Electronic Data Interchange (EDI) eliminates manual re-keying of hundreds of invoices weekly, improves accuracy

Vision Electrical Contractors adopt EDI and easily save $17K per year

Vision Electrical Contractors (Vision Electric) provides fast, reliable electrical services for hundreds of businesses across New Jersey. As such, their crew of licensed electricians are constantly in need of electrical supplies for any number of open jobs at a time. Every week the front office had a stack of paper invoices for switches, wire, outlets, and any other needed electrical equipment to keep projects moving forward. All of these invoices had to be manually entered until Bright Software Development (Bright Software) helped Vision Electric coordinate EDI, or Electronic Data Interchange, with their largest supply vendor. Now, by spending $8,000 they save $17,000 per year on what used to pay for manual data entry. Plus, they reap all the benefits of having these invoices automatically integrated into their customer database: faster processing, instant invoice retrieval, more detailed, accurate customer records, and—because they can pay invoices quicker— they are often eligible for vendor discounts.

Solution-at-a-Glance

Company: Vision Electrical Contractors
www.visionelectric.com

Industry: Electrical contracting

Problem: Every week, hundreds of paper invoices for electrical supplies have to be manually entered into an accounting system for payment.

Solution: Work with their largest supplier to coordinate the electronic transfer of invoices into their database using EDI. Adoption of EDI eliminates the labor-intensive re-keying of invoices, reduces mistakes, and improves customer records because each invoice automatically appends to a specific customer job.

Products and Technologies:
- MS C#
- MS Access
- EDI (Electronic Data Interchange)

Timeframe: 2 weeks

Money saved: $17K/year

The Benefits of a Good Working Relationship

Vision Electric had already worked with Bright Software on a couple projects before an "EDI solution" came up in discussion. Angelo Iossa, Principal of Vision Electric, initially hired Ray D'Andrade, owner of Bright Software, to integrate desktop document scanners so employees could scan documents and then tie them to an invoice, a job, a person—whatever helped organize their operations and improve customer relations.

As D'Andrade quickly learned more about their business operations, he also suggested they might be able to take advantage of EDI, or Electronic Data Interchange.

Taking Advantage of EDI

Simply defined, EDI is "the transfer of structured data, by agreed message standards, from one computer system to another without human intervention." (http://en.wikipedia.org/wiki/Electronic_Data_Interchange) EDI began more than 20 years ago and thousands of businesses use it globally as a standard to transfer data—mainly orders and invoices. Its greatest strength is in eliminating repetitive manual entry that is required to maintain a business relationship. In Vision Electric's case, their contracting business relies on the relationship with their electrical part suppliers.

Every week, Vision Electric would have to re-key data from a stack of supplier invoices more than inch high from various electrical suppliers. Ray D'Andrade proposed taking advantage of their largest supplier's EDI offerings and coordinated with the vendor to have a file sent to one of Vision Electric's servers weekly. With some Microsoft C# development work integrated with their Access database, D'Andrade ensured the file is then appropriately saved in their accounting system for payment and each invoice automatically appends to a customer job for historical record.

"It used to take hours to enter our invoices. Now it's done automatically. We don't have to think about it," explains Iossa.

> 66 **It used to take hours to enter our invoices. Now it's done automatically. We don't have to think about it.** 99

Top Key Benefits of EDI

Vision Electric's EDI project cost $8,000. In turn they save about $17,000 per year on labor time that would have been spent just on data entry. They also benefit from more accurate files. Accurate files ensure more accurate supply re-orders, and are easy to search and retrieve if a customer problem should arise. Plus, they

print clearly and are much easier to read than faxed copies or multi-part forms. Their vendor may also mutually benefit from faster invoice payment, which is sometimes rewarded with discounts on future orders.

Bright Software has helped a number of companies take advantage of EDI to improve their business processes and automate redundant tasks. "EDI makes sense for a company with in high volume use of purchase orders or accounts payable/receivable tasks in relation with another company," says D'Andrade. Both companies have to be enabled to send files to each other via EDI.

In summary, some of the key benefits of EDI for any company are:

- reduced labor hours spent on manual entry
- mitigation of human error, more accurate records
- faster document processing
- instant document retrieval
- paperless aspects reduce postage and storage costs
- works with any technical platform
- better b2b relationship which usually provides mutual cost savings

Vision Electric has been accepting their vendor invoices via EDI now for more than a year. "We couldn't be happier with our seamless system," says Iossa, "We're glad Ray suggested it."

Visit www.brightsoftware.com/experience to read more about how Bright Software can help your business.