



Driving growth with optimized processes that deliver

MNG Kargo automates parcel delivery workflows to stay competitive using IBM Cloud Pak

by Kristin Fern Johnson

5-minute read

For MNG Kargo, one of the largest express courier and parcel delivery companies in Turkey, the pace never slows and the pressure never stops. Every day, the company deploys 6,000 vehicles to provide services to 600,000 physical addresses spanning 220 countries. Speed, efficiency, accuracy and exemplary customer service are musts. Smooth-running processes are key. Today, [IBM Cloud Pak® for Business Automation](#) provides the foundation for optimizing those processes to increase productivity, meet business objectives and drive growth.



In 2018, change was afoot throughout the industry, as well as within MNG Kargo. The rise of e-commerce, new technologies and growing customer expectations spawned both opportunities and challenges. In addition, the previous year, private equity

firm Turkven had acquired the company and was initiating a push toward digital transformation.

But while MNG Kargo was expanding its customer base, its IT business process management system was struggling

to keep up with demands. And those demands were significant, including the management of all daily deliveries, invoice procedures for delivery vehicle maintenance and rental, and in-house processes for 12,000 employees.

“Our process management tool was open source. There were no local suppliers that could support it, and the technology was old, so it wasn’t practical for our internal developers to learn it,” says Merve Faydali, Customer Experience Application Manager at MNG Kargo. “It couldn’t provide the outputs required by our business units. Plus, we wanted to automate a lot of our manual processes as part of our digital transformation, but the platform wasn’t capable of doing so.”

Another challenge was the lack of integration between the company’s business processes and its document management systems.

By the end of 2021, will enable tracking of

10,000

transactions per day

Processes, protects and stores more than

3,000

documents daily

Many processes were paper-based and required physical storage of documents. It was difficult to monitor those processes for efficiency and to provide management with vital input for business decisions.

MNG Kargo needed a new, scalable platform with which to automate its business processes and a digitized, automated document management system to manage content across the organization.

Teaming for success

Together, IBM Business Partner 32bit and the local IBM team presented the winning solution to MNG Kargo: IBM Cloud Pak for Business Automation, which is optimized for deployment on Red Hat® OpenShift® on any cloud or IT environment.

The all-in-one, integrated solution was an excellent fit for MNG Kargo's needs. It offered the scalability to handle MNG Kargo's high number of users and transactions, the flexibility to respond to process requests quickly and the adaptability to integrate with the company's internal systems. And as a global solution, it could operate across the diverse geographies where the company did business.



32bit worked with [IBM Services®](#) to implement the solution and to train MNG Kargo's IT staff on application development and use of the system. To meet the project deadline, IBM and 32bit split responsibilities, with IBM taking on the technological installation and 32bit handling business process development, working closely with MNG Kargo.

In designing the MNG Kargo platform, the team took advantage of several key features in the IBM Cloud Pak for Business Automation solution. Using the business automation workflow capability, it streamlined and automated existing processes and enabled the creation of new ones. It also developed an end-to-end design for monitoring, recording and reporting processes.

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Merve Faydali, Customer Experience Application Manager, MNG Kargo

Drag-and-drop functionality made it possible for developers to create workflows with minimal coding. The team took advantage of the solution's built-in user interfaces to provide employees with portals through which they could access business processes and tasks.

"The business automation workflow capability enables easy transfer of approximately 5,300 invoices per month into our ERP system, enhancing operational continuity—an essential goal of a market-leading transportation company," says Faydali. "In addition, we now run our vehicle maintenance process using the workflow capability, a process

that previously required the most manual paper invoices. We managed to save a huge amount of effort by integrating the process into the ERP.

"We also run our non-standard parcel approvals through the workflow capability," she continues. "And we've designed a new process for financial requests from our branches to flow to our headquarters digitally. This main request flow has various sub-flows under it, providing an approval hierarchy between operations and headquarters."

The content management capability of the solution served as the foundation

for the company's document management system, with which the company can digitize invoices and other crucial documents and safely store them using a built-in complex security schema designed to protect confidential documents from exposure to unauthorized users.

Working together, the three teams—32bit, IBM and MNG Kargo—were able to not only meet the target project completion date, but also train the MNG Kargo IT team to begin taking on system maintenance and application development. Within three years, it was building processes on its own.

Automation reaps rewards

Today, MNG Kargo is reaping the rewards of its new business automation workflow and content management systems. With the former, the company can track more than 2,500 business process requests and 8,000 tasks per day and is aiming to increase the number of business process requests to 4,000 by the end of 2021, for a total of more than 10,000 transactions per day.

With automated workflows in place:

- Automated processes for submitting vehicle requests and generating daily quantity and cost estimates make payment approvals much faster, enhancing supplier satisfaction.



- Automation of the damage claim process enables faster resolution of and compensation for claims, which keeps customers happier.
- Access to confidential information in documents and reports provides more visibility into concrete cause-and-effect connections in the shipping damage compensation process, so management can make better business decisions based on measurable values.
- Integration with the ERP system enables more conscious, accurate approval decisions in the material process through access to information on products requested by users and current stock information.
- Automated transfer of email or cover letter requests provides faster resolution in operational financial request processes.

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Merve Faydali, Customer Experience Application Manager, MNG Kargo

- Greater visibility into operational invoices helps drive investment decisions, and easier access to customer complaint data helps resolve issues and improve processes at the problem's source.

Staff also can more easily compare approved purchase amounts with invoice amounts. "Before, it was difficult for managers to detect differences because approvals were done by email," says Faydali. "Since implementing this project, management is able to see all the process pieces over a period of months, and some instances of fraud have been blocked as a result."

The new content management system is also making a highly positive impact. Business process requests involve an average of 3,000 documents per day, resulting in 6,000 transactions per day. Most of these documents are invoices containing confidential information. In addition to processing, handling, and protecting the documents, the system stores backups of approximately 43 million past invoices.

With the content management system:

- Employees spend considerably less time searching for invoices and other documentation, which improves efficiency and saves the company money.

- Documents are easily retrievable, and the storage of those documents is more secure.

Today, MNG Kargo is in the process of integrating additional processes into its system and is poised for the next phase of its automation journey. "We renewed our contract with 32bit at the beginning of the year and plan to meet with both 32bit and IBM to learn about new AI and robotic process automation (RPA) technologies in the coming year," concludes Faydali. That combination of teamwork and innovation bodes well for continued success as the company develops new, automated processes in pursuit of its digital transformation.



About MNG Kargo

Founded in 2003 and headquartered in Istanbul, Turkey, [MNG Kargo](#) (external link) is a leading provider of courier and parcel delivery services in Turkey. The company has more than 850 branches, 27 transfer centers, 35 mini-hubs and 14 regional directorates. With more than 12,000 employees, the company delivers services to over 600,000 addresses a day across 220 countries using approximately 3,500 of its own land vehicles in addition to rental vehicles.

About 32bit Bilgisayar

Founded in 1988 in Istanbul, Turkey, IBM Business Partner [32bit](#) (external link) provides companies with turnkey IT software solutions, as well as technology integration and consulting services. Primary areas of expertise include business processes, service-oriented architecture (SOA) and integration, finance applications, and mobile and Java Enterprise Edition (JEE) applications.

Solution components

- IBM Cloud Pak® for Business Automation
- IBM Services®
- IBM Business Automation Workflow
- IBM FileNet® Content Manager

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