

## Case Study: Overdue Purchase Order Processing System

### Challenge:

The customer ("Customer"), a multi national BPO, manages business processes of its clients ("Client") in insurance, banking and other verticals from its locations situated across the world. The process under discussion is outsourced by the Client, to handle timely receipt of goods and services ordered from various locations across the globe.

The process starts with downloading the list of Overdue Pending Orders from the Client's ERP system. The list is distributed among the agents (process team members) and is the basis for follow up action. The follow up action takes place with vendors and the initiator of the Purchase Order until all issues are resolved.

The process involves multiple levels of communication. Each member of the team maintains an Excel sheet to record the status of the action taken by them.

Some of the challenges are:

#### 1. Meeting SLA terms:

The query sent by the team to the vendors and PO Initiators is not responded in time and this results in a delay in closing the issue. Disputes on meeting the Service Level Agreement arise due to non availability of data to accurately identify the reason for the delay.

#### 2. Distribution of tasks:

An effective mechanism is required to help the team managers in distributing tasks among the available human resources. The existing practice of distributing the tasks through Excel sheets is ineffective.

#### 3. Escalation System:

An efficient escalation system is required that will alert the Team Leaders and Managers if a particular action is delayed by the Agent.

### Solution:

The solution comprised of a Windows Desktop application accessing data from a central location. The Pending PO data from the ERP system is uploaded at periodic intervals and the application identifies the overdue Purchase Orders and assigns them to the agents according to pre-defined rules.

Highlights of the solution are:

1. Tasks are automatically assigned to agents according to predefined rules.
2. Automatic email responses are generated to all actionable tasks.
3. Email responses received against clarifications sent out are automatically tagged to respective Agent's task.
4. Assigning and re-assign of tasks is centralized.
5. Dashboards provide consolidated status of various tasks.
6. In case there is a delay in response by the Agent, the escalation system alerts the Team Leaders and Managers thus preventing SLA penalties.
7. Turn-around time of the process is reduced due to simplification of the task.

## **Benefits**

Our solution generated significant benefits in business and operational value.

1. Service level agreements for quality and time of response have been met continuously since implementation.
2. Higher productivity
  - a. Increased capability to handle higher volumes.
  - b. Most of the tasks such as maintaining a tracker are eliminated.
3. Effectively handle seasonal spikes.
4. Flexibility in operation
  - a. Any Agent can take charge of any task mid stream.
  - b. In the absence of an Agent the Team Leader can also look into history data and take action.
5. The managers have complete control of the process.