EDI Resources Survey

How Does Your EDI Initiative Measure Up?

1. **How long does it take you to add a new trading partner?**
   Calculate the programming and mapping time, setting up the communications channel and costs associated with customer support – you calling them or them calling you. If your team does not add new partners frequently you may be consuming a surprising amount of time of an expensive and scarce resource. Be sure to calculate the IT or consultant costs for testing new partners. Be sure to multiply the time spent adding a new partner by your fully burdened, cost per hour of each person involved.

2. **How fast can you respond to changes and new requirements for your existing partners?**
   Many customers have specific time frames for implementing their changes and new processes. Your vendor scorecard results can be enhanced or reduced by your ability to respond quickly.

3. **How many FTE (full time equivalents) are consumed monthly to operate and maintain your EDI activities?**
   The carrying costs of maintaining and supporting your EDI software are based on the number of FTE (full time equivalent) devoted to such tasks as: mapping, partnership management, reporting, error resolution.

4. **What are the annual costs for your EDI and related software maintenance agreements?**

5. **How many custom programs have you written to integrate your EDI messages and information with your applications, processes and systems?**
   Many companies are surprised at the amount of "spaghetti code" that has grown around their EDI interfaces to internal systems and applications. Often, it is not possible to identify how many custom programs you have written, but have to settle for calculating how much of your IT resources are consumed maintaining EDI interfaces to your internal systems?

6. **Does your IT team have the communications expertise to properly manage VAN, AS2, FTP and other partner communications channels?**
   Few companies have on staff expertise in using communication protocols. Often they rely on software vendors or specialized consultant engagements. The time your team spends on the phone and the costs of consultants should be figured into your "business as usual costs.

7. **How many hours of outside consultants are needed each month to support your EDI operations?**

EDI and mapping consultants are used by many companies to fill in the knowledge gap their team may have in the specialized, infrequently used skills and techniques of managing an EDI initiative. Once engaged, consultants on site become part of the fabric of "business as usual".

8. **How many VAN connections do you have to maintain?**
   Today most VANS allow you use interconnections to other VANS. Often, there is a fee for the inter-connect. In addition, many larger customers and suppliers are adopting AS2 protocols for secure transmission of data over the internet, and no longer accept transactions via traditional EDI VANs without charging a fee or penalty.

9. **What are your annual (or monthly) costs for use of a VAN, including storage, reporting and other fees?**
   Traditional VANS apply fees beyond the kilo-character rates. These include mailbox fees, data storage fees, fees for reports and notifications, some even charge non-use fees.

10. **How many trading partners require AS2? FTP?**
    You should be aware of the trend among your partners of moving to secure transaction exchange outside of the VAN environment.

11. **What percentage of your EDI documents contains errors?**
    EDI data errors creep into your systems from manual keying of data, lack of compliance and syntax checking, lack of data synchronization in your internal systems, and with your partners systems and implementation guides (such as part numbers, and product names) . Modern EDI business software systems automate most of these tasks.

12. **How fast can your IT team respond to EDI error messages sent by customers like Wal-Mart and other channel masters?**
    Most customers recognize no system is perfect and there will always be some errors. Often, they will send you an error message when they detect an inconsistency or out of range value. If you can respond to the error message and resend a correct transaction within a given time window, you can avoid fines, penalties, charge-backs and delays.

13. **What is the dollar value of the fines, penalties and chargeback's based on EDI transaction errors?**
    This is one of the most controllable cost areas of your EDI initiative. Business integration, synchronization and rapid user access to transaction source data can eliminate over 95% of these direct costs.

14. **How much IT resources are consumed resolving disputes?**
    End users have the best understanding of the transaction data content, and should be able to resolve disputed transactions directly with their counterparts at your partner company. However, most end users rely heavily on IT specialists to understand the content of each transaction and to track down the source data.