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S O F T W A R E
A Kofax Company

Arrow Lets the Data Flow with Automated Procurement Processes

Arrow relies on Kapow Software to better integrate with key suppliers, shorten cycle times, assure data accuracy and increase customer and employee satisfaction.

Overview

Arrow Electronics
Neu-Isenburg, Germany

Industry
Electronic Equipment, Instruments and Components

Solution Area
Ecosystem Enablement/
Partner Integration

Company Profile
Arrow Electronics is a global provider of products, services and solutions to industrial and commercial users. Arrow serves as a supply channel partner for over 100,000 original equipment manufacturers, contract manufacturers and commercial customers through a global network of more than 460 locations in 58 countries.

Challenge
• Automate manual steps in key business processes
• Increase productivity and provide higher-value services
• Integrate quickly and flexibly without typical IT project limitations

Solution
• Data integration workflows automate users' tasks to process and manage special quotes and invoices between Arrow and its suppliers
• Best-practice-based implementation sets foundation for global rollout

Benefits
• Reduced manual efforts save hundreds of hours/month
• Better utilization provides customers better services and more value
• Positive impact at global level

Helping customers create innovative new products was being limited by manual steps in Arrow's special quote and invoice processes. Arrow's Components organization in Central Europe took the lead to automate these time-consuming activities.

The Challenge

For more than 75 years, Arrow has been helping customers innovate in many industries around the world. Arrow's engineers work closely with customers throughout the entire product life cycle, beginning with the initial idea through all stages of development. Arrow's EMEA Components product management team plays a key role in the process as they help customers determine the components and related costs for innovative new products.

Company specialists in product marketing and procurement, the product management team prepares hundreds of custom proposals per partner, per week on average. The process was mostly manual—special quotes simply didn't work with Arrow's existing B2B processes and interfaces, such as EDI and RosettaNet, because these are non-standard requests. In order to find the best source for a particular component, product asset specialists must ask multiple suppliers for quotes.

The process steps were often repetitive across suppliers. For a given request, the same information was provided to each supplier, but was submitted via different methods—email, pdf form or web portal, depending on the supplier's process. Offers from suppliers were also returned in varying media formats and these had to be manually incorporated into the proposal. Handling suppliers' invoices was a similar, manually intensive and repetitive data entry process—with a significant volume of several hundreds per day.

The Solution

For Arrow, using Kapow Software within its Components organization in Central Europe made perfect sense for a number of reasons. Quick and easy implementation was a main advantage. With Kapow best practices as their guide, Arrow was able to implement Kapow avoiding an expensive IT project, a long chain of approvals and having to wait many months or more.

The workflow automation capabilities were another key advantage. In the fast and uncomplicated POC (proof of concept), Kapow Software was complementary to Arrow's existing middleware—and unique in the market as it could automate their manual tasks that standard integration tools could not. One example: an Arrow specialist logs into a web portal using credentials to request a quote and evaluates the response delivered via email.

Furthermore, Kapow's synthetic APIs interface perfectly with Arrow's existing B2B infrastructure, so no special coding, integration or assistance from IT was needed. Kapow's automated workflows mimic what users had to do manually to request and process quotes and invoices, regardless of format or location.

The Results

Arrow opted to implement supplier by supplier and because the first several workflow automations were so successful and produced outstanding results that were noticed enterprise-wide. Conservative estimates of three minutes reduced manual effort per order or invoice translate into hundreds of hours/month saved for Arrow's Components unit in Central Europe. On a global level, the business impact will be even greater as Arrow has thousands of suppliers worldwide.

In reality, the benefits are far more valuable to Arrow than just time saved. Product asset specialists can now spend their time working closer with customers to help advise them on component options, as well as build stronger relationships with suppliers and do more negotiation. Cut-and-paste errors have been eliminated while faster invoice payments may even yield special discounts.

The Future

A great part of Arrow's special quote and invoice processes have been automated with the help of Kapow, something that was unthinkable before. Using templates and frameworks has not only helped simplify and speed implementation times, but has also established a strong foundation and best practice for the global rollout.

About Kapow Software
Kapow Software, a Kofax company, harnesses the power of legacy data and big data, making it actionable and accessible across organizations. Hundreds of large global enterprises including Audi, Intel, Fiserv, Deutsche Telekom, and more than a dozen federal agencies rely on our agile big data integration platform to make smarter decisions, automate processes, and drive better outcomes faster. They leverage our platform to give business consumers a flexible 360-degree view of information across any internal and external source, providing organizations with a data-driven advantage. For more information, please visit: www.kapowsoftware.com.