GHX

CryoLife®
Life Restoring Technologies®

90% growth rate of combined invoice and purchase order automation

CRYOLIFE TAPS THE POWER OF AUTOMATED E-COMMERCE

Automation reveals improved service levels for customers

Cryolife is a leading manufacturer and distributor of medical devices and implantable living tissues. The company tapped the expertise of GHX to fully automate order processing across its entire trading partner community. Using GHX EDI Mapping Managed Service, Cryolife now conducts business electronically with more than 500 trading partners, whether through the GHX Exchange, TradingNet or G-Fax®. As a result, Cryolife has improved the speed, efficiency and accuracy of its ordering processes, and increased overall order volume.

Uniting the best of healthcare™

"Our customers want to use EDI to conduct transactions," said Joni Rusmali, SAP Analyst, Cryolife. "Our objective was to honor that request, and at the same time, take full advantage of the technology and integrate as many trading partners as possible. We wanted to use the transition as a way to improve customer service, while positioning the company for future growth."

SITUATION

When a hospital or health system places an order, the supplier is required to deliver critical pieces of information in return: price authorization, acknowledgement and, eventually, advanced ship notice. When this business process is handled through disparate, manual methods (phone, email, fax) by both supplier and provider, it becomes cumbersome, time-consuming, error-prone and expensive. Hospitals are left uncertain about order receipt and status of life-saving products, such as heart valves. This lack of real-time visibility causes delays in order processing. It also drains resources, requiring staff to not only verify orders, but also identify and rectify discrepancies as needed.

The company's recent growth, including the acquisition of On-X, as well as increasing pressure from customers, drove the need for Cryolife to conduct business electronically. With the support of its trading partner community, Cryolife set out to automate all of its purchase order (PO) transactions. The anticipated gains in speed, visibility, efficiency, and accuracy would improve the level of service Cryolife provides to customers.

Critical to success was the integration of EDI transactions with Cryolife's SAP system. The challenge, however, is that SAP systems do not translate EDI natively; they use a different logic that complicates transactions. For example, the way in which SAP IDOCs handles 'leading zeros' can create significant challenges. Enabling EDI transactions and allowing the SAP system to communicate to each other requires a sophisticated level of translation. If data can't flow between the systems, it results in downstream issues with orders, acknowledgements, inventory, etc.

RESULTS

On-boarded more than 500 trading partners, which has resulted in a

90%

growth rate of combined invoice and purchase order automation

Grew invoice volume by

88%

GHX

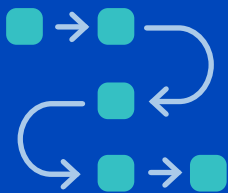Uniting the best of healthcare™

SOLUTION

Through its EDI Mapping Managed Service, GHX provided the needed expertise to Cryolife to create custom maps that allow purchase order data to flow seamlessly to and from Cryolife's SAP system. GHX's EDI Mapping Managed Service relieves Cryolife's internal IT resources of the time and effort to manage its EDI infrastructure.

"We had an ambitious deadline to 'go live' with customers in less than six months," said Rusmali. "Our challenge was two-fold. We didn't have the internal expertise required to make this project a success within such a tight timeframe. And, we couldn't stop doing business with our trading partners during implementation."
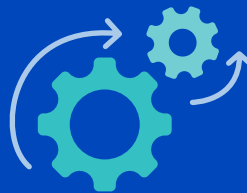
"GHX was the perfect partner for us. We felt confident we would realize our goals and achieve success with GHX as a part of our extended team.**"**

Joni Rusmali
SAP Analyst, Cryolife

SINCE ADVANCING EDI UTILIZATION WITHIN ITS TRADING PARTNER COMMUNITY:

Cryolife has improved customer service by providing real-time visibility into the order process for more than 500 trading partners.

Automation has improved the company's service levels by reducing the number of errors common with manual methods.

Today, Cryolife routinely exceeds the industry standard for response times (60 minutes or less), providing acknowledgement to customers in as little as 30 minutes.

"When we started this journey, there was a misconception that automation would require us to cut staff or hire new people with different skills sets." Rusmali added. "What we found is that automation is an enabler. Our teams are able to focus on more analytical and strategic activities that are positioning Cryolife for continued growth. If anything, we may actually need to hire more staff to keep up with the increase in business.**"**

Learn more about eCommerce and EDI Mapping Manage Service at **GHX.com**