

Kelag sparks massive efficiencies with new digital mailroom

Aiming to manage incoming post more efficiently, Kelag engaged SmartCAP IT-Solutions to build a digital mailroom with Kofax solutions. Today, letters are scanned, electronically processed and integrated into relevant business process – reducing manual work and driving ultra-responsive service.

Challenge

Climate and energy policies as well as societal and technological developments present huge challenges on energy providers' traditional business model. Conditions are less certain, more dynamic and increasing complex, demanding an even more efficient approach to cost management and new structures.

Kelag was quick to react to these changes. To further boost its internal efficiency, Kelag – one of Austria's largest energy providers – began hunting for areas of improvement in its business. As part of a widespread plan encompassing many initiatives, the company decided to optimize management of incoming mail.

Each year, Kelag receives around 60,000 invoices, as well as countless other requests, such as address changes. Many of the documents arrive in paper format, some sent to the headquarters and others to regional branches.

With such colossal volumes of letters arriving in different offices, Kelag faced an enormous challenge in correctly capturing, recording, acting on and storing this information. The company's existing approach—a traditional mailroom delivering post to departments twice per day—was highly labor-intensive. If a staff member was away, the letters waited on their desk unopened until they returned.

To find a sustainable approach to stemming the flood of paperwork, reducing costs and enabling timelier replies to customer correspondence, Kelag searched for a better way of working.



Kelag is one of the leading energy service providers in Austria. Specializing in renewable energy, the company manages 72 hydro-electric power plants, 5 wind power plants, and 18,600 square meters of solar power grids.

Products in Use:

- ◆ Kofax Analytics for Capture™
- ◆ Kofax Capture™
- ◆ Kofax Front Office Server™
- ◆ Kofax Transformation™

Focus: Document processing, digital mailroom

Partner: SmartCAP IT-Solutions

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Solution

As part of a wider “digital lab” initiative, focused on digitizing business processes, the company decided to modernize its mailroom using state-of-the-art Kofax solutions. Kelag engaged SmartCAP IT-Solutions, a Kofax partner, to help guide the project.

Georg Olivotto, Project Leader at Kelag, explained, “We selected Kofax solutions for our digital-mailroom initiative based on previous success using Kofax technology to digitize invoice processing. Of course, choosing Kofax solutions in both areas means that the two processes integrate seamlessly. Furthermore, we received an attractive proposal from our trusted partner SmartCAP IT-Solutions, which assisted us during our initial Kofax deployment.”

Today, when inbound post arrives at the company headquarters, employees open the mail and send it to Kofax Capture™ for scanning. Letters sent to subsidiaries are scanned and fed into the central mailroom process by Kofax Front Office Server™ using multi-functional devices. Additionally, data from other channels such as customer emails is recognized, captured and fed into the central mailroom process.

Kofax Transformation™ software automatically gathers data from the documents, then harnesses special logic built by SmartCAP IT-Solutions to transfer the correspondence to the relevant department. Finally, the solution feeds the data into the relevant business process. For example, information on customer invoices is electronically transferred into Kelag’s SAP ERP applications and sent to the finance department, while complaints are sent to the customer service team.

To monitor performance of the digital mailroom, Kelag relies on Kofax Analytics for Capture™, which enables the company to measure variables such as the accuracy of scanned information captured for each field on a form. Using this insight, the company can identify bottlenecks and fine-tune processes to keep operations running as efficiently as possible.

Once the documents have been electronically processed and sent to the appropriate business function, the department secretary routes the correspondence to the appropriate staff members, and the scanned letters appear as emails in employees’ inboxes. The original paper copies are stored for three months so that employees can refer to them in case any text is not legible in the scanned versions, then the hard copies are destroyed.

Embracing digitization

Previously, many letters sent to the regional branches had to be transferred to Kelag headquarters for processing, resulting in slower turnaround times and increased logistics costs. With the Kofax solutions, letters sent to regional offices are scanned in-branch via Kofax Front Office Server and multi-functional devices, avoiding the need to transport physical files.

Georg Olivotto reflected on the deployment, “SmartCAP IT-Solutions provided us with outstanding support during the introduction of our digital mailroom. They didn’t just meet the requirements we set out, but also offered valuable advice on where we could further improve.

“Thanks to the excellent support from SmartCAP IT-Solutions and the strong engagement from the Kelag project team, we completed the implementation on time and within budget. It’s a huge achievement because within just half a year we took all paperwork off employees’ desks and empowered them to manage all documentation electronically.”

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Results

Kelag's investment in the digital mailroom is paying off, as service quality and employee productivity are on the rise.

"We receive huge quantities of customer correspondence, and Kofax solutions help us respond to enquiries in a more efficient and organized manner," explained Georg Olivotto. "We can see exactly which documents arrived where, when and from whom, and trace their progress as they are transferred between different departments. We don't have to worry about letters getting lost. Equally, if we receive an enquiry that doesn't fit neatly into one person's remit, we can make sure that two employees aren't doing duplicate work on the same request."

With a more streamlined and efficient approach to handling inbound mail, Kelag can process and respond to customer correspondence significantly faster.

Georg Olivotto provided an example, "In the past, our mailroom teams delivered letters to each department twice per day, whereas now documents are immediately scanned and forwarded to the relevant function – meaning that correspondence arrives hours earlier in some cases. Additionally, previously it took two days for mail sent to branches to arrive at the central headquarters for processing,

whereas now the correspondence is transferred immediately. We are also saving 30 minutes per day on processing invoices, with the same saving on processing returns.

"Employees can receive, read and respond to post when they are at home or on a business trip, rather than waiting until their return to the office. If someone is on holiday, correspondence is sent to a different team member instead. These savings help us respond to customer enquiries in a timelier manner and provide better service."

In future, Kelag plans to harness Kofax solutions to automatically interpret more of the content from electronic documents, to boost the degree of automation in back-office processing. Through this increased automation, Kelag aims to help its employees focus on other tasks. Processing incoming mail is just the start, and Kelag is already working on several additional digitization initiatives that can be realized using this platform.

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