ENTERPRISE EDI INTEGRATION

Part 1: Understanding EDI and Integration

Integrating EDI into the enterprise offers significant benefits to both small and large businesses. In part 1 of this white paper we explore the need for integration.

DICENTRAL WHITE PAPER

Di|**translator** ™

PART 1 – THE CURRENT EDI ENVIRONMENT

The goal of modern enterprise is end-to-end business integration.

Because of the increasing importance of electronic commerce and EDI as core competencies in businesses today, integration of EDI information across an enterprise is extremely important. Integration of EDI data means that manual processes can be automated, turn-rates increased, and resources used more effectively.

Successfully integrating EDI data, however, can be difficult. Generally EDI is processed in batches using a broad range of formats, standards, and modes of transportation requiring dedicated applications for processing. If not done properly, these specialized applications can actually become barriers instead of enablers.

The key to maximizing the value of the data processed through EDI is to be able to transform it into the formats needed by the various enterprise applications. Products like DiCentral's DiTranslator seamlessly perform this function.

EDI IN THE ENTERPRISE

For more than 25 years EDI has powered e-business and more than 80% of the B2B transmission of information uses EDI. It is used across virtually all industries, including manufacturing, retail, healthcare, education, and government agencies.

Often referred to as a paperless technology, EDI is really the electronic exchange of standardized business documents over a communications network that links the computer systems of various trading partners. Ideally this is accomplished with a minimum of human involvement, minimizing the associated error and cost.

The technology that facilitates EDI has often been viewed as a separate part of an enterprise's IT organization and hasn't really been integrated into the overall architecture. In the past the integration often required complicated and costly custom coding.

THE EDI BUSINESS ENVIRONMENT

EDI was developed to address inherent problems with paper-based methods of exchanging information.

Some of the obvious problems:

- Inefficient
- Labor intensive
- Not easily tracked
- No visibility into the process
- Data entry (often redundant)
- High error rate

EDI, properly implemented, addresses these problems. EDI technology can standardize the various document formats, allowing businesses to share content with the various back-end business applications that support the enterprise. Enterprises of all sizes see efficiencies not only in reduced time in manually handling and entering the information, but also in improved accuracy and reduced re-work of exceptions.

Check out our other free white papers and learn key strategies for data integration including:

- **The stages of EDI adoption for small business**
- **How to minimize data entry costs**
- **The causes of data proliferation and available solutions**
- **How to select the right data integration alternative**
- **How data integration costs compare to manual data entry**
- **Key mistakes to avoid when planning data integration**

EDI Integration can be simple

Contact DiCentral at (877) 878-3334 and ask to speak to a sales representative. They can discuss the benefits of DiCentral DiTranslator and explain how EDI integration can be made simple http://www.dicentral.com

EDI saves you money
Using EDI to process checks for a retailer processing 1,000 checks per day can save more than $1,000,000 per year.

In addition, EDI technology is purposefully designed to insulate the user from the huge number of EDI formats and standards that exist. EDI technology standardizes the internal formats from the external EDI standard formats used for document exchange.

NEW BUSINESS DRIVERS

VIRTUAL ENTERPRISE

The Internet has radically altered traditional business models. The Internet provides a model that integrates trading partners into a single value chain. While this model depends heavily on the Internet, it enables the coordination of trading partners into a virtual enterprise, where the combined enterprises operate as a coordinated entity.

VIRTUAL MARKET PLACE

Virtual marketplaces are formed electronically, utilizing WEB technology. Buyers and sellers come together in a paperless environment. There are no paper-based contracts, price sheets, or schedules. This virtual marketplace increases an enterprise's need for information beyond what traditional enterprise business systems can easily provide.

INTERNET VERSUS VANS

The Internet is driving major changes in how enterprises approach B2B. It is seen as a less expensive, more robust solution than traditional VANs. Couple that with its speed and flexibility and it is easy to see that the Internet will soon replace traditional VANs as the primary EDI transport vehicle.

THE RESULT

EDI users can not realize the full benefit of the Internet in eCommerce applications until the entire enterprise business process supported by EDI is optimized. This means automating and optimizing the complete end-to-end process flow of EDI throughout the enterprise.

In Part 2 we'll explore how Enterprise Integration addresses the changing eCommerce environment.