

Autonomous Receivables Solutions for Order to Cash in **Industrial Manufacturing** Companies.

Overview of Autonomous Receivables Solutions for Industrial Manufacturing Companies



Credit

67% faster customer onboarding with online credit application

Lower bad debt with real-time credit risk monitoring globally


Auto-capture of credit data from 40+ global & local credit agencies



Collections

AI-based prioritization of diverse, global customer portfolios


75% faster past-due recovery leading to working capital optimization and lower DSO



Cash Application

95% auto-cash posting for high dollar-value transactions

Auto-capture of remittances from emails, check-stubs, EDIs, portals




Deductions

Auto-capture of claims, PODs from customers & carrier portal

Faster, automated research and resolution for non-trade deductions

Other Autonomous Receivables Solutions



EIPP

Electronic invoicing through web, email, fax, print + mail and easy payments globally through self-service payment portals

Top Industrial Manufacturing Companies Across the Globe Trust HighRadius to Automate their Order to Cash Processes



How HighRadius Addresses Industrial Manufacturing-Specific Challenges

Business-Specific Challenges



Challenge

Frequent Mergers & Acquisitions Leading to a Non-Standardized O2C Process

Industrial manufacturers often go through multiple acquisitions to expand their business. These frequent acquisitions contribute to their business growth, however, at the same time, it might introduce complexities such as:

- Multiple sources of A/R data across several ERPs & disparate legacy systems
- Divergent customer base to collect from
- Regional language and currency nuances
- Non-standardized A/R process workflows

As a result of this, the industrial manufacturers might experience disruptions after an acquisition as they end up investing a lot of time and effort standardizing the process across the multiple child entities.



Solution

Standardized A/R Processes Post-Acquisition with A/R Automation

HighRadius Autonomous Receivables helps industrial manufacturers standardize their A/R processes post acquisition by:

- Seamlessly integrating with multiple ERP systems
- Identifying and prioritizing high-risk customers across various acquired entities, while automating the dunning for the low-risk ones
- Simplifying global reporting with 100+ out-of-the-box reports and dashboards
- Standardizing processes with industry best practices addressing business nuances

HighRadius Autonomous Receivables helps industrial manufacturers automate their end-to-end O2C processes across parent and child entities and plays a pivotal role as a support system for future acquisitions.



Challenge

Challenges in Global Reporting Due to Non-Standardized A/R Processes Across Business Units

Industrial manufacturing companies usually have various industrial plants or business units spread across geographies. Usually, every industrial plant has their specific A/R teams with a dedicated A/R manager. However, in most of the cases, these business units and their A/R teams happen to work in a siloed manner. An A/R manager from a business unit might not frequently interact with their peers from another business unit, and every business unit might follow their own business rules, leading to non-standardized processes and A/R data scattered across the business units. Because of these non-standardized processes, global reporting might become a nightmare for the senior A/R leaders as their teams end up digging data from every business unit, processing them to ensure standardized language, currency and reporting frameworks from a global reporting perspective.



Solution

360-Degree, Standardized View Across A/R Process Health Globally with 100+ Out-Of-The-Box Reports & Dashboards

HighRadius dotONE Performance helps senior A/R leaders from industrial manufacturing companies achieve a consolidated view of their A/R processes across the globe. The A/R leaders can analyze critical A/R metrics such as DSO, bad debt at a global-level or they can also dig deeper to review these metrics at a regional-level. With 100+ out-of-the box reports and intuitive dashboards, global reporting becomes a seamless process and the A/R leaders can generate, configure reports based on their business units or at a customer-level with a few clicks.

IT and Technical Challenges

Challenge

Frequent ERP Migrations Leading to Data Duplications Across the Globe

Due to multiple acquisitions, industrial manufacturing companies show tendencies to go through ERP migration initiatives. Usually, these initiatives are designed to bring the A/R data across the acquired entities to a single platform from multiple ERPs, and other mediums such as spreadsheets, accounting systems etc. However, ERP migration is a massive task that requires active collaboration between business and IT teams. It might lead to data duplication and incorrect reporting.

Solution

Seamless Integration of HighRadius A/R Software with any ERP

HighRadius Autonomous Receivables Solution can easily integrate with any ERP system including SAP, Oracle, Microsoft Dynamics. A simple, plug-and-play approach of HighRadius Autonomous Receivables not only eliminates the possibility of building a software in-house but also ensures integration with any ERP after the ERP migration process. HighRadius has pre-built connectors ensuring that IT teams in industrial manufacturing companies spend minimal time so that their bandwidth is not impacted for other projects.

A/R Process-Specific Challenges

Challenges in Collections

Manual Prioritization of Customer Portfolios Leading to a High DSO and Low Working Capital

Industrial manufacturing companies deal with large, diverse customer portfolios globally. While collecting past-due invoices from these customers, the collectors might end up struggling to identify and prioritize high-risk customers. In general, it has been observed that the collectors prioritize portfolios based on aging analysis and the invoice dollar value. The manual collections prioritization is perhaps not the most effective approach as the collectors end up performing manual, tedious tasks such as:

- Extracting the customer's interaction history, payment commitments from emails,
- ERP, spreadsheets etc.
- Manually sending correspondences to the customer

These manual, repetitive tasks always do not guarantee faster collections. Moreover, collectors usually do not have real-time visibility on the customer's credit risk, and due to this, they might not be able to identify high risk customers. In a nutshell, manual collections prioritization and lack of collector's visibility into the customer's credit risk leads to slow collections and higher DSO.

Solution

Increased Working Capital and Lower DSO with AI-Based Prioritization of High-Risk Customers

HighRadius AI-powered Collections Software helps the collectors prioritize high-risk customers over the low risk ones with an automatically prioritized worklist. Every day, before the collector logs in, Collections Software automatically generates a prioritized worklist with suggested action items based on the following parameters:

- AI-predicted payment date for the customer
- Past payment behavior of customers
- Customer's credit risk
- Aging analysis
- Payment commitment history & trends

Additionally, the collectors can access AI-based recommendations on the collections strategy for each customer to ensure 75% faster past-due recovery, and lower DSO.



Challenge in Credit Management

Slow, Paper-Based Process for Extending Credit to New Customers

Usually, industrial manufacturers have stringent credit policies and they prefer onboarding creditworthy customers to ensure consistent cash inflows. However, the credit teams usually use a paper-based credit application to initiate the new customer onboarding process. A paper-based onboarding slows down the process as it involves multiple back and forth within the customer and the credit team. For instance, the customer might submit an incomplete application, and the credit teams have to follow-up with them to capture complete, and accurate information. Moreover, slow bank and trade reference verifications might lead to a delayed customer onboarding process, impacting the overall customer experience.



Solution

67% Faster Onboarding for New Customers with Online Credit Application

With HighRadius Online Credit Application, industrial manufacturers can onboard new customers 67% faster. Online Credit Application ensures:

- Automated capture of accurate credit data, personal guarantees, tax exemption certificates, financials through a web or mobile-based application form
- Higher flexibility by supporting multiple languages. These credit applications can also be configured based on various customer segments.
- Automated verification of bank references through the integration with Confirmation.
- Faster customer onboarding through pre-filled credit application forms by Sales teams. Auto-extraction of existing customer data from CRM tools such as Salesforce, Oracle, Microsoft 360.



Challenge in Credit Management

Lack of Real-Time Visibility into Customer's Credit Risk Globally

While dealing with high dollar-value invoices, industrial manufacturers usually focus on thorough credit checks. In most of the cases, credit teams at industrial manufacturing companies try performing regular credit reviews to ensure faster risk mitigation and lower bad debt. However, with a large, diverse customer base, it can be difficult for the credit teams to review every customer and identify the at-risk ones. Moreover, with this manual, periodic approach towards credit reviews, they might not be able to track the sudden fluctuations in the customer's credit risk profile such as bankruptcy alerts, credit rating downgrades etc.



Solution

Lower Bad Debt with Real-Time Credit Risk Monitoring Globally

- HighRadius AI-powered Credit Software enables credit teams to have real-time visibility on their customer's credit risk health. The credit teams can monitor their portfolios on a daily basis, and receive real-time alerts related to bankruptcy, credit score downgrades, and changes in customer's payment behavior to stay on top of their portfolios credit risk at a global-level.
- HighRadius Credit Software automatically extracts credit reports, credit ratings, public financials, and credit insurance information from 40+ global and local credit agencies such as D&B, Experian, CreditSafe, Equifax, Serasa etc. With unlimited credit reports from various credit agencies, bureaus, credit insurers, the credit teams can review all the information at a single place and make an informed



Challenge in Cash Application

Manual Remittance Capture from Check–Stubs, Emails, EDIs, and Web Portals

In most of the cases, Industrial manufacturers receive a high volume of check payments, followed by wire transfers for high dollar–value invoices. As a result, their cash application teams usually end up manually extracting remittance information from various sources including check–stubs, emails, EDIs and web portals. Because of the high volume of check payments, they might spend a lot of time manually keying–in remittance data from handwritten check–stubs.



Solution

Automated Remittance Capture From Emails, EDIs, Checks, Web Portals

- HighRadius Cash Application Software leverages AI–based multiple Optical Character Recognition(OCR) engines to accurately capture check remittance data.
- With automated email & EDI parsing engines, cash application teams can automatically capture remittances from emails and EDIs.
- Cash Application Software leverages web bots to securely log into various customer portals and download web remittances.



Challenge in Deductions

Highly Manual Deductions Research for Non–Trade Deductions

Industrial manufacturing companies usually receive a lot of non–trade deductions, the most common reason codes being shortages and damages. In most of the cases, the research and validation of these non–trade deductions can turn out to be a labor–intensive process. For every deduction, the deductions team has to perform the following tasks manually:

- Aggregate claims from postal mails, customer portals, emails
- Collate proof of deliveries(PODs), bill of lading(BOLs) from carrier portals such as FedEx, UPS
- Compare the claims with the PODs, BOLs to conduct a variance analysis and validate the claim

Considering the high volume of non–trade deductions, and the time taken for manual deductions research, industrial manufacturers might experience slow deduction resolution leading to revenue leakage.






















Solution

Automated Deductions Research for Non–Trade Deductions

With HighRadius Deductions Software, deductions teams can fast–track deductions research. With automated aggregation of claims from emails, customer portals, postal mails; proof of deliveries, bill of lading, freight bills from carrier portals, deductions teams can save a lot of time and focus on deduction resolution while Deductions Software performs the repetitive backup document aggregation and variance analysis for them.

HighRadius Partners & Integrates with Industry-Leaders to Deliver Successful A/R Automation for the Industrial Manufacturing Companies

 BPO Partners	    
 Consulting Partners	  
 Banking Partners	      
 ERP Systems	     

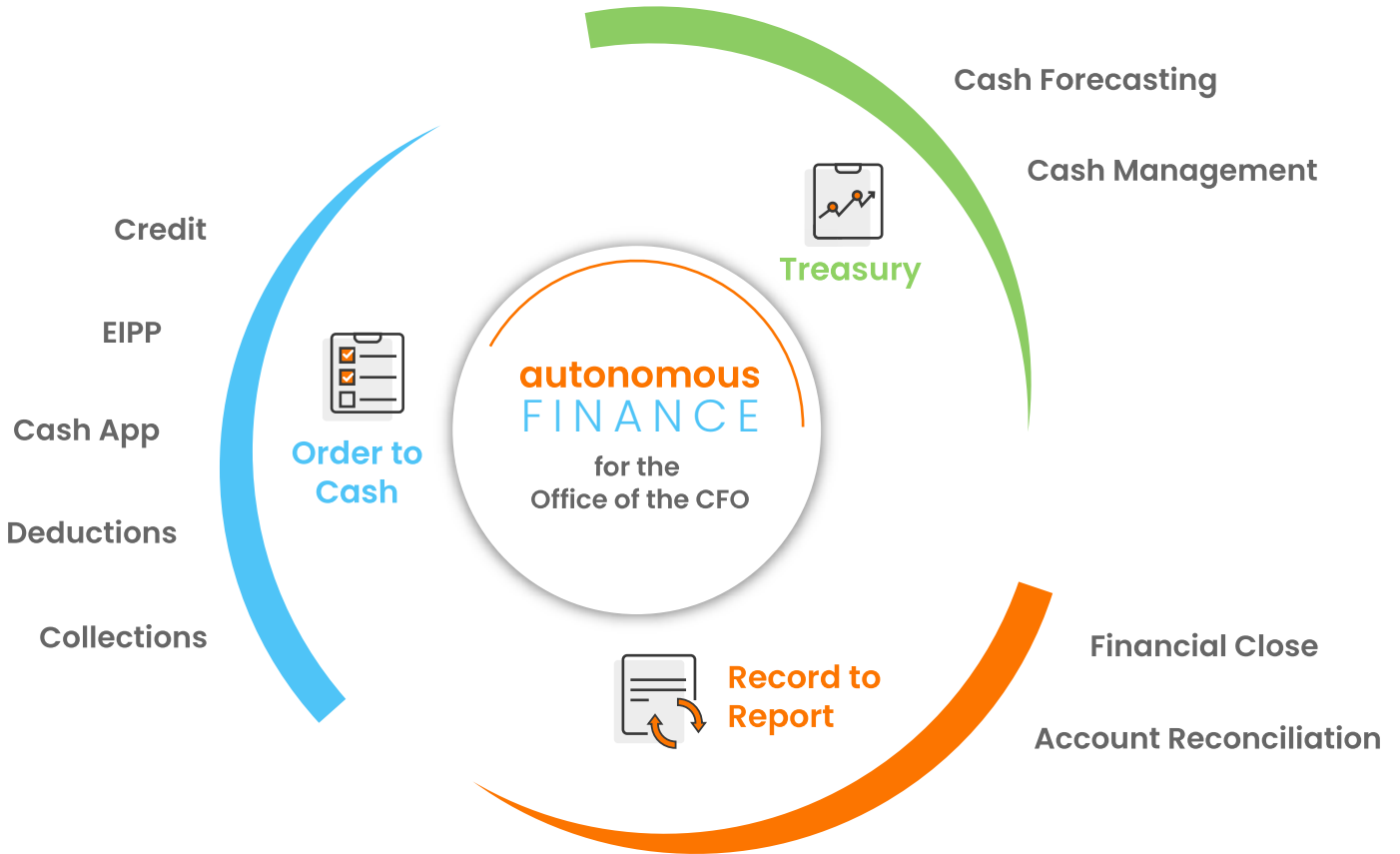
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[TALK TO AN EXPERT](#)

HighRadius Autonomous Finance for the Office of the CFO

Data-driven AI software platform to lower DSO, optimize working capital, fast-track financial close and improve productivity.



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