

## Numeric Power Systems Case Study

### A Karomi Workflow Automation Case Study

#### Business Overview

Numeric Power Systems is the No. 1 UPS Manufacturer in India with sales and service network across 200 locations in India and overseas. They provide a wide range of world class power conditioning products, addressing the total spectrum of power protection needs. NPS is a publicly traded company with headquarters in Chennai and 8 manufacturing plants across India and overseas.

#### Challenges

Managing the **Order-to-Cash** cycle across their branches was a tedious and time-consuming job. Sales executives across the network communicate client orders to the HO through courier, email or phone. The centralized sales order processing at the HO, verifies the order and either books the order in SAP or returns it to the branch with their remarks. The delay in booking an order because of issues in the order was a major area of concern for the sales executive and the Head office. Once the order is booked, Invoicing, Proof of delivery (POD) and IC (Installation and Commissioning) are major milestones. Collection of payment cannot be done until some or all of these milestones are reached. Further, the sales executive who collects payments needs the above documents to be submitted while requesting for payment. Most often these documents were not easily available to them and visibility on these milestones being reached were also not there. So payment collection was a problem. At the HO, all orders were physically collated into folders for future reference. If a branch needed an invoice copy, the document would be scanned or couriered from the HO. Managing a complete set of documents for each order, tracking which documents have not been submitted and following up with the concerned people were time consuming and inefficient. Given that NPS was booking over 600 orders in a month with a combined system count of over 4500 systems, the task of managing the process and the documents related to the process was immense.

The **Order-to-Cash** automation process was developed to cut-out delays in the cycle, so that client deliverables were tracked systematically and payments were collected regularly.

#### Objectives

The objectives of the Order-to-Cash automation were as follows:

- Develop an automated tool for capturing and reporting information about orders, invoices, POD and IC tasks.
- Single repository of all documents pertaining to an order
- Track all Client orders which get converted to one or more internal orders and track each internal order which gets converted to one or more invoices.
- Track POD and IC for each invoice.
- Provide visibility to all Sales/Order branches, Delivery branches, Billing branches and Payment branches.
- Coordinate tasks across the Commercial, Credit control, Finance, Sales and Service teams.
- Allow for painless cancellation of customer orders, internal orders and invoices.
- Report on crucial performance metrics and generate reports.



## The Karomi Solution

Using Karomi's powerful BPM platform, the Order-to-cash process was automated using a centralized web-based system. Users across all branches logged into the system to view and update order information. The system also generates email alerts to respective users on pending tasks.

Order Booking: Customer orders were scanned and uploaded into the system after filling in key order information. Immediately the order is visible in the inbox of the HO person who does the order verification. Issues are resolved online and the order is booked.

Since one order could translate to systems being delivered across multiple regions, all relevant branches in these regions can now get a heads-up on orders to be fulfilled in the pipeline. To avoid delays, the system also captures all

- Documents required to execute order, and
- Documents required to collect payment

This removes the uncertainty of incomplete information for execution of order or collection of payment. The internal work order generated in SAP is added to the process so that everyone has access to the same.

Order Execution: The Karomi BPM platform handles seamless tracking of customer orders split into multiple internal orders and internal orders split into multiple invoices. Invoices are generated in SAP and added to the process along with the packaging slip and in some cases a signed invoice. Mandatory steps in the process are automatically executed and documents collected after each task. Wrong delivery, Short delivery and Damages in transit are all tracked through the online system. Systems delivered but not commissioned are usually cause for payment delays. Sometimes the reason for not commissioning is due to lack of space or lack of readiness of the client. In such cases an alternate document to the IC report is generated, so that payment processing can be done. By convincing the payment authority that IC was not done due to their own fault avoids delays in payment.

Payment Cycle: Since all documents required for payment is captured upfront, the process automatically includes all tasks that are needed to generate these documents. With visibility across the branches, all sales executives now can keep the customer informed on delivery status and payment dues. Payment details are loaded onto the system by the sales executive and payment acknowledgement sent out automatically by the system.

Search and Reports: With a single online system that shows all customer order related information and status, queries from clients can be answered by the sales executive from wherever they are. Users can search for orders by customer order number, internal order number or invoice number. For service personnel, search can also be done by specifying the UPS serial number. Reports for MIS and operational metrics are generated and can be exported to Excel too.

## Results

The following have been the benefit of implementing the system:

- Automatic collation of all documents pertaining to an order
- Faster order booking times
- Quick updates to client queries on order execution and status
- Zero delay in execution or payment request due to lack of required documents
- Payments received faster due to clean execution and delivery
- Single-click tracking of all customer orders, internal orders and invoices
- Easy induction of new users into the Order-to-cash process



- Single-click access to operation metrics and reports

With the implementation of the automated Order-to-cash process, users can now attend to real customer problems and leave the mundane tasks of collating documents, compiling reports, and follow ups to the system.