Tensoft™ Revenue Cycle Management™ (RCM)

Customer Solution Case Study

Document Imaging Company Selects Tensoft RCM to Automate Revenue Recognition and Streamline Audits

OVERVIEW

Country/Region: USA
Industry: Document imaging software

Customer Profile
eCopy is a leading provider of document imaging software, providing an open, flexible platform to maximize productivity and business process automation.

Business Situation
eCopy found that recognizing revenue once a year was no longer a viable option. Because the activity was manual, the process was error-prone and time-consuming. The company needed a system that worked with the Microsoft Dynamics accounting system and would recognize revenue automatically on a monthly basis.

Solution
Tensoft RCM combines with the core capabilities of Microsoft Dynamics to provide a central location and integrated system to automate lifecycle business processes. It is a strong fit for companies with complex billing processes, high transaction volumes and complex revenue rules – bringing together the requirements that eCopy needed to automate its complex revenue cycle and replace a manual process with a fully integrated, auditable solution.

Benefits
- Improved financial accuracy
- Eliminated revenue leakage
- Streamlined audit support
- Maximized staff resources

"We're now at the point where we can do eCopy's revenue recognition on a monthly basis. Tensoft RCM is definitely saving us quite a bit of time and money. And we look forward to doing the monthly close in days rather than weeks. Staff resources are now able to do a lot more than just revenue recognition."

– Angie Long*, Revenue Manager, eCopy

BUSINESS NEEDS

With more than two million licensed users worldwide, eCopy is an innovative provider of document imaging solutions that integrate paper-bound information into existing business processes and applications. Historically, organizations have two disparate work processes that tackle the same business tasks – an electronic workflow, trailed by a paper-bound process that slows everything down. eCopy provides a standard document imaging platform that easily and securely transforms paper documents, using office multifunction peripherals (MFPs) and scanners, leveraging network infrastructure and transforming paper-based data into secure digital files.

eCopy has a high volume of orders through channel distribution. The fact that revenue recognition begins at the time the end user activates the product adds to the complexity of the sales model. All of these facts create a complicated and lengthy process for revenue recognition. Prior to using Tensoft RCM, eCopy was calculating revenue recognition on spreadsheets. With 800 to 900 orders per month– each of which could potentially be broken down into multiple line items with multiple serial numbers, very large spreadsheets were created and maintained.

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SOLUTION

eCopy chose Tensoft to implement Tensoft Revenue Cycle Management (RCM) to help manage the company's complex billing and revenue recognition processes. Tensoft RCM helps to manage a number of different business models including
1) subscription or enterprise contracts,
2) web commerce subscriptions,
3) sell-through,
4) direct sales with deferred revenue,
5) two-cycle customer as well as
6) hybrid billing and revenue.
eCopy uses the hybrid billing and revenue model in which the company not only sells through distribution, but also has a contractual relationship with individual end-users that defines the business relationship and deliverables for product maintenance and support.

Tensoft fine-tuned RCM to meet eCopy's high volume and complex revenue rules. Tight integration with Microsoft Dynamics, which streamlined internal processes and conformed to GAAP protocols, was also a selling point.

BENEFITS

Because eCopy's projected volume was growing exponentially, proving RCM's viability in the actual business environment was crucial. The company outlined a detailed list of its expectations to solidify and prioritize necessary benefits and provide a road map for the pilot program Tensoft created to test RCM's functionality and suitability. "The process not only proved that Tensoft RCM was the right fit for us, it also enabled us to fine-tune the solution to our specific needs," Revenue Manager Angie Long* said. "Our complex business rules are integrated appropriately – even the ability for end-users to change the business rules without IT intervention."

eCopy's large volume of transactions, tied to its numerous part numbers, were also factored in and tested. "We made sure that Tensoft RCM could handle 2X all the way to 5 times our current transaction volume to anticipate continued increases in sales and associated revenue. We validated both the RCM product and our list of requirements – so the pilot not only tested the product but we checked ourselves as well," she said. "We matched up the user interface to make sure it performed properly because we've had some issues with other systems and their interfaces not performing well with our large data set. It was a very smooth process and a positive experience. Estimates were met for each one of the milestone events, so that gave us comfort that we were going to hit our end goals."

"We're now at the point where we can do eCopy's revenue recognition on a monthly instead of a yearly basis," Long summarized. "Tensoft RCM is definitely saving us quite a bit of time and money. And we look forward to doing the monthly close in days rather than weeks. Staff resources are now able to do a lot more than just revenue recognition."

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Tensoft, Inc. specializes in end-to-end ERP solutions for technology companies. Delivered either on-demand (SaaS) or on-premise, Tensoft solutions offer its customers significant improvements in the areas of productivity, visibility, and compliance. Tensoft is based in San Jose, California. For more information, go to http://www.tensoft.com or call (888) 450-4030 X406.

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