

Elit SRL

Case Study



Quick Payments Thanks to Document Management

Romanian meat producer [Elit](#) used to suffer from the typical problems in receivables management. With DocuWare Cloud, the company now manages over 4,000 delivery and invoice documents – fully automatically. Receivables are gathered up faster and their outstanding accounts receivables are significantly reduced.

With over 1,800 employees and more than 15 years of experience, Elit is a heavyweight in the Romanian meat business and recently became part of the globally-operating Smithfield Group. Every month, the company produces several thousand tons of fresh meat and meat products. Elit supplies customers worldwide through various distribution centers.

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Industry:
Manufacturing

Location:
Alba Iulia, Romania

Department: Accounting / Finance

Document type: Accounts Receivables

Requirements and Framework

The company has been enjoying significant growth in recent years as a result of a broader product portfolio. This led to an increase in daily deliveries for the logistics side of the company. "Today we create over 4,000 delivery slips and outgoing invoices daily, which are sent together with the goods. The customer confirms receipt of the shipment via these documents, after which the signed papers come back to us," explains Sales Manager Dan Buda. For Elit's accounting department, this process was tedious to manage. Before the company began using a document management system (DMS), the employees had to check each signed document individually and manually. Especially in cases of conflict, the manual process had a negative effect on their open receivables – several weeks could go by before the company was paid.

In addition, productivity analysis conducted in 2015 revealed that hundreds of invoices were left unpaid each month, which required the company to initiate a correspondingly large number of follow-ups. "Our employees often had no choice but to track down the relevant paper invoices and delivery notes, which almost always meant time-consuming searches. Especially since our paper archive had grown over the years to tens of thousands of documents," according to Dan. He adds: "In addition, documents were often lost for days along the way or simply could not be found. For these reasons, we went in search of a solution that would make our receivables management much more effective."

The Solution

Elit chose DocuWare Cloud – a solution that quickly helped them to digitally map a complete workflow. In a first step, all signed delivery and invoice documents are recorded with high performance scanners. DocuWare automatically recognizes which invoice or delivery note belongs to which customer and stores the documents accordingly in their electronic archive. This reduces human error and reduces lost documents to virtually zero.

Employees can then retrieve the documents through a simple user interface, within seconds. "For searches we either use different keywords or the powerful full-text search tool integrated in DocuWare," explains IT-Manager Adrian Cojocariu. He further describes the positive effects on the company: "Invoices stamped and signed by the customer are available to us today at the push of a button. So if a customer needs a copy in order to pay, we can send it to them within a few seconds. That's probably the biggest benefit we get from electronic document management."

The Tasks

- Eliminate paper archive
- Create central Document Pool
- Ensure tamper-free storage
- Reorganize and digitize business processes
- Digital Workflows



System in Use

- [DocuWare Cloud](#)



The Benefit

Thanks to the consistent use of the DMS, Elit was able to significantly reduce the processing time needed for each invoice and significantly cut the number of outstanding receivables at the same time. "That's because we can resolve conflicts immediately by having the necessary documents at hand," confirms their Sales Manager Dan Buda. Similarly, Elit can easily determine which delivery slips or invoices never came back from a customer after delivery. Researching these claims once cost the company a lot of time. Today, DocuWare automatically informs employees if a customer has not documented the receipt for goods.

Dan is enthusiastic: "Overall, we were able to reduce the number of missing invoice returns by an incredible 97 percent and reduce our outstanding receivables accordingly. Our cash flow grew in the same period by exactly this amount. My sales team is more motivated thanks to improved communication between sales and accounting, and they talk to customers more often than they used to, which also helps with receivables management. Even today, invoices are sometimes not confirmed or returned. But in comparison to the past, thanks to our DMS, we can cover these cases within a few days and immediately appeal to our customers. This helps both sides to avoid conflict in the first place, and our company gets its money sooner."

The Benefits

- Accelerated work processes
- Reduced search times
- Improved customer service
- Increase of Cash Flow
- Quick and transparent business processes



Conclusion



"Overall, we were able to reduce the number of missing invoice returns by an incredible 97 percent and reduce our receivables accordingly. Cash flow grew by the same amount over the same period."

Dan Buda, Sales Manager, Elit SRL



This document can also be found here:

<http://pub.docuware.com/en/elit-srl>

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