



# Autonomous Receivables Solutions for Order to Cash in **Pharmaceutical & Life Sciences** Companies

## Overview of Autonomous Receivables Solutions for Pharmaceutical & Life Sciences Companies



### Cash Application

- 95% straight-through cash posting and automated deductions coding
- 100% Automated remittance aggregation from cheques, emails, and portals
- Improved analyst productivity with faster exception handling



### Deductions

- Auto-extraction of backup documents
- Faster, **automated research** for trade and non-trade deductions
- 100% Automatic deduction coding
- Prioritized deductions resolution with Dispute Validity Predictor

### Other Autonomous Receivables Solutions



#### Credit

Reduced bad debt through 100% Real-Time Credit Risk Monitoring and Credit Reports From 40+ Global & Local Agencies



#### Collections

15% Lower DSO Through AI-Enabled Worklist Prioritization and Out-Of-The-Box Reporting



#### EIPP

Automated invoicing via emails, web portals, and fax with 150+ Global payment support for customers

**50+ Global Customers**

across Pharmaceuticals, Medical Devices, and Life Sciences companies trust HighRadius with their Account Receivables Automation.



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# How HighRadius Addresses Pharmaceutical & Life Sciences Industry-Specific Challenges

## Challenge in Cash Application

### **Lack of Visibility on Payment Statuses Leading to Poor Customer Experience**

Credit and collection teams lack visibility into the real-time payment processing statuses every day. This often leads to a collector erroneously calling up a customer who has already paid adversely affecting customer experience.

Similarly the credit team might incur delays in releasing blocked orders due to insufficient data. Hence, it's imperative for other A/R teams to gain visibility into the cash application workflow.

## Solution

### **Seamless Integration with Other A/R Processes**

Cash Application automation improves the cash posting rates by accurately linking payments with remittances. The cash application analysts thus become more productive by spending minimal time reviewing the exceptions.

The solution also provides real time payment status for collectors to get real-time visibility on payment posting statuses to avoid any erroneous dunning to customers who have already paid. It further allows the credit teams to release blocked orders and act real-time thus enabling good customer experience.

## Challenge in Cash Application

### **Delay in Payment reconciliation due to disperse Customer Information**

The absence of a single consolidated view across all the consumer portfolios makes it difficult for analysts to extract consumer-specific information such as order history, account details, payment behavior, credit details etc. To access them, they often chase after several different resources like CRM, and multiple ERP instances, which lead to long delays.

Since the insights drawn from consumer behavior trends could prompt the right ways to engage with the consumers, inaccessibility of data emerges as a significant barrier to delivering an exceptional customer experience.

## Solution

### **Faster auto-payment reconciliation with Single Repository Platform for All Invoice Related Documents and Interactions**

The Cash Application solution provides a single repository and communication platform for all invoice-related documents and interactions. With this level of automation, customer payments are processed faster, errors are reduced, and processing costs are decreased.

The solution also enables the use of AI to analyse buying patterns and provides AI backed suggestions with confidence levels to enable faster payment reconciliation.

Further with visibility across all consumer portfolios the sales team and other A/R teams identify various consumer payment behavioral patterns. The consumer's payment history helps the credit team determine their creditworthiness, while the Sales team could utilize them in establishing pricing terms & discounts for the consumers.



## Challenge in Cash Application

### Disruptions in Supply Chain Causing Poor Consumer Experience

While the Pharmaceutical Industry remains susceptible to supply chain upheavals, streamlining the entire process becomes crucial. Several discrete sub-processes aligned along the consumer journey often make it difficult to map the complete process.

A lagging cash-posting rate can often lead to delays in resolving blocked orders due to uncertain payment status of the customer. Moreover, delayed blocked orders releases, order dispatch, vendor & accounting issues, etc tend to breed poor consumer experience.



## Solution

### 95% Straight-Through Cash Posting Across All Payments with HighRadius Cash Application Software

A swift cash application process followed by timely closing of invoices plays a part in ensuring a smooth payment experience for the consumers.

100% automated deductions coding, remittance aggregation across checks, emails, customer portals, updates in the ERP help eliminate manual, repetitive tasks & expedite the process. Also, the AI-based exception handling helps the analysts resolve the exceptions faster.

Real-time visibility into payment posting statuses ends the need for bothering the consumers with frequent to-and-fros.



## Challenges in Cash Application

### Fragmented Processes Across Multiple Locations Leading to Inefficiency

The Pharmaceutical Industry comprises a broadly diverse range of entities such as biotech companies, drug distributors, equipment providers, etc. Operating against a plethora of ERP configurations, trade practices, disparate locations, and location-specific challenges builds inconsistencies among teams.

Hence, they look out for solutions that are scalable enough to sustain multiple, diffuse processes.



## Solution

### An Automation Solution Scalable Across All Business Units

The solution serves as a single source of truth across all teams and business units and helps bridge the data gaps among them. It also helps foster collaborative workflows, which enable the teams to operate seamlessly, even in remote working environments.

The HighRadius Cash Application acts like a plug and play solution over any ERP system and helps optimize working capital and cash flow through order to cash automation.



## Challenge in Deductions

### Multiple parties involvement in supply chain leads to lack of visibility in the end to end Deductions process

Lack of visibility into a customer's journey creates many challenges with orders, suppliers, accounting and the ability to provide excellent customer service.

As a part of the process multiple stakeholders like orders department, warehouse, logistics, shipping teams are involved which makes the process of gathering documentation quite cumbersome.



## Solution

### Automated Capture of Backup Documents and Full Visibility with HighRadius Deductions Software

HighRadius Deductions software leverages RPA to eliminate clerical, repetitive tasks in customer and consignee correspondence by automatically collecting backup claims, proof of delivery, and bill of lading (BOL) documentation. This reduces the number of blocked orders and disputes, providing full visibility into the payment history of an order, outlining customer details and interactions.

Deductions software aggregates, analyzes, and manages supplier requests and streamlines the communication process with involved parties.



## Challenge in Deductions

### Time Consuming Manual Processes for Document Retrieval

Pharmaceutical companies often deal with a large ecosystem of manufacturers, biotech companies, drug distributors, equipment providers, and health companies having multiple processes, different ERP systems in disparate locations.

Unless Cash Application process is done, disputes cannot be tracked which makes the deduction team to manually log-on to pharma portals to download backup information, claim details and manually search for customer emails for claim copies as well.



## Solution

### Faster and Automated Research for Trade and Non-Trade Deductions

HighRadius Deductions software is ERP agnostic and integrates with internal Trade Promotion Management systems to auto-match deduction with promotions and deals. The software provides a single version of truth to show dispute case history and resolution tracking. The disputes are thus often resolved before a customer even makes the payment.

With automatic retrieval of backup documents from customer emails, aggregation of signed PODs from carrier websites, and automatic linking of backup documents, the overall deduction process becomes much faster.



## Challenge in Deductions

### Lack of Dispute Prioritization Causing Revenue Leakages

Deduction teams often struggle with validating and resolving a high volume of deductions. Due to the lack of a pre-defined strategy for dispute prioritization, the analyst are not able to identify the invalid deductions on time thus leading to increased write off amount.

Invalid deduction, within the write off amount, that are not researched also contributes to the revenue leakages



## Solution

### Improved Net Recovery Rate with an AI-Based Dispute Validity Predictor

HighRadius Deductions Software leverages AI-Based functionalities to prioritize deductions resolution with AI based Dispute Validity Predictor. The solution auto-prioritizes invalid deductions with a deductions worklist. Based on business rules, the solution auto-assign deductions to the appropriate owner/processor to fast-track resolution. The solution also leverages ML algorithms to analyze historical validity trends and resolution patterns to help perform resolution to the deductions cases in a faster & efficient way



## Challenge in Deductions

### Global reporting for end to end Deductions process

Pharmaceutical companies often face difficulty accessing account information and order history across multiple locations and CRM instances due to lack of a central customer data repository.

It becomes difficult for the global owners/managers to get an end to end view of the gaps in the deductions process across regions to identify the loopholes or bottlenecks in the process


























## Solution

### Enhanced Customer Experience with Self Service

HighRadius Deductions Software provides a single repository and communication platform for all invoice-related documents and interactions.

Highradius exhaustive reporting capability keeps a track of all the activities performed within the solution to suggest where the bottleneck is in the process. The solutions also tracks key KPIs of Deductions such as DDO, Invalid deductions recovery etc. and helps managers perform a

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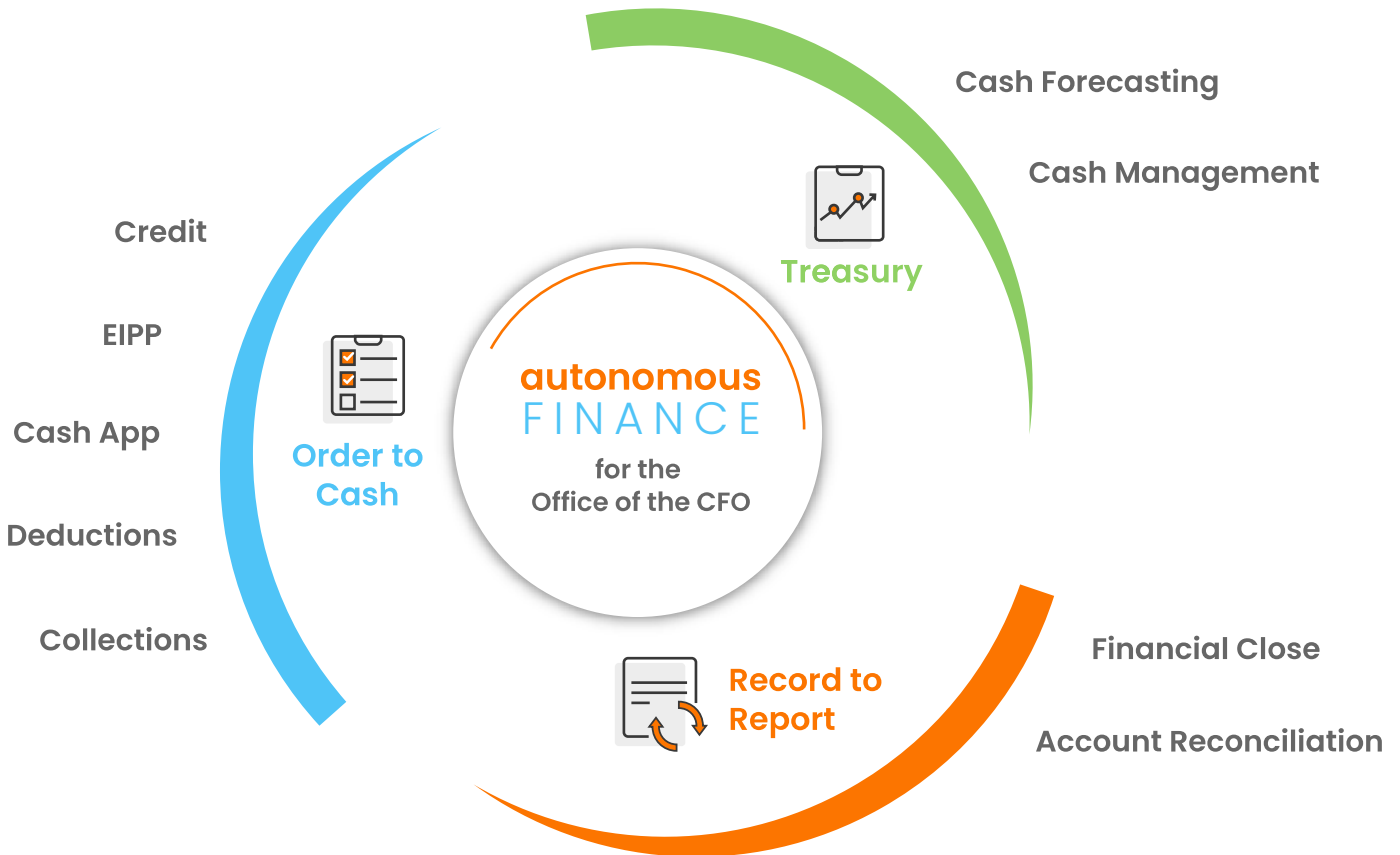
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## HighRadius Autonomous Finance for the Office of the CFO

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



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