

A DIFFERENT APPROACH TO EXPORT DOCUMENTATION PROCESSING

By Clyde FLETCHER*

“Why do I have to prepare documents under documentary credits!?”, said Victoria Ann as I walked past her desk. This question set off a chain reaction of thoughts that eventually led to the creation of separate green and red lane teams for preparing export documentation:

Green lane documentation teams – primarily for:	Red lane documentation teams – primarily for:
<ul style="list-style-type: none"> • open accounts and doc collections • seller-authenticated documents • basic data / clauses and compliance / key performance indicator issues • 4-6 documents per set • minimal deviations from business rules • capable of “easy” e-authentication and e-delivery • English language documentation • potential for 100% automation 	<ul style="list-style-type: none"> • documentary credits • third party authenticated documents • complex data / clauses and compliance / key performance indicator issues • 7 or more documents per set • deviations from business rules common • less capable of e-authentication and e-delivery • multiple language documentation • less potential for 100% automation

Why, indeed, should we train and insist that all documentation staff work with simplicity (green) and complexity (red)? It is not as if we are a small exporter. We prepare documentation across six teams for up to 40,000 shipments per year to 140 countries in four languages.

Working with – Not Against – a Person’s Characteristics

Victoria Ann had been in the Documentation Centre for 20 years and was an extremely capable worker so why not work with her characteristics and let her (and others like her) prepare export documentation for those “simple” markets? Those who work best with complexity could likewise work in red lane markets. Staff would be happier and more productive – a “Win-Win” for employee and employer.

* Clyde FLETCHER is Manager of the Fonterra Documentation Centre in Auckland, New Zealand. The Documentation Centre is responsible for documenting exports from Australia, New Zealand, and United States utilising one global platform (SAP GTS). Mr. Fletcher is a member of the DCW Editorial Advisory Board.

Green lane people are:	Red lane are:
<ul style="list-style-type: none"> • high volume – fast, accurate process workers - systematic “steps 1-10” • more frustrated by deviations • less into detail – ask what? • sound trade documentation knowledge and skill workers • pro-active with problem solving part of BAU (business as usual) • focused on a broad set of markets • OF EQUAL VALUE TO RED LANERS! 	<ul style="list-style-type: none"> • low volume – slower, more in-depth versatile workers “steps 1,3,2, ...” • challenged by deviations • into detail – ask what and why? • complex trade documentation knowledge and skill workers • pro-active & orientated to problem solving & creativity over & above BAU • narrowly focused markets • OF EQUAL VALUE TO GREEN LANERS!

Moving from Generalists to Specialists

The Documentation Centre has been in existence for some 50 years preparing export documentation. Up until 2006, staff worked in teams based on markets within geographical regions and/or product categories and company subsidiaries. Since 2006, we restructured the teams into green and red lane teams based on the level of documentation complexity. We have refined the process every year since. In short, moving Victoria Ann and others from generalists to specialists:

Generalists	Specialists
<ul style="list-style-type: none"> • People processing all markets and payment terms: pre-payments, open accounts, documentary collections, and documentary credits • People trained across all trade requirements, including resource intensive documentary credit training • Preparing trade documentation per established customer, commercial (contractual), in-house business rule, and country requirements • Today-orientated; working within standard processes and systems 	<ul style="list-style-type: none"> • People categorised as green or red lane process workers recognising that some can work with either. Recruitment is based on green or red thinking • People trained for green or red lane processing with fewer resources required to maintain documentary credit expertise • Eliminating documentation by challenging the status quo, i.e. making green lane documentation “greener” and red lane documentation “green” • Today and tomorrow-focused; helping shape separate green and red lane processes and systems to facilitate STP (straight-through-processing) with exception management help desk

Benefits to Date

After three years – and we have a way to go yet - we have derived these benefits of separate green and red lane processing:

- Better utilisation of people skills and increase in personal efficiency, empowerment and knowledge.
- Easier to organise resources within a team and wider green or red teams.
- More focused training – focused green lane overview of trade documentation vs. detailed has reduced training effort and time.
- Process improvements with people taking more responsibility to eliminate “waste” within their “line of sight”; to make green “greener” and red “green”.
- Improved relationships with banks processing the presentations under documentary credits; significantly less discrepancies.
- Optimisation of resources with increased productivity as a result of up-skilling staff, eliminating unnecessary requirements and refining processes including the implementation of separate green and red system processes.

Guiding Principles

Our guiding principles for our transition to separate green and red lane processing are people; then processes and systems:

- 1) Put people in the correct lane and provide continuous training and development;
- 2) Have a pool of people able to work in both lanes to cover varying transactional volume;
- 3) Green and red lane people make a different but equal contribution to productivity and costs;
- 4) Work on improving processes using existing systems before contemplating any new system.

Conclusion

People are the key. Working with a person’s characteristics and strengths by assisting them to work within their “flow” can have numerous benefits for a medium-to-large exporter. In absolute terms, people work best with either simplicity or complexity; a few work best in both circumstances. Processes and systems follow.

Complex trade documentation, including documentary credits, is best processed by a smaller team of skilled specialists who have sound processes and systems to support them.

By the way, Victoria Ann is still with us and is an exceptional green lane processor working to her potential! ■