The Next Step in Business Success:

Automating Operations with Internal Tracking

Introduction

In today's business climate, businesses must maximize their operational efficiency to remain successful. There is a demand to save time and money while working with fewer resources. To meet these ever growing demands, companies are looking to automate their operational processes where possible. However, some of these same companies overlook the benefits of automating their mailroom and central receiving locations. Even with companies that implement some degree of tracking practices, many are not near their maximum efficiency or productivity.   This paper serves to help companies understand the need for implementing an automated, internal tracking system to maximize their operational efficiency.

Operations Without Tracking

**Managers face many difficulties when using inefficient
processes for tracking and monitoring internal mail and assets.**

Inefficient Customer Service

Parcels have been received at your central receiving area. Delivery of these items to the appropriate internal destination in a timely manner can sometimes be a problem. This is especially true when your receiving department is understaffed or delivering to recipients throughout a large facility, multiple buildings, or different campuses. Late or incorrect deliveries can hamper business operations, business opportunities, and negatively impact customer service.

Lost Mail and Assets

Research shows that parcel carriers lose an average of less than 1% of parcels. However, once an item has been received by your organization, the percentage of lost mail and assets exponentially increases due to factors such as insufficient tracking methods, delivering to multiple locations, and poor coordination between handlers. In one survey, 49% of participants reported the lack of connectivity between their assets and the people handling those assets as the most significant obstruction to their workflow.

Lost Package Compensation

If an item is lost by an external parcel carrier, the cost for that item is reimbursed through insurance. These assets are no longer protected by the carrier's insurance once your company has received them.   At this point, your company takes full responsibility for the cost of replacement or reimbursement for lost assets. This can be extremely costly. In one survey, 10% of participants stated

that their companies wrote off an excess of $432,000 in lost assets annually. In the retail industry, loss by employees costs companies 2 to 3 times more than theft.

High Labor Costs Searching for Lost Packages

It is important to consider the loss of productivity when your employees spend time searching for lost mail and assets. In one survey, 64% of companies stated that they were forced to perform searches for lost assets at least once a day.   53% of those same companies stated that it took at least 30 minutes to find a lost asset while the other 47% stated that it took an hour or more. Additionally, companies reported that on average they spent more than $45,000 each year in labor costs searching for lost assets.

Longer Processing Times

The lack of an automated tracking system creates higher labor costs due to inefficiency and longer processing times. Studies show that manually entering an asset ID takes 8 times longer than scanning it. The time significantly increases when manually entering additional information which can be obtained through automated processing.

Lack of Accountability

Many companies run into problems with accountability without an effective tracking system to provide a detailed history for their assets. An entire department can be falsely blamed for missing and damaged assets.   When an asset cannot be found, companies are often forced to purchase a replacement within a certain time frame. This can result in extraneous purchases of replacement equipment in cases where the original asset is found at a later time.

Operations With Tracking

There are many advantages to utilizing an automated, internal mail and asset tracking system. Organizations are able to keep business disruptions at a minimum and guarantee mail and assets reach their destination when they need to be there.

Immediate Access to Asset Information

Organizations can effectively manage and track their assets with an internal tracking system. An effective system allows for tracking assets in real time so they can be located at any time. In one survey, 73% of participants stated that the ideal tracking system would enable their business to have real-time visibility of all critical assets on their premises to reduce inventory and labor costs. Being able to identify an asset's location at all times helps prevent costly losses & write-offs.

Provides High Level of Data Integrity

An internal tracking system ensures the highest level of data integrity since most data loss is due to human error. Since data is captured electronically, its integrity and consistency is maintained throughout the tracking process. Using barcode processing versus manual data entry provides significantly improved data integrity.   Studies have shown that manual data entry has an error rate of 10:1 compared to automated barcode systems.

Increases Efficiency & Accuracy

By simplifying and automating the tracking workflow, a tracking system can greatly increase efficiency. Employees are able to get the job done faster and with fewer errors. Processing time can be reduced by as much as 74%. Automated tracking systems increase the accuracy of an asset's entire lifecycle by simplifying the data entry process and guarding against incorrect data entry. They can also help prevent erroneous data being entered and can decrease error rates by as much as 55%.

Lowers Costs

Automation can reduce cost reimbursement and provide significant savings. Internal tracking systems improve business processes while reducing labor costs. One analysis reported that companies which started tracking IT assets reported a savings of 13% per year on staffing costs. Another analysis reported that companies which manage the lifecycle of their IT assets reduced costs per asset by 30% in the first year and 5-10% annually over the next five years.

Deliver Assets Quicker

An internal mail and asset tracking system improves efficiency while allowing for improved customer service and the ability to deliver assets quicker. Organizations are able to improve customer service by as much as 43%. A tracking system integrates with work processes thereby increasing processing speeds. In comparison, barcode scanning provides faster input than manual data entry with an 8:1 ratio.

Mail and asset tracking systems provide many different benefits to organizations. A properly implemented tracking system provides improved control of information, cost savings, risk management, and time savings.

TekTrack® is an enterprise, inbound mail and asset tracking system. It provides many features and new technologies that maximize efficiency and have surpassed statistics listed here. To learn how TekTrack® can save your organization time and money, contact a TekCore Representative at sales@tekcore.com or visit us at www.tekcore.com.