Salient Process Helps a Fortune 10 Pharmaceutical Distributor in Optimizing and Streamlining their Service Contract Changes by Leveraging Business Process Management

70%
DECREASE
Manual and redundant steps

5 SLA Days to 1 Day
DECREASE
Cycle time

7 - 1
DECREASE
From different and complicated procedures to a single tool

Take the next step:

www.salientprocess.com

The Client

A Fortune 10 Pharmaceutical Distributor

Business Challenge

In a healthcare distribution ecosystem where time is of the essence, discrepancies arise when service contract changes do not reflect across all systems in the least amount of time possible. Revenue losses, wastage, errors, and reduced cash flow are just a few of the consequences of unreliable data in the system.

"We need to get our other departments on this platform."

- Business Stakeholder

The Solution

Salient Process led the efforts to optimize and streamline the service contract change process by leveraging IBM BPM on the cloud. This was a three-step solution: a) consensus on the change process; b) repeatable and predictable execution; and c) integration with other systems.

An Unreliable Process

Service contracts change due to numerous reasons – changes in price, policies, logistics, among others. In a healthcare distribution ecosystem where time is of the essence, these changes need to reflect across all systems in the least amount of time to minimize discrepancies at various levels. The fact is these discrepancies happen frequently.

Impacts of these discrepancies include: incorrect billing for extended periods of time, time and effort spent in manual processes of tracing/auditing/correcting the ripple effect of contract change in other connected systems, the possibility of errors induced in the correction cycle itself and non-satisfaction at all levels in doing business. There were revenue losses, wastage, and reduced cash flow, and it made the system unreliable. It also required an incredible amount of support from an already overloaded IT team.

Salient Results

Salient Process is an expert in optimizing and automating to make processes more efficient. With this in mind, we led the efforts to streamline processes that manage change in service contracts through IBM Business Process Manager (BPM). The three-part solution enabled the client to control costs, improve quality, and develop efficiencies.

The first part of the solution is a consensus on the change process. By utilizing the simplicity and collaborative features of IBM Blueworks Live, Salient was able to bring a common understanding and acceptance of the process. This instilled confidence in the SMEs that the process they were helping model was the process that the platform would execute.

The next part is a repeatable and predictable execution. The rapid development with immediate and continuous feedback from SMEs during mini and full playbacks gave clear visibility into the process application functions. The business users were able to provide quick validations to our implementations.

The solution also enabled robust integrations with many upstream and downstream systems. Through the SPARK Salesforce Toolkit, we achieved a two-way integration with Salesforce to automatically fetch new corection and update resolution information and case status. Thus, saving time and reducing errors. Aside from this, we were also able to integrate with other systems, namely, Azure, Database, SAP ECC, ODS, HANA, and ImageNow. Fetching, routing, and storing appropriate data is attained through Enterprise Application Interface (EAI).

One of the key features of the solution is Intelligent Task Assignment. Processing invoice correction requests required proper assignments of tasks to the associated business users. Before the implementation, managers were forced to perform the non-value adding work of assigning tasks and managing work queues. By mapping invoice correction attributes to the right user role and skills, we automated task assignment. To provide flexibility, we also provided a manual override.

Salient built this solution with change in mind. By using an enterprise service bus for its true purpose, the system can scale to handle a higher number of requests and is not bound to any specific CRM, ERP or Data storage system. With our comprehensive view of consolidated data from and through various systems, we understood it was not possible to incorporate every research scenario and so we made provisions for import/export of data from and to Excel files as well. Eliminating complicated workarounds that due to subjectivity in the research involved achieved a drastic improvement in accuracy and compliance.

In addition to increased visibility of request turn-around, clarifications and status, improved auditability and traceability of corrections are also apparent. The progression of the invoice change request process through various stages of user activities and automated tasks creates a trail.

Furthermore, the improved auditability not only encourages adherence to controls but also provides insights into training opportunities and human resource planning. More accurate attribution of errors as reflected in supplier scorecards offers better visibility into supplier responsibilities and top issues. The solution also reduced the client's liability by ensuring that the necessary supplier approvals were secured for chargebacks when needed, per service contract conditions.

By automating steps to coordinate data flow through different systems, the analysts were freed up to do more proactive corrections, consequently improving customer satisfaction. By enabling the client to focus on high level thinking instead of mundane tasks, Salient can say that our job here is done.