



Etactics

Etactics Transforms Internal and External Accounting Operations with SAP and LBSi

About Etactics

Established in 1999 and headquartered in Stow, Ohio, Etactics is a leader in outsourcing solutions for data management, data processing, and mail fulfillment. The company provides a new class of applications and services for streamlined A/R processes, internal cost reduction, and accelerated cash recovery. Their world-class delivery methodology includes both print/mail and electronic invoice presentation and payment (EIPP) alternatives.

The robust and customizable Etactics technology solutions help their 4,000 clients manage compliance-related matters, recover aging receivables, process and manage medical claims effortlessly, and optimize internal business processes.

Before LBSi: A Missed Opportunity for Efficiency

A major solution offering of Etactics comes from their Output Solutions Department, which manages the delivery of customer invoices and patient statements (documents) on behalf of their clients. Etactics' service allows its clients to deliver documents and other communication to their customers in numerous formats, including customized paper invoices, text messages, emails and various forms of electronic communications.

To manage these communications accurately and in large volumes, the Etactics solution receives relevant data from clients and then produces the required documents in the necessary format. During the process, the Etactics solution can append any number of customizations to a document based on the requirements of each customer. "In the end, we facilitate A/R, specifically the revenue cycle," said Carl DeSiato, Chief Financial Officer. "Customers look to us to help manage their revenue cycle process from the time a payment is due until the time payment is received."

The old expression, "The cobbler's children have no shoes," applied to Etactics when it came to automated, customized A/R revenue cycle management. While Etactics performed sophisticated A/R processes for their clients, the company lacked an automated way to manage their own accounts receivables process. "The irony was killing our operations," said Mr. DeSiato.

For over a decade, Etactics had pushed through a manual and painful A/R process based on QuickBooks integrated with an antiquated database driven software application. "We would manually sort each customer's data. Then, some poor soul would have to look through the setup, read the code and the programming, and try to figure out exactly what that data meant for each customer," explained Carl.

Finally, Etactics President Michael Teutsch had had enough. He tasked Carl with finding an automated solution for integrating their invoicing platform with an appropriate ERP system to manage their accounting and the client invoicing process. The hope was to have the system work in unison with the service they ran for their clients. "We envisioned that each time we ran an invoicing service job for a client, the new solution would pull the data regarding the service we just provided and auto-generate an invoice to the client," explained Carl.

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Selecting SAP Business One Delivered by LBSi

The CFO spent a month evaluating several solutions, including those from Great Plains, NetSuite, and SAP. To ensure he asked the right questions during interviews and demonstrations, he first performed private reviews of each software package's web demos, tutorials, and how-to videos on YouTube. As he reviewed solutions, he considered the criteria he and Michael Teutsch had deemed critical, including:

- A SQL back end
- Hostable in the Etactics data center
- Implementation managed by a local partner with deep product expertise

Etactics chose SAP Business One in large part for its SQL back end. “We have a lot of familiarity with SQL as well as products that can talk to the SQL database,” said Carl. “That would allow for data extraction and UI features in our own products, so I'd be able to share SAP information with our employees using technology we'd already created.”

To find a local SAP-certified Gold Partner, Carl contacted SAP directly, and they recommended LBSi. Soon after, LBSi President Scott Long and two colleagues visited the team at Etactics three times. Carl summed up the process: “After we spoke with Scott the first time, we knew we wanted to do business with LBSi. He and his staff understood exactly where we were coming from and where we wanted to go.”



LBSi Customizes SAP Business One Implementation to Suit Core Processes

While the Etactics implementation of SAP Business One, led by LBSi, focused on just three areas (GL, A/P, and A/R), it was by no means simple. “We had a lot of data we needed to bring into SAP,” explained Carl. “But Scott's team was confident in their SAP Business One system knowledge and assured us they could implement it exactly as we wanted...in a tight time frame.”

In just 45 days, including a trial period of running parallel systems, LBSi had implemented the SAP Business One solution for Etactics. “They learned what we'd done to prepare for this project and how we'd done it,” said Carl. “Through my documentation, they learned the endpoints of our systems and worked the SAP system to automate the necessary data capture and sharing.” The Etactics endpoints are the service system locations through which the company runs all production data. That data represents every aspect of the services provided, broken down by client, and gets pulled into SAP via the automated processes designed by LBSi.

LBSi helped Etactics think through optimal ways of solving challenges that had lingered for years before the implementation. For example, Etactics wanted to produce daily summaries around their order values. “Just having that sales order wasn't good enough for me. I wanted to know how many Service X jobs I did each day and how much money and margin I earned from them,” explained the CFO.

Etactics wanted this granularity of data for every item and customer, so LBSi built a custom history table that updates automatically based on sales order creation and updates. Finding the change order report inside SAP insufficient, Carl was pleased to receive a history table that updates each day when the sales orders update, enabling him to track daily changes.



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"Once we have the data in the sales order, it's pretty much standard SAP from that point," Carl said with a smile. LBSi's processing populates the sales order, Etactics sees it converted to an invoice, and then obtains the XML output. Leveraging the LBSi work, Etactics wrote seven different programs that bring data into SAP, stage it, and then update the sales order from the staging table; when sales orders receive updates, the history table reflects them in real time. Ultimately, LBSi designed the new system to operate as an A/R endpoint that closely mirrors the services Etactics provides daily to their 4,000 clients. The solution integrates the Etactics invoicing platform with SAP Business One for their accounting and invoicing processes. As Etactics runs invoices for one of their clients (their standard service), they can pull in the data that describes the service they performed and generate and send their invoice to the client for the service. Carl explained, "We take the XML out of SAP and load it into our system. It's set up for our own invoices, just like it is for our thousands of customers."

The Results: Impressive Volumes and Expanded Business Benefits

The integrations developed by LBSi automatically bring in approximately 200,000 transactions throughout the month and consolidate them into sales order lines. That's the external service use of the new system; from an internal customer invoicing standpoint, the system generates thousands of automated customer invoices monthly, broken out to 26,000 invoice lines that represent 7,000 separate orders.

Building on the proven success of SAP Business One for their internal and external A/R processes, Etactics enlisted LBSi to advise them on an expansion of the ERP system. Today, Business One serves as the core accounting and financial system of Etactics, and LBSi developed integrations with their other cloud software solutions. For every solution LBSi integrates with SAP, the associated sales orders automatically generate invoices at the end of each month.



Leveraging LBSi for Future Improvement

When asked if LBSi made their systems faster, Carl acknowledged that they had. However, he was already focused on the future state of operations. "With LBSi's expertise around SAP, they have always offered two options for solving whatever challenge I give them," he explained. As examples, he cited methods LBSi demonstrated for tracking vendor costs and producing margin reports as well as ways to make advanced GL determination rules work in Etactics' favor. "I have no doubt I'll be engaging Scott's team as soon as we dream up a new need to become more efficient."



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