



MOEN INCORPORATED

Manufacturer Taps OnBase to Improve Flow of Invoices

One of the world's largest plumbing products manufacturers and the #1 brand of faucets in North America, Moen Incorporated owes its success to continuous innovation and productivity improvement. Moen is part of Fortune Brands, Inc., the consumer brands company that includes leading home products brands such as Aristokraft, Omega, Diamond and Schrock cabinetry, Therma-Tru door systems, Simonton windows and Master Lock security products. Besides introducing the world to the single-handle faucet, Moen is known throughout the plumbing industry for its firsts, including its washerless cartridge system that replaces seats and washers and eases faucet maintenance.

The drive for increased efficiency and ongoing improvement in product development extends to the manufacturer's business operations, prompting Moen to implement SAP as its ERP platform and examine how complementary technology could deliver even greater efficiency. An initial OnBase implementation in accounts payable (AP), has since displaced an existing document management system in order entry and been expanded to include other departments such as transportation and accounts receivable (AR).

Prior to implementing an OnBase solution, Moen's North American invoices were manually processed at three separate locations in North Carolina, Nevada, Pennsylvania and Ohio and entered into Moen's SAP system, which has been in use since 1997. In the event of a discrepancy or question, an orange Problem Resolution Form would be attached to the invoice and routed through inter-office mail, a process that was time-consuming, hard to monitor and added weeks to the payment processing. To better control and monitor the procedure, Moen wanted to centralize AP processing at one site located in the Cleveland, OH suburb of Elyria. To accomplish this goal, the routing of invoices and the Problem Resolution Forms had to be replaced with an electronic business process and tied into the SAP system.

Concurrent with this initiative, Terry Craig, IT director at Moen, began to evaluate the technology

needs of the AP Department and document imaging vendors that could address some of the challenges of invoice processing, including the reliance on paper and inherent risk of lost documents. An electronic document management solution would also allow business departments to review old invoices from virtually any location without the labor and resource costs of having them pulled from a file, copied and sent.

After evaluating a number of software and solution providers, Moen opted to implement OnBase, enterprise-class software that combines integrated document management, business process automation and records management in a single application. OnBase was chosen for its low entry cost, ease of implementation and the availability of local support. However, the most important factor may have been the ease with which OnBase can interface with SAP through use of the OnBase Application Enabler module. Point-and-click configurable, Application Enabler can image-enable virtually any Windows®-based line-of-business application, making it possible for users to access documents in the OnBase repository from the transactional application, generate bar codes and retrieve data needed for automatic indexing.

"Application Enabler sold us," comments Craig. "We're a Windows-based company and Application Enabler can interface so much easier than other solutions. We showed our technical people how quickly it could be done by enabling a screen in about 15 minutes, and they were blown away."

AT A GLANCE

By integrating OnBase Document Imaging and Workflow with its SAP system, Moen Incorporated has streamlined invoice and order processing and other business operations while improving control and visibility.

BENEFITS

- 50% reduction in AP backlog
- Increased volume of invoices processed at central location without staff increases
- Simple, flexible integration with existing SAP system
- Supports visibility into the status of invoice processing throughout the life cycle
- Documents readily available to multiple authorized employees at any location
- Virtually eliminated the need to copy documents
- Improved service in response to document requests
- Fewer manual steps to scan and documents are available sooner
- Reduced physical storage requirements
- Enterprise-standard solution eliminates need for IT staff to maintain multiple solutions

APPLICATIONS

- Accounts Payable
- Accounts Receivable
- Transportation

COMPLEMENTARY PRODUCT INTEGRATIONS

- SAP® Enterprise 4.7
- Canon U.S.A. DR-3060-series document scanners

(continued)

Workflow Streamlines Invoice Resolution

Since Moen implemented its centralized OnBase AP solution, all vendors submit invoices to the Elyria facility. Each day, about 1,000 invoices are sorted according to defined categories that reflect the assignments of the AP clerks and become the scanning queues. After scanning, invoices are automatically distributed to the appropriate clerks. Using dual screens, clerks compare the invoice image to the purchase order (PO) created in SAP. If the amounts match, the AP clerk submits the payment. The image of the invoice is then stored in the OnBase repository and indexing values are captured directly from the SAP screen.

If there is a discrepancy between the PO and the invoice, the AP clerk kicks off an automated workflow that sends an e-mail requesting information about the payment status to the person responsible. The e-mail contains a link to OnBase and brings up an OnBase e-form that replaces the previously used Problem Resolution Form.

OnBase significantly streamlined the invoice resolution process, increasing the speed with which problems are resolved while providing better visibility into problem status with less labor. According to Moen's AP manager Wendy J. Cambarare, the invoice processing backlog was reduced by 50% in the first six months of 2004, compared to the first six months of 2003. "One of the major reasons for this is the visibility we now have to the outstanding invoices with the OnBase imaging system," she states. "All invoices are scanned into the system on the day they are received and allocated to the designated AP associates."

Using a manual system, AP clerks maintained a spreadsheet to track the location and progress of a resolution request and had to call other employees to send reminders or update the tracking sheet. OnBase Workflow is configured to remind the individual responsible for providing information at regular intervals via e-mail until the electronic resolution form is received.

With the old inter-office paper routing approach, it was nearly impossible to track down a lost document. OnBase Workflow provides an easy-to-read interface for viewing workflow queues and identifying bottlenecks. OnBase also makes it

easier for Moen employees to share information. For example, before OnBase, the AP group would often receive requests for aged invoices. Instead of assigning an AP clerk to locate, copy and inter-office mail a document, authorized users can locate the document themselves via a Web browser.

Craig reports that centralizing the AP process has had the desired results from a management perspective. By using OnBase, the existing AP clerks at the central location were able to handle the entire volume without having to backfill the positions at the other locations. In addition, the transition was a very easy one. Because of OnBase's intuitive design and their existing skill with SAP, the AP staff required no formal training other than a brief PowerPoint®.

In addition to being satisfied with OnBase from a technical standpoint, Moen has also been pleased with the service offered by Hyland Software. For example, just months after OnBase was implemented, an SAP upgrade included a reformatted screen, which affected the existing configuration of Application Enabler. Because the IT staff at Moen hadn't been fully trained on Application Enabler configuration yet, the AP operation was essentially at a standstill. "Hyland sent a technical support specialist that afternoon, and in 2 or 3 hours the system was fully operational again," reports Craig.

An Easier-to-Use, More Reliable, SAP-Certified Order Entry Solution

Moen had incorporated another document imaging solution into its order entry process several years before OnBase was implemented in AP, but the results were less than ideal. "The process worked, but the technology had become troublesome," comments Eric Schultz, programmer analyst III and OnBase administrator at Moen. The system went down frequently and an upgrade had to be considered. "In the end, it was no more costly or painful to implement OnBase than it was to upgrade that solution. By standardizing on OnBase, we also eliminated the need to support an additional system."

The several hundred paper-based orders Moen receives from small to mid-sized customers are processed using a late archiving method. Before scanning the documents, clerks attach a bar code sticker to the order and enter order details and the bar code number into SAP. The OnBase Connector 2.0 for use with SAP ArchiveLink,

a SAP-certified module that provides a tighter integration to OnBase than Application Enabler, links the bar-coded documents to the appropriate customer screen in SAP. As a result, customer service representatives can immediately retrieve the appropriate documents by simply clicking on a paper clip at the top of the screen. This solution is available to SAP users across Moen, so that other associates who are ancillary users of these documents also have quick and easy access to them.

In addition to improved uptime, Schultz reports that the scanning process itself is easier using OnBase. There are fewer manual steps and, because documents can be retrieved within minutes of being committed, they are available much sooner than with the previous solution, which could have taken as long as 72 hours to post a document.

From Departmental Solution to Enterprise Standard

As an enterprise standard, OnBase is being used in a number of areas, and more solutions are in development. Transportation, for instance, scans contracts with freight carriers as well as changes and addendums. In the past, these documents had to be photocopied at remote offices, sent to the corporate headquarters and the copies kept onsite in binders. Distribution centers in North Carolina and Las Vegas are scanning a portion of their bills of lading. In the past, these too would have been copied and filed, and additional copies would have to be mailed to answer requests.

The Accounting Department has rolled out an OnBase solution for contract imaging to support compliance initiatives. In addition, AR is in the process of implementing a solution to scan credit, debit, return and other documents, some of which are linked to their corresponding SAP transactions.

Like Moen, OnBase is dedicated to a "buy it for life" product strategy. This includes ongoing customer support and a commitment to developing flexible solutions that can easily scale from tactical deployments to enterprise initiatives. Moen recognized this value proposition during a recent disaster recovery review. "OnBase is officially considered a tier-one solution," says Schultz. "Because it is such an integral part of the departments where it has been implemented so far, they rely on it to maintain operations."

OnBase®

a Hyland Software solution

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