actian®

Data Integration and PIDX Standards Improve Orders-to-Cash Cycle

How Pinnergy Reduced a Month-long Process to a Few Days

PINNERGY

Business

– Diversified energy services

Challenge

– Inefficient and costly paper-driven processes were hindering sales and billing to top customer accounts.

Outcome

– Accelerated invoice delivery to customers by more than 80% for more than 45% of invoices

– Improved reporting accuracy

– Reduced rework and time-to-resolution

– Eliminated a revenue stream bottleneck

– Achieved faster partner onboarding

– Improved customer satisfaction

Pinnergy is a leader in diversified energy services and one of America's largest regional independent oilfield service companies with operating locations in some of the most active oil and gas regions in Texas and Louisiana. Its portfolio of services includes Fluid Management, Drilling, Oil & Gas Waste Disposal and Rentals. These services enable Pinnergy's customers to streamline processes and operate more efficiently and safely while reducing associated costs.

Pinnergy turned to Actian for help in modernizing an outdated, manually-driven invoicing process. Traditionally, invoices moved from the dispatch system through customer signoff and then had to be entered into customers' online electronic data interchange (EDI) systems. It was a tedious manual process with significant duplication of effort and data which increased the potential for errors and disputed invoices.

As Pinnergy's business grew, order management became more complex, with more customers and a higher volume of transactions moving through multiple applications with various data formats to support and no common standard for data exchange. The invoicing process became a bottleneck, resulting in high cost per transaction and high accounts receivable aging.

Driving Business Value with Actian and PIDX

With a lag time of 30 to 90 days between invoice creation and entry on customer AP websites, Pinnergy was eager to reduce this manual and duplicated effort. The company's IT and AR staff began looking at ways to standardize and automate invoice delivery to customers, track invoice status, and accelerate collection.

Pinnergy turned to Actian, the leader in trading partner enablement and business-to-business invoicing for the Oil & Gas industry. By adopting Actian Business Xchange, Pinnergy was quickly able to move large volumes of data flowing through the Orders-to-Cash process and convert it to the XML format specified by the Petroleum Information Data Exchange (PIDX).

PIDX: The Petroleum Industry Data Exchange

- – A global forum for delivering process, information and technology standards
- – Electronic business standards and best practices for Oil & Gas industry trading partners
- – Standards for Products and Services, Secure Data Exchange, Transaction Documents, Dictionary, Classification Guidelines and Business Processes

Pinnergy focused first on its top 16 customers, who not only represented 80% of its invoicing volume, but who also supported the PIDX as a common standard for EDI. This set the stage for seamless, efficient electronic business for Pinnergy with its entire trading community.

An Ideal Platform for Orders-to-Cash Performance

Pinnergy started the process by creating invoices using data from its NetSuite ERP system. Once created, invoices could be easily formatted to any trading partner's requirements across the PIDX standards. Actian Business Xchange and Actian DataConnect provided the ideal platform for data integration and transformation, with Extract, Transform and Load (ETL) support and seamless delivery of sales order data to any partner regardless of their accounting or other back-office systems.

By integrating Actian Business Xchange and Actian DataConnect with its enterprise IT systems and workflow, Pinnergy achieved a streamlined and standardized invoice submittal process as well as the ability to onboard trading partners much faster than before.

Through this innovative approach, the company has greatly reduced its per-transaction costs by eliminating manual data entry, consolidating visibility of invoice status, and reducing the number of disputed invoices. The average time to submit invoices for payment improved, in turn reducing AR aging by approximately 10 days.

Pinnergy's accounting and credit management staff now has greater visibility across the entire Orders-to-Cash process. Automating direct invoice submittal to EDI trading partners means less room for error, less need for rework, and faster problem resolution. In addition, reporting is more accurate which makes better customer service possible.

Pinnergy's success is a great indicator of how Orders-to-Cash automation can level the playing field in the energy services industry, enabling independent businesses with lean IT, accounting and collection staffs to be more agile and compete successfully with much larger organizations.

www.actian.com

2300 Geng Rd., Suite 150 Palo Alto, CA 94303
+1.888.446.4737 [Toll Free] | +1.650.587.5500 [Tel]