

# 9 Main advantages of using EDI in your organisation

April 18, 2017 | [edi](#)

Today, most businesses deciding to roll out an [EDI solution](#) do so convinced of the benefits it will bring to their business. However, there are still some companies that fail to perceive and take advantage of the potential that integrating electronic data transmission and paperless office processes can mean for their businesses. .

So, in this new chapter of the EDICOM **EDI Academy**, the main advantages offered by the electronic exchange of any logistical, commercial or fiscal document are highlighted:

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## **Improving service to end users**

Rolling out EDI means the application of optimum workflows and response times and this is something which benefits the final customers most of all, as production plans and deliveries are much more precise.

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## **Increasing productivity**

EDI technology lets you undertake more business operations with fewer human resources. Company teams can handle tasks with higher added value.

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## **Minimizing errors**

It is calculated that EDI solutions **cut down document errors by 30 to 40%**. The use of standards known by both sender and receiver ensure correct interpretation of the information, regardless of their nationalities or activity sectors. In addition, mistakes in data entry or taking orders by telephone and lost files, etc. are avoided.

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## **Slashing response times**

With EDI, the entire process is reduced to a question of seconds. Some studies claim that the administrative and operational processes **cut the response time by around 61%**. This is because automation lets you instantly carry out tasks such as registering in the ERP and validating or balancing amounts due.

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## **Automation of operations**

The use of this tool drastically lightens the management burden. Many tasks, such as printing out business documents, enveloping, franking or registering in the ERP, disappear completely.

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## **Cutting costs**

This is one of the most notable benefits of EDI. With the rollout of an e-solution, the processing costs for business documents are slashed by at least 35%, but the figure is much more remarkable in the case of [electronic invoices](#), where the **savings can reach up to 90%**. On the one hand, this drastic economic saving is due to the automation of transactions and, on the other, by doing away with the use of paper.

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## **Integrating all business and trading partners**

EDI's adaptability streamlines the flow of communications and generally enhances business relations with any trading partner.

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## **Providing information on process status**

Replacing paper by e-documents makes it easier to keep track of them. **EDI ensures traceability**, integrating transactions such as acknowledging receipt of orders, invoices, changes to purchase orders, pending payment status, and similar. Moreover, sending documents via private networks, like [EDICOMNet](#) (EDICOM Value Added Network), provides permanent control of message status in terms of their receipt, processing and reading, etc.

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## **Optimizing financial ratios**

With this system, sending and receiving e-invoices takes place immediately. To this, we must add the automated validation and checking processes, which facilitate rapid processing at destination, helping to **forecast cash requirements**. Thanks to this foresight, the buyer can take advantage of prompt payment discounts and the supplier's liquidity is improved.

Would you like to know more about electronic data interchange? [Check out the entire EDI Academy series here.](#)