

TEMPLACMS

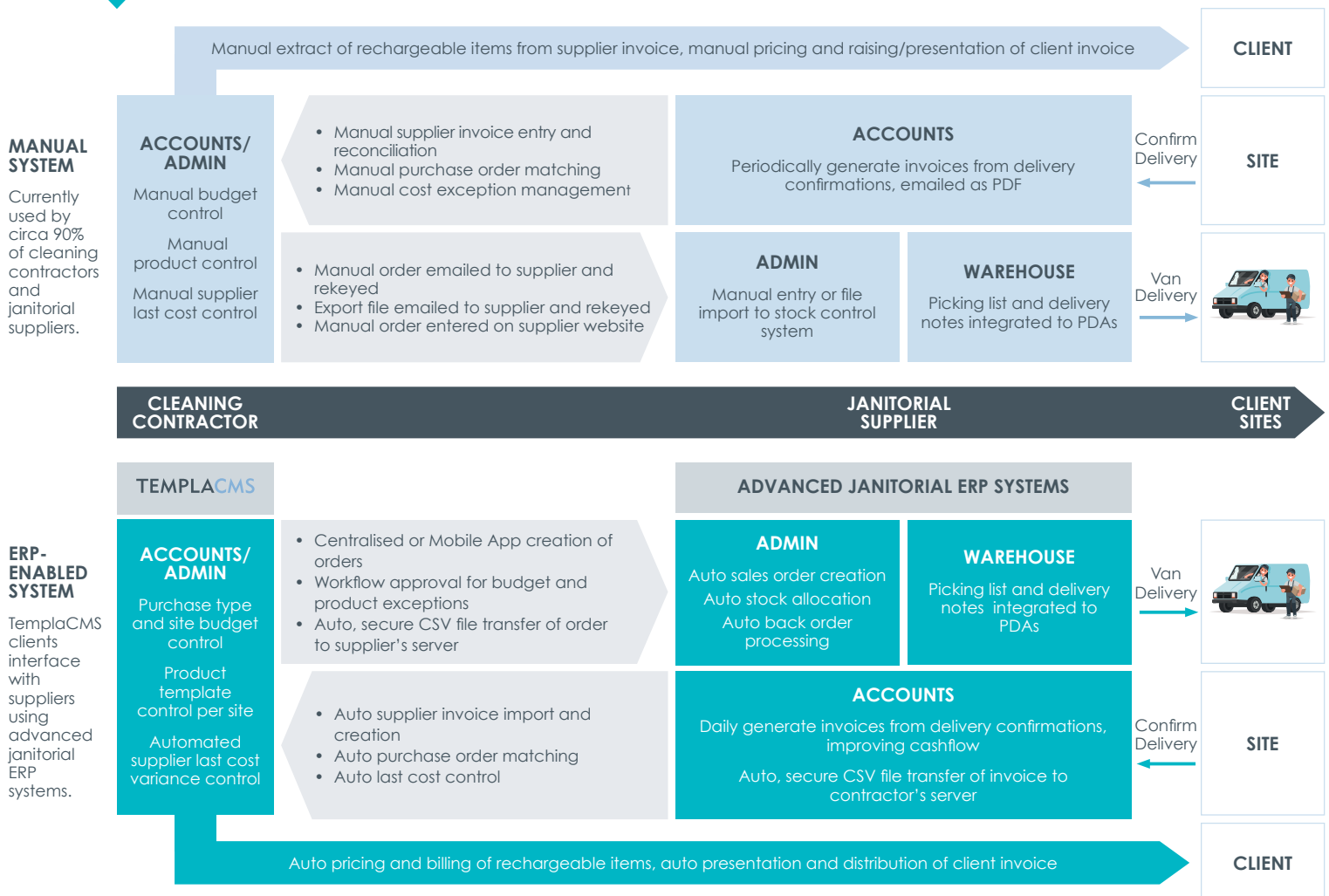
E-TRADING BETWEEN CONTRACTOR AND JANITORIAL SUPPLIER

ENJOY MAJOR SAVINGS BY INTEGRATING YOUR RESPECTIVE SOFTWARE MANAGEMENT SYSTEMS.

Since 2017, full integration between the Enterprise Resource Planning (ERP) systems of cleaning contractors and janitorial suppliers has been fully available. Where already in use, this is saving both partners in the arrangement thousands of pounds a year through reduced administration, not to mention more effective budgeting and cost control.

How? By the introduction of e-trading, or EDI (Electronic Data Interface). This is a technology, long missing from the cleaning industry, that allows the automatic exchange of data between a contractor's and a janitorial supplier's purchase order and sales invoicing systems - a process that removes the need for extensive manual intervention in the key stages of order raising, order capture, contractor invoicing and client recharging.

The diagram below compares the traditional, manual way of doing business between cleaning contractors and janitorial suppliers and the software enabled method.



The process of ordering cleaning materials and consumables, not to mention reconciling purchases and invoices, places an unnecessary burden on our admin team

UK Cleaning Contractor

COMMON CHALLENGES OF STORES ORDERING

- Hundreds of delivery points
- Small deliveries – usually a couple of months' supply
- Unnecessary delivery miles
- Duplication of admin in placing orders as the same data must be keyed into multiple systems – purchase ledger, supplier website, budget control spreadsheets, client invoicing
- Poor control over which products are used at which sites
- Recharging clients promptly and correctly, compounded by different recharge rates for different clients
- Multiple suppliers and price lists

HOW THIS AFFECTS...

Contractors

- Overspend due to poor budgetary control
- Time spent 'unpicking' supplier invoices if multiple sites are on one invoice
- Matching of supplier invoices to purchase orders

Suppliers

- Creation of a constant stream of sales orders from own website
- Tracking and making good on short deliveries
- Production of thousands of invoices for small amounts

HOW DOES THE NEW SOLUTION WORK?

Put simply, there are six software-driven activities at work which take the pain out of the whole procedure.

1. Site budgets are pre-loaded to the contractor's own ERP system.
2. Supplier's product price lists are also pre-loaded, so no need to check when ordering. Product ordering thus becomes a simple process of entering the required quantities
3. All orders over budget are sent automatically for authorisation by the software's workflow system.
4. System generated purchase orders are auto-transferred to the supplier via EDI, where they automatically create a sales order, which allocates stock in the supplier's own ERP system. From there a pick list is generated and a delivery scheduled and sent to the driver's PDA.
5. Delivery confirmation creates a supplier invoice, which auto-transfers to the contractor's purchase invoice system for automatic matching.
6. Client invoices are automatically created for any items recorded on the delivered order as rechargeable.

The table below compares the benefits of the old and new systems

Key task	Manual systems used by most contractors and suppliers	ERP-enabled system with e-trading
CLEANING CONTRACTOR		
Budgeting by site	✗	✓
Pricing pre-loaded for all suppliers	✗	✓
Order placed via contractor's own system rather than supplier's website	✗	✓
Auto-transfer of purchase order to supplier system via EDI	✗	✓
Auto-creation of supplier invoice laid out in contractor format and transferred by EDI	✗	✓
Client recharge invoices created automatically	✗	✓
JANITORIAL SUPPLIER		
Contractor's order auto-transferred to own system, creating sales order with agreed prices	✗	✓
Auto-processing of back orders to cover out-of-stock products	✗	✓
Pick list/delivery notes integrated to PDAs	✓	✓
Daily invoice auto-generated and transferred to contractor in preferred format via EDI	✗	✓