensure order accuracy, visibility, and insight into their supply chain. Automating vendor onboarding and integrating with buyers' business systems and applications are essential functions to the success of retailers and strengthening vendor relationships.

Logistics

Behind scenes warehouses and distribution centers ensure our supply chain keeps moving forward. Warehouses that have adopted software integration have seen significant efficiency gains. For example, let us look at Amazon. Amazon has "set the bar for efficiency by integrating an astounding spectrum of automation technology, it's becoming increasingly apparent that traditional supply chain models are ripe for disruption. For this reason, companies around the world are now rethinking their warehouse and distribution systems, with automation taking center stage" (Neufeld 2020).

With different levels of the supply chain, vendors, retailers, warehouses, and distribution centers, can all improve processes by investing in integration and workflow automation. To support the multichannel shopping options from in-store, eCommerce, drop ship, BOPIS and curbside, streamlining fulfillment is necessary to meet consumer demand.

Benefits of EDI Integration & Workflow Automation



Reduces manual labor and significantly cuts down costs



Improves accuracy of information exchanged between systems



Greater visibility into operations and inventory



Quicker response time, fulfillment processing and delivery



Simplifies the relationship between vendors, retailers and distribution centers

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Cost Savings Analysis

Significant savings can be seen when comparing the three most common methods of order processing: manual processing, DataTrans WebEDI processing, full WebEDI ERP integration with WebEDI processing.

DataTrans cost analysis average use sample

Assumptions

Staff Costs per Hour	\$ 25.00
# of Documents per Month	400
Customers / Partners	1

Comparing 3 common methods of Order Processing

	Manual Process	WebEDI Processing	ERP Integration
Amount of Time Spent (Minutes)/Document			
Receiving and Keying in an Invoice	5.00	1.00	0.00
Correcting Errors	8.00	1.00	0.00
Other Document Processing	4.00	1.00	0.00
EDI Transaction fees per invoice	0.00		0.10
Total Document Processing Time	17.00	3.00	0.00
Weekly cost Estimates			
Receiving and Keying in an Invoice	\$ 269.79	\$53.96	\$ -
Correcting Errors	\$ 431.67		\$ -
Other Document Processing	\$ 215.83		\$ -
EDI Transaction Fees	\$ -	\$ 71.88	\$97.50
Total	\$ 917.29		
Monthly Cost Estimates			
Receiving and Keying in an Invoice	\$ 1,169.10	\$233.82	\$ -
Correcting Errors	\$ 1,870.56		\$ -
Other Document Processing	\$ 935.28		\$ -
EDI Transaction Fees	\$ -	\$ 287.50	\$ 390.00
Total	\$ 3,974.93		
Annual Cost Estimates			
Receiving and keying in a Invoice	\$ 14,029.17	\$2,805.83	\$ -
Correcting errors	\$ 22,446.67		\$ -
Other document processing	\$ 11,223.33		\$ -
EDI costs	\$ -	\$ 3,450.00	\$4,680.00
Total Annual Costs per Workflow	\$ 47,699.17	\$6,255.83	\$4,680.00
Savings		\$ 41,443.33	\$ 43,019.17
Annual Avg Cost per Document	\$ 9.94	\$ 1.30	\$ 0.98

Planning for the future to reduce costs, simplify fulfillment and automating operations can be easily done by integrating with DataTrans multichannel web-based EDI and eCommerce software. Regardless of your company size or industry, a simple integration goes a long way. As we begin to reopen globally, if you have not already invested in automating operations contact DataTrans Solutions, one solution with endless options.

Works Cited:

Neufeld, Dorothy. "The Future of Supply Chain Automation." Visual Capitalist, 5 May 2020, www.visualcapitalist.com/supply-chains-automation-future/.

*Cost analysis is based on average use case scenario by DataTrans Solutions, Inc.