Accelerated Customer Onboarding and Credit Approvals with Automated Systems

Read on to know how this fortune 500 mining company cut costs with automated credit approvals and faster customer onboarding using artificial intelligence.

About Mosaic

Mosaic is the largest US producer of potash and concentrated phosphate. This fortune 500 company employs people in 6 countries to serve farmers all over the world.

Challenges

Mosaic faced significant challenges when it came to the credit process in their order to cash cycle. Administering from North America and Brazil, one of their biggest challenges was having about 7 to 10 layers of approval. Other challenges included:

Complex Credit Approval Hierarchy across Business Units

With hierarchy headcount varying from one business unit to another, getting approvals through such complex hierarchies was challenging for Mosaic. With slower approvals, periodic reviews took a great deal of time, affecting the customer experience.

Disparate Data Sources

Collecting credit data about a customer involved manual fetching of credit reports from credit agencies, financials, and information from insurance companies. Furthermore, if data was missing from one agency, the analyst had to get the missing data from another agency. The process of credit data aggregation thus consisted of a lot of manual effort and research.

INDUSTRY
Agriculture

HEADQUARTERS
Tampa, Florida, United States

REVENUE
$8.9 Billion (2020)

PRODUCTS
- Credit Cloud

Benefits

- 50% reduction of credit approval layers
- 55.5% reduction in average approval time
- 15% increase in auto approval.

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Unyielding Credit Scoring Model

Credit scoring at Mosaic was done as per some pre-set parameters, which made it inflexible and inefficient in some scenarios. A critical parameter for credit scoring is the country's risk factors and the rigid model in place did not allow the score to take them into account. Mosaic looked for an intelligent and adaptive model that considered all risk factors to develop a customer's credit score.

Lack of Visibility Causing Difficulty in Credit Risk Management

The Mosaic credit teams lacked real-time visibility into any negative payment trends, macroeconomic fluctuations, and credit rating dips. With multiple ad-hoc reviews from sales, collections and a considerable volume of periodic reviews, credit teams could not proactively assess and mitigate risk.

How did HighRadius Help

Mosaic leveraged the credit cloud solution by HighRadius to address their challenges and have better visibility on the overall risk exposure of their customer portfolios. The artificial intelligence-based solution brought in the following functionalities:

Credit Cloud

Automated Approval Workflow

HighRadius helped put Mosaic's customers into different risk buckets depending on their capacity to meet their financial commitments and set the review hierarchy based on the bucketing. This bucketing enabled automated approvals for customers falling into the lower risk categories while redirecting only higher dollar value approvals to the senior management. The solution also considered the hierarchy structure of a particular business unit while coming up with an automated approval workflow for that business unit. With auto-approvals, the credit team was thus able to fast-track the periodic reviews for low-risk customers.

Auto-Aggregation of Credit Data from Global and Local Agencies

The solution ensured auto-extraction of credit reports, financials, and credit insurance information from all data sources. The credit teams could configure and include multiple agencies and, if data was missing from one, the credit cloud would auto-aggregate the reports from the next agency.

Customized Credit Scoring

Customized credit scoring allowed Mosaic's credit analysts to look at various scoring models based on business units and risk segments to develop a credit limit according to their needs. They could now take

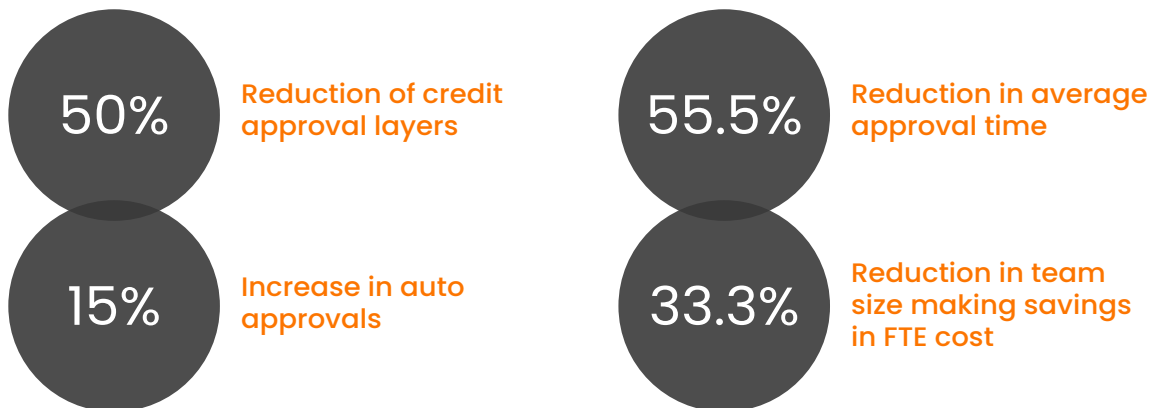highradius

Real-Time Credit Risk Monitoring

Real-time credit risk monitoring ensured Mosaic had continuous, automated monitoring of credit risk for all customer portfolios. The solution notified their credit teams of any change in credit risk, along with recommended revised terms for their customers. They did not have to wait for the periodic reviews to counter any possibility of risks.

Results Achieved

> "
> We reduced the number of approval layers dramatically. The average to approve a credit limit dropped from nine to four, which is basically because we got rid of people that we didn't go into having the approval flow.
>
> Santiago Tommasi
> Senior Credit Manager

50% Reduction of credit approval layers

55.5% Reduction in average approval time

15% Increase in auto approvals

33.3% Reduction in team size making savings in FTE cost

About HighRadius

HighRadius is a Fintech enterprise Software-as-a-Service (SaaS) company that leverages Artificial Intelligence-based Autonomous Systems to help companies automate Accounts Receivable and Treasury processes. Our products provide value to a wide range of customers and are especially relevant to industries like consumer products, manufacturing, distribution, energy, and others that sell products or provide a service to other businesses.

Our customers range from some of the largest global corporations, including more than 200 Fortune 1000 companies. We also serve mid-size enterprises that don't have the IT resources to consolidate on an ERP platform but still want to automate and streamline their receivables and treasury processes.

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