

# KEYNOTE SPEAKER

IMPROVING CYCLE TIMES & INVOICE  
QUALITY IN YOUR BILLING AND  
COLLECTIONS PROCESS



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**ESOURCE SOLUTIONS**



# Improving Cycle Times & Invoice Quality in Your Billing and Collections Process



Improving Cycle Times & Invoice Quality in Your Billing and Collections Process

# Introduction and Agenda

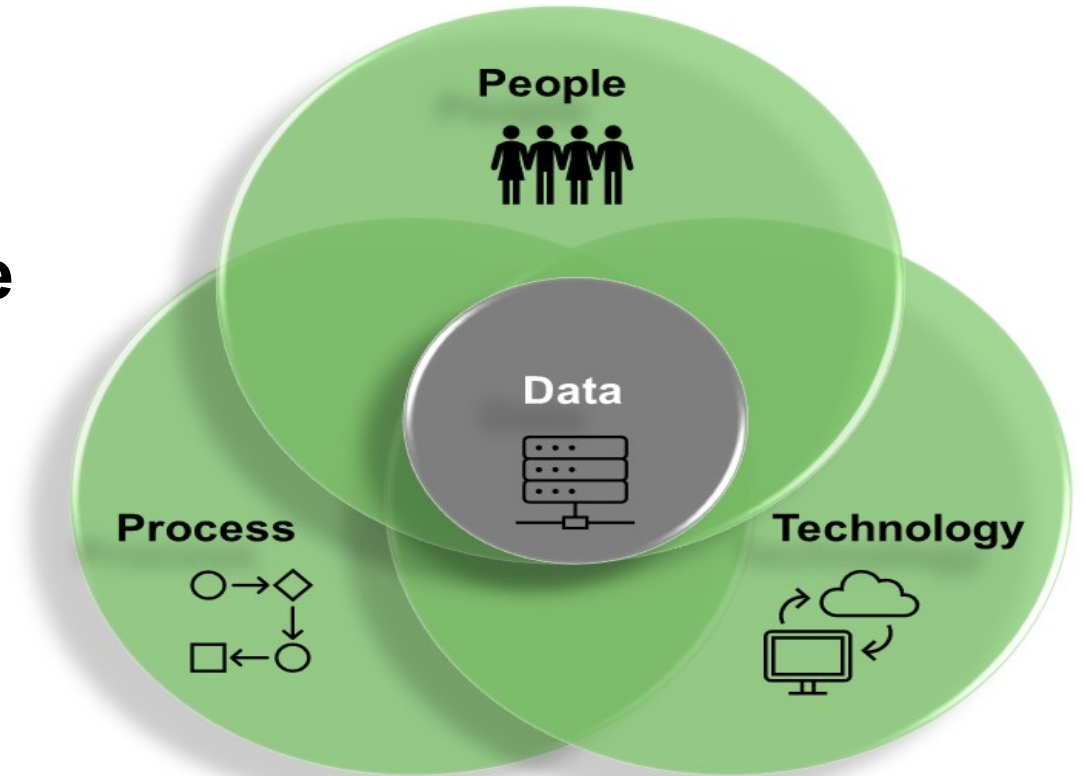
- Introduction
- Digital Transformation Overview
- Order to Cash (OTC) & Billing Cycle Time (BCT) Processes
- The Order to Cash Challenges (DSO related)
- Improve Cash Flow, Collections & DSOs,
  - Reducing Waste & Billing Cycle Time (BCT)
  - Reduce Defects/Escapes to Improve Invoice Quality
- Customer Example
- Wrap up



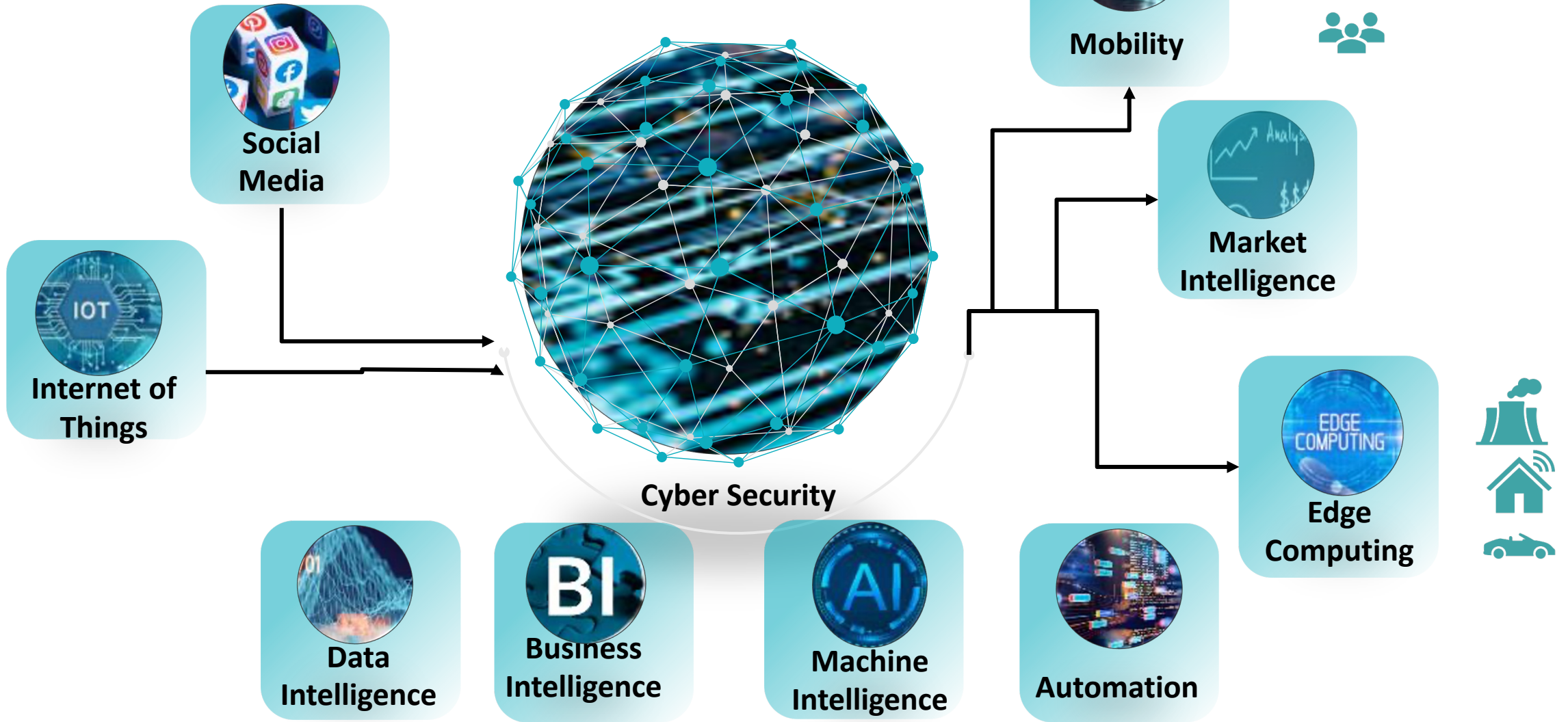
# Digital Transformation Overview

# As Leaders is it IMPORTANT to:

- **Know** what you need to **know** when you need to **know** it?
- Be aware and how to avoid Ransome Ware Attacks & be Cyber Security safe?
- Manage, Survive, and Adapt to changes of the new Society 5.0 & Industry 4.0?



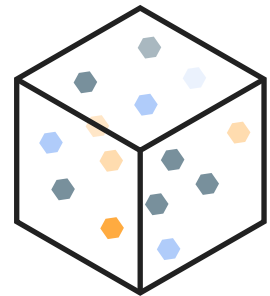
# Birds Eye view of the Transformation



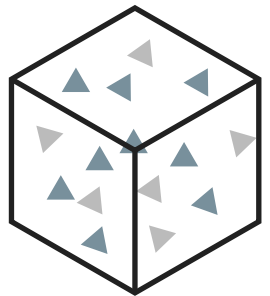
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# Digital Transformation Overview - History

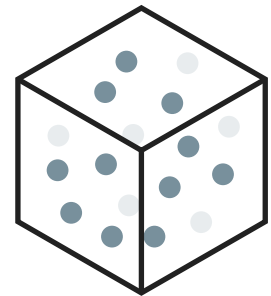
## Whats happening



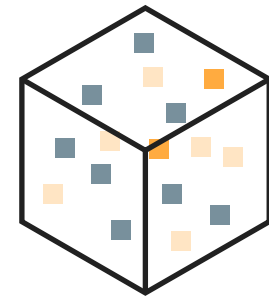
1995+



2010+



2015+



2020+



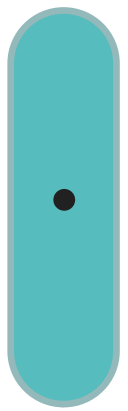
Primary Domains on transformation Path

- Music
- Photography
- Videos



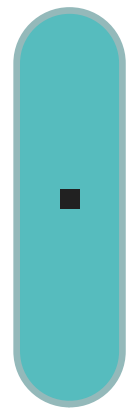
Primary Domains on transformation Path

- Print Medial
- Telecom
- Travel
- Oil & gas



Primary Domains on transformation Path

- Retail,
- Automotive
- Healthcare
- Education
- FMCG



All untouched domains and processes will be subjected to digital transformation with the budding ecosystem of startups and matured tech firms across the world

Continuous innovation to capture more granular data to manage customer experience in digital ecosystem

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# Digital Transformation Overview – Current Trends

## AI and Machine Learning

They are considered to be the forced multipliers in analytics and it is the turn of AI and Machine Learning.

Data Processing will see a bottom line in companies whenever AI and Machine Learning is forced while achieving the digital transformation



## Data Analytics

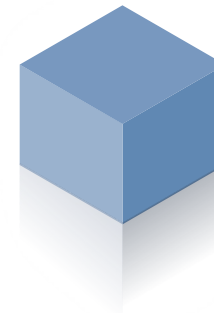
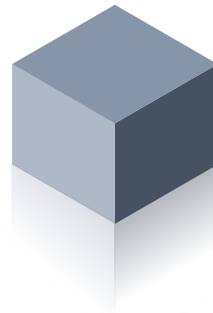
The companies that are not willing to invest now on predictive and prescriptive big data analytics then perhaps in 2023 year their survival in the market may become troublesome.

If companies can't handle the data collection and processing during their journey towards digital transformation then it may soon result in the need of Modern Analytics Tools for understanding customer's insights

## Conversational AI

The complexity factor is always high whenever chat messengers are evaluated for voice to text methods. You will see more of Conversational AI that can respond to lengthy talks and also through commands.

It can learn the user conversation together with the emotion and then respond accordingly to the served message



## Digital Privacy and Transparency

In the recent past, failures have caused a lot of trouble to many technological companies. With enhanced cybersecurity solution and governance models by regulator is now a greater relief.

With standards being adopted in many fields the privacy, transparency and portability is gaining lot of momentum

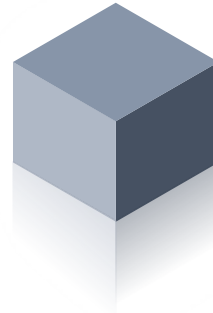


# Digital Transformation Overview – Current Trends Continued

## RPA (Robotic Process Automation)

It is the easiest form of representing AI that will once again regain its popularity in the realms of digital transformation in 2020.

Cisco is making a good use of RPA Technology through upskilling their employees at a low cost infrastructure. Also companies are using AI to design their processes and automate them.



## XaaS (X As A Service)

Everything as a Service that will soon become a demanding technology for the hardware driven industry.

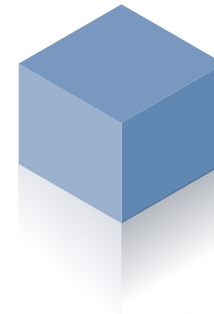
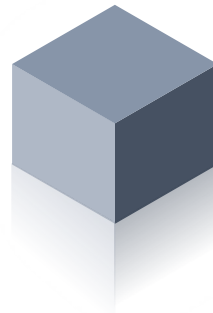
It should accommodate big data, analytics, block chain and many more in 2020 for the benefits of technology companies to avail the services of their choice

## Cyber Security

Zero Trust

With the number of IOT devices increasing everyday the zero trust model is the path forward to manage complex digital ecosystem

Right from the time the first data point is generated and handed over till the out put is received companies are adopting to zero trust model. With standards being implemented adds another layer to the zero trust.



## Block Chain beyond Crypto

Block Chain Technology will be having more number of meaningful use cases and not restricting to only Cryptocurrency.

Now together with AWS, IBM, Alibaba, Samsung and Microsoft are preparing to offer block chain as a service powered by real use cases, that is vastly compatible for mobile technologies

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# Digital Transformation Overview – Current Trends Continued

## 5G Connectivity

5G mobile transformation and some of the participating companies are Qualcomm, Verizon, AT&T, Huawei, Ericsson and Nokia.

Currently, 5G Technology will be of immense help in the development of a Smart City, Smart Vehicle and Smart Manufacturing that essentially requires processing of real time data sensors and IoT Connectivity



## Quantum Computing

Quantum computing harnesses the phenomena of quantum mechanics to deliver a huge leap forward in computation to solve certain problems.

At its early stages of development and implementation however creates a promising future to exponentiate the power of computing to solve more complex real-time use cases



## ACPC (Always Connected PC)

A generic presence of embedded 5G networks that can aid in the big expansion of ACPC connectivity.

There might further be companies like Lenovo and Qualcomm engaging in smart ACPC business partnership suits

## Driverless Cars, Smart Cities

It is not unbelievable for cars to operate driverless any more with the power of edge computing and evolution of the 5G Technology.

All these society enabling digital transformation and lot more will work for good in the development of Mobility for the everyday commuters travelling in Smart City which is building blocks of society 5.0

# Digital Transformation Overview – Path Forward

- It is the digital transformation of manufacturing/production and related industries and value creation processes.
- Connected machines, digital twins, processes and communication technologies enables to transform into smart factories and digital supply chain.
- At the very core Industry 4.0 includes the (partial) transfer of autonomy and autonomous decisions to cyber-physical systems and machines, leveraging information systems and decentralized intelligence in manufacturing
- Improves the overall efficiency, quality and flexibility with adoption of new technologies and stands

## Industry 4.0



# Digital Transformation Overview – Path Forward Continued

## Industry 4.0

### Benefits

- Enhanced productivity through optimization and automation
- Real-time data for a real-time supply chain in a real-time economy
- Higher business continuity through advanced maintenance and monitoring possibilities
- Better quality products: real-time monitoring, IoT-enabled quality improvement and cobots
- Better working conditions and sustainability
- Improved agility

### CHALLENGES

- The definition of a strategy – It's a Enterprise Architecture not just automation
- Dealing with the complexity of the connected supply chain.
- Altering customer and industrial partner demands
- Data compliance
- Cybersecurity - The increasing number of attacks one of the main reasons which hold IIoT initiatives back are concerns regarding security and IIoT is, as said a key component of Industry 4.0

### THE QUESTION – Should I

- Industry 4.0 there is a body of work, reference models, roadmaps and well-described components before the actual implementations really happened. That is unique.
- Industry 4.0 requires a staged approach whereby the initiatives in the earliest maturity stages and areas ultimately lead to the realization of an integrated vision and reality

# Digital Transformation Overview – Path Forward Continued

## Society 5.0

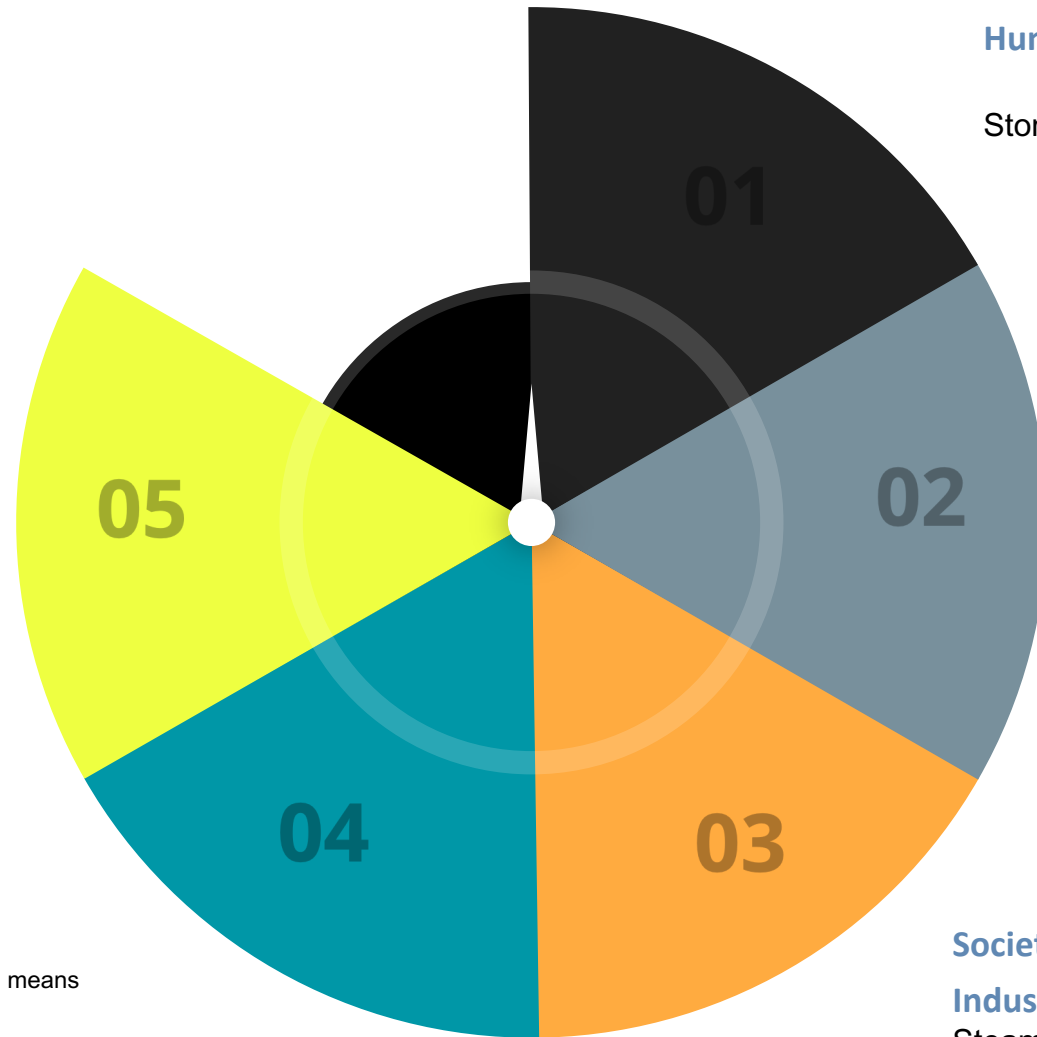
### Society 5.0 Smart Society

- IIOT
- AI
- Robots

### Society 4.0 Information Society

Internet If it helps you to relax and focus, by all means walk the stage

Source – Japanese Business Federation Keidarnen



Society 1.0  
Hunting Society

Stone, Metal, Weapons.

Society 2.0  
Farming Society

Farming Tool, Animal power

Society 3.0  
Industrial society  
Steam Locomotive

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# Digital Transformation Overview – Path Forward Continued

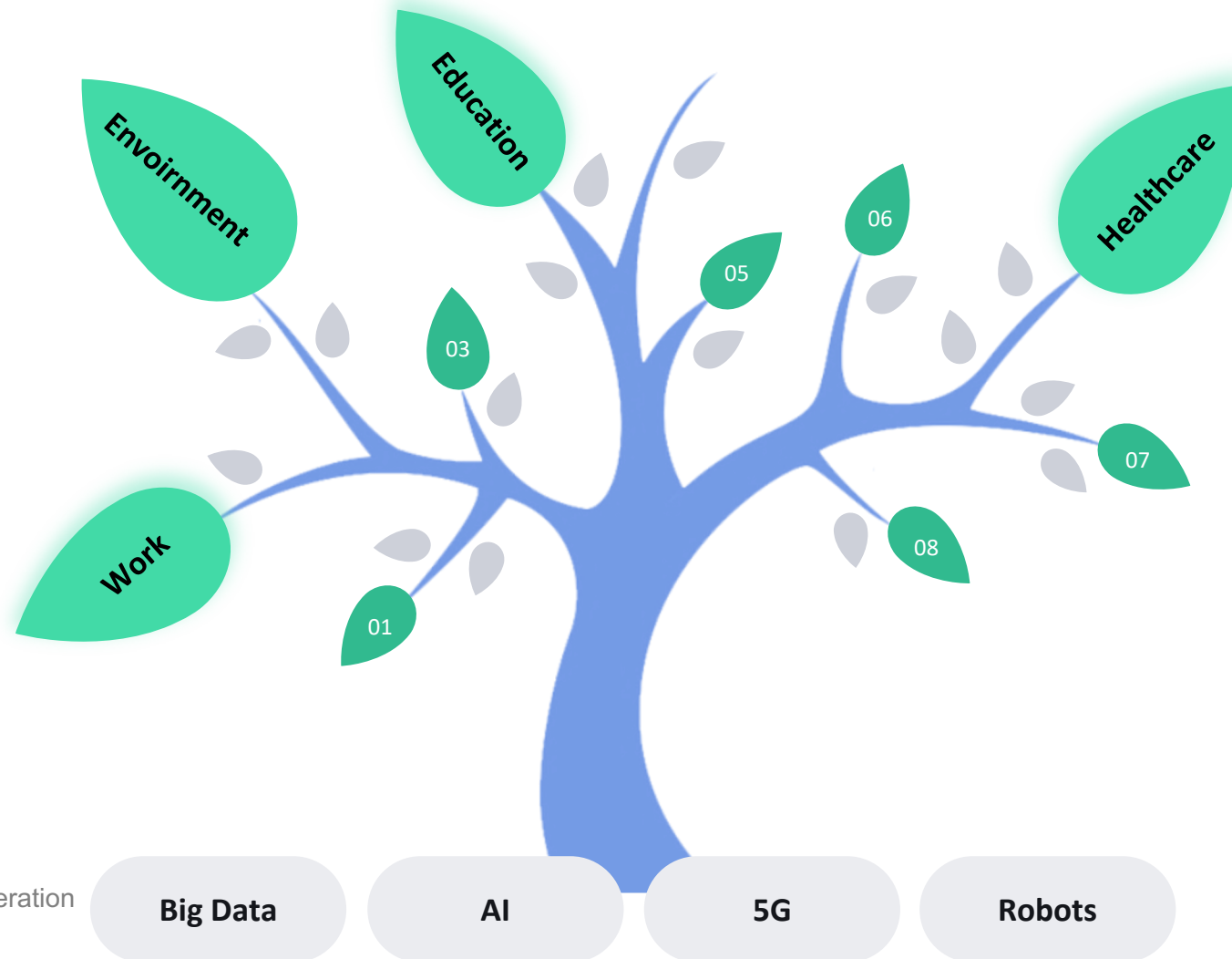
## Society 5.0

- Achieves a high degree of convergence between cyberspace (virtual space) and physical space (real space). Currently information society (Society 4.0), people would access a cloud service (databases) in cyberspace via the Internet and search for, retrieve, and analyze information or data.
- Going forward this big data is analyzed by artificial intelligence (AI), and the analysis results are fed back to humans in physical space in various forms.
- People, things, and systems are all connected in cyberspace and optimal results obtained by AI exceeding the capabilities of humans are fed back to physical space.
- This process brings new value to industry and society in ways not previously possible

# Digital Transformation Overview – Path Forward Continued

## Society 5.0

Aims at the new economy and society which focuses on individuals while solving social issues



## VALUE TREE

- Leaves = Value Delivery
- Branches = Society Contributions
- Trunk = Government Adaptation
- Roots = Technology

Source – Japanese Business Federation Keidamen

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# Digital Transformation Overview – Path Forward Continued

## Society 5.0

### Breakthrough of the "Five Walls" For adoption

It is imperative to break through the "five walls" to realize the new economy and society in which discontinuous and disruptive changes are expected to occur

1

#### Wall Of Government

Formulation of national strategies and integration of government promotion system



2

#### Wall of the legal system

Development of laws toward implementation of advanced techniques



3

#### Wall of human resources

Dynamic engagement of all citizens in the new economy and society



4

#### Wall of technologies

Formation of the knowledge foundation



5

#### Wall of social acceptance

Integration of advanced technologies and society



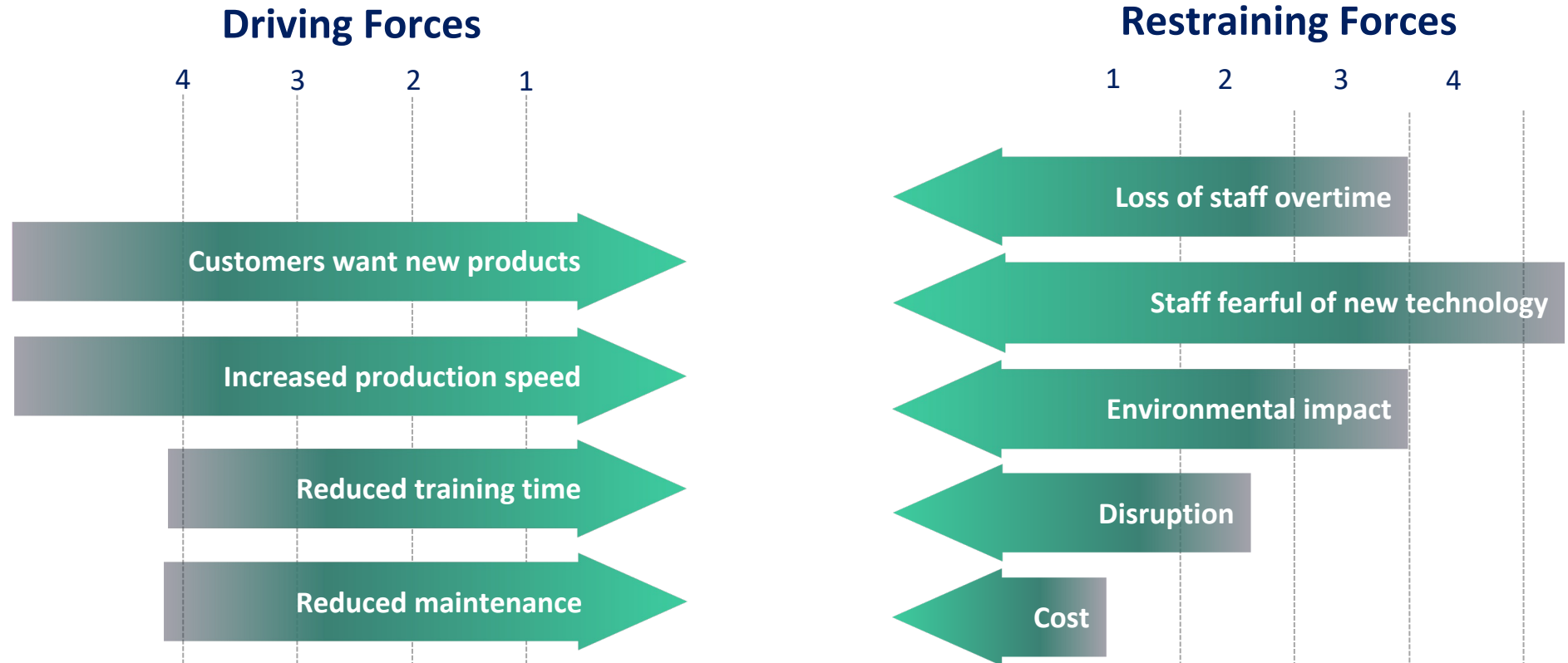
Source – Japanese Business Federation Keidaren

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# Digital Transformation Overview – Path Forward Continued

## Change Management

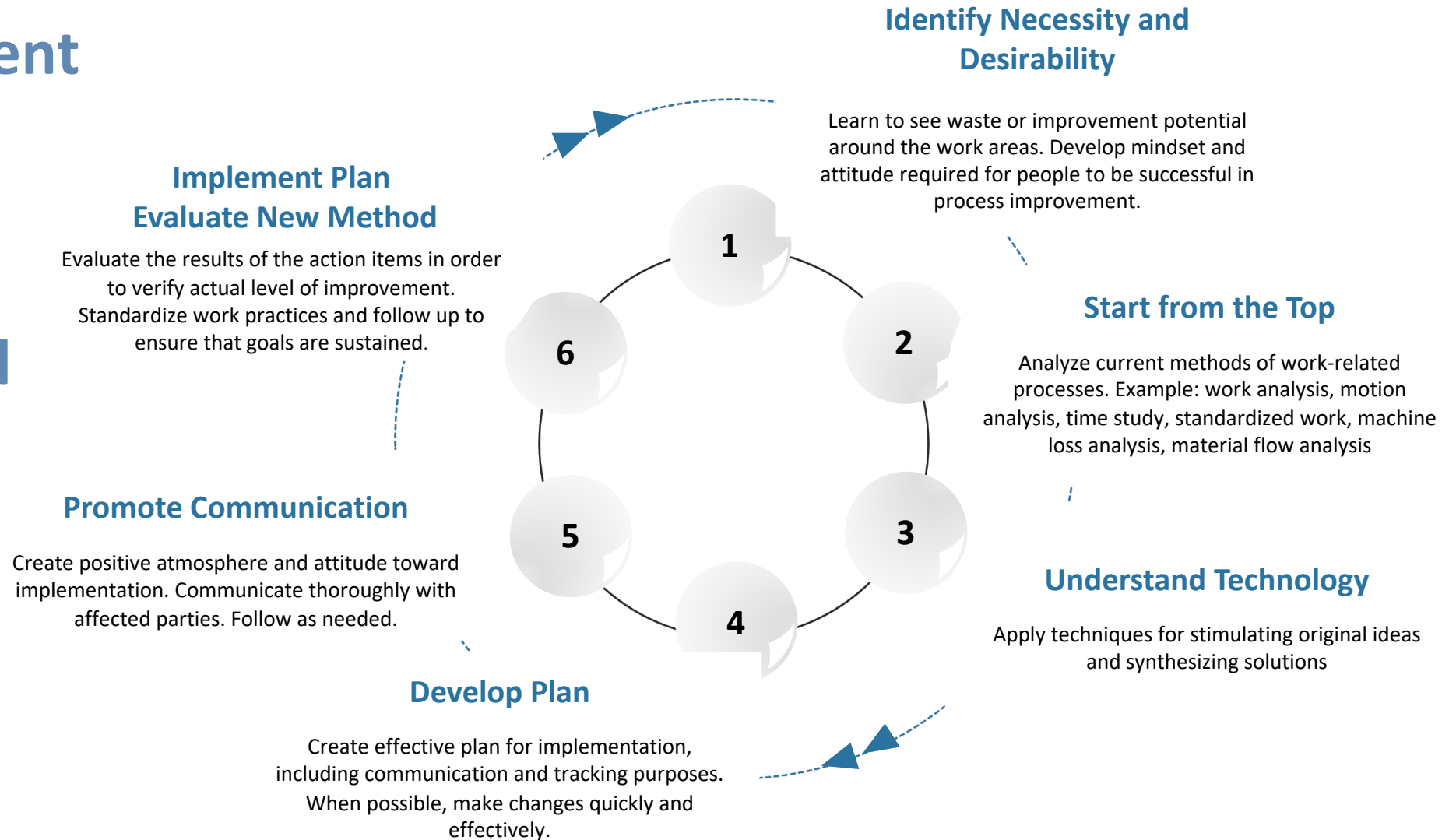


A **Harvey Nash/KPMG** CIO Survey points out that only 41% of companies have an enterprise-wide digital strategy, and only 18% of companies rate their use of digital technology as “very effective.”

# Digital Transformation Overview – Path Forward Continued

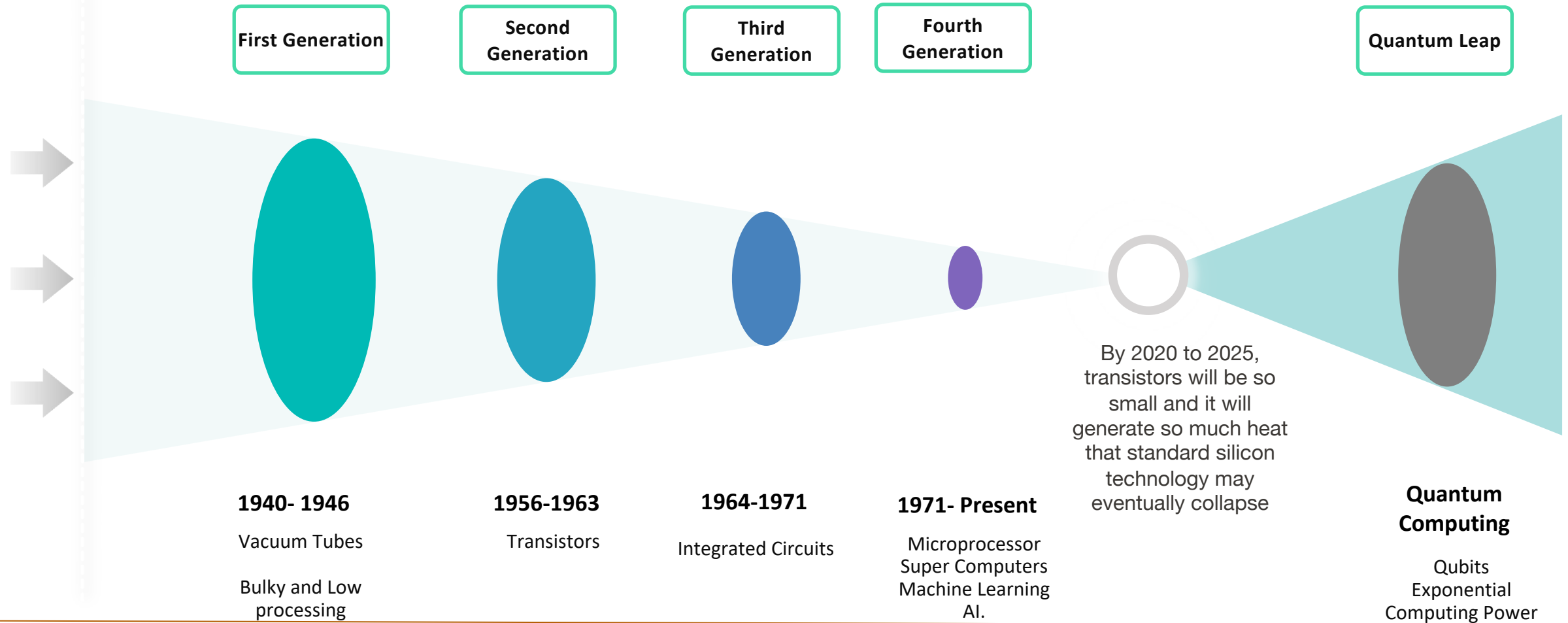
## Change Management

## Effective Strategies for Sustainable Digital Transformation



# Digital Transformation Overview – Path Forward Continued

## Quantum Computing



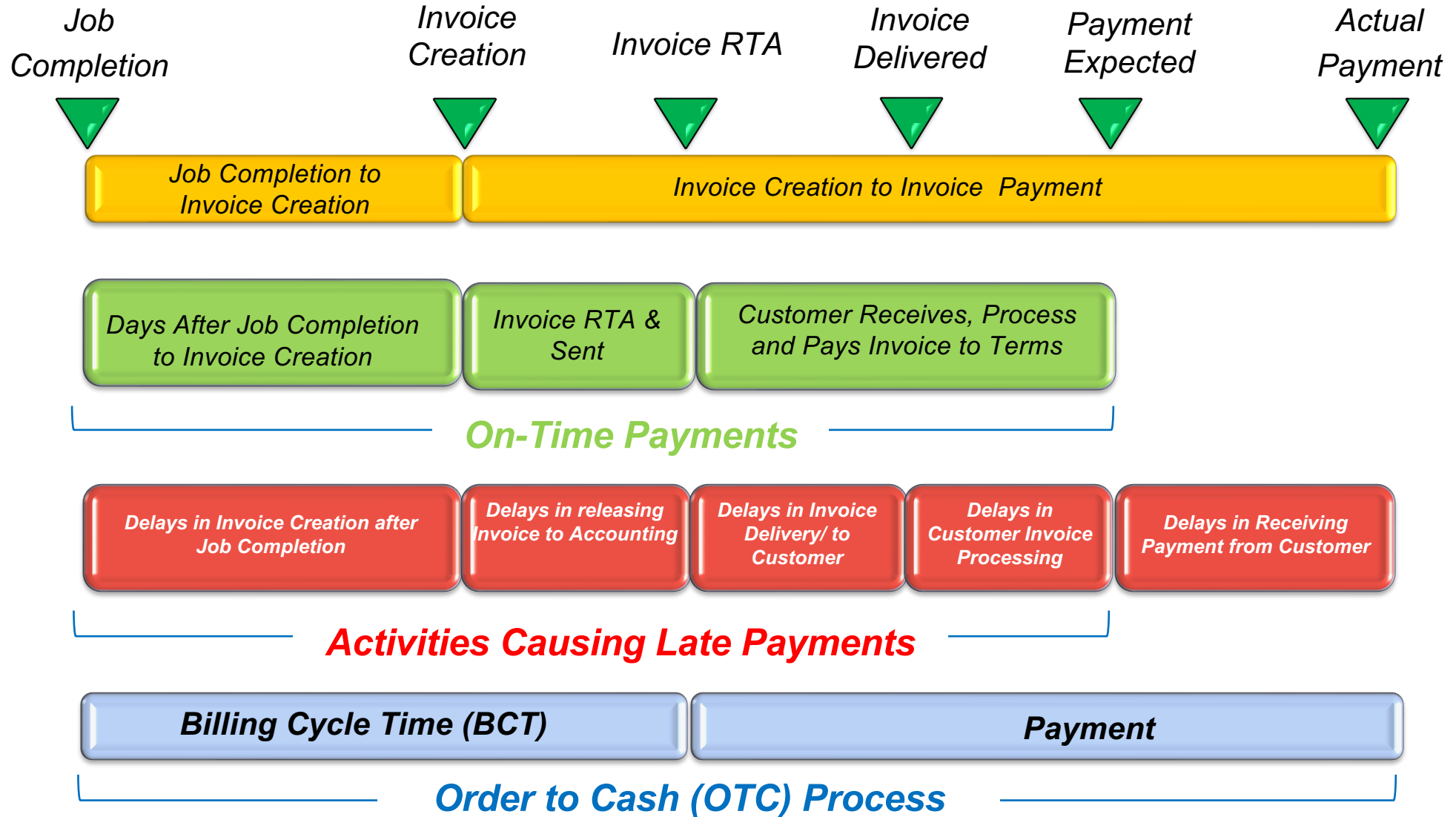
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# Order to Cash Process

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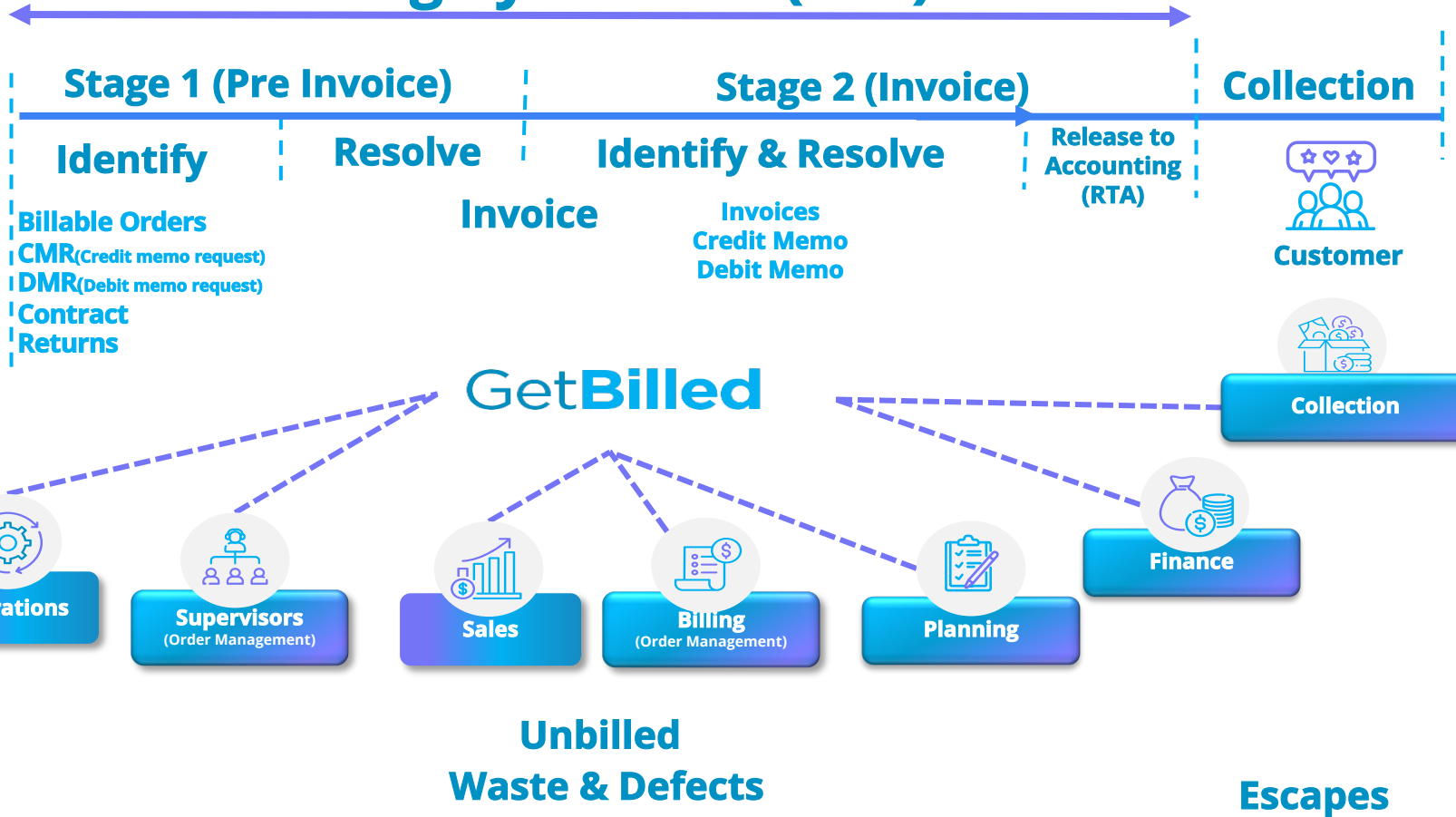
# Order to Cash (OTC) & Billing Cycle Time (BCT) Processes



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# Billing Cycle Time (BCT) Process

## Billing Cycle Time (BCT)



- Reduce UNBILLED
- Reduce Waste & Defects
  - Reduce BCT
  - Increase Invoice Quality
- Minimize Escapes & Disputes


# Order to Cash (OTC) & Billing Cycle Time (BCT) Challenges

## Process Related Issues

- Unbilled invoices
- Lengthy lead time to create the invoice to the customers.
- Lengthy lead time to deliver the invoice to the customers.
- High ratio of manual invoice vs. electronic invoicing.
- More than average invoice denial and dispute rate due to poor quality.
- Decentralized billing across the organization with a high volume of transactions.
- Reactive issue management combined with insufficient internal communication.
- Lengthy customer dispute cycles.

# Order to Cash (OTC) & Billing Cycle Time (BCT) Challenges

## Information System Related Issues

- No Realtime tracking of delay by who, where when and why. 
- Siloed disjointed systems causing inaccurate and more manual inputs.
- Inconsistent information flow between sales, operations, billing, & collections.
- Lack of workflows and escalation mechanism using email/SharePoint, phone calls, spreadsheets to track and trace and report.



# Order to Cash (OTC) & Billing Cycle Time (BCT) Challenges

## Weak Governance



- Lack of event driven, owner visibility of accountability and costs to company.
- Manual biller assignments and productivity management.
- No workflow escalation to upper management.
- Nonstandard billing & order management operating models.
- Lack of Realtime global and local insights, instead limited information in monthly or weekly operating rhythms.

# Reduction of Waste, Defects and Escapes in BCT Process

## Prevent Cash Leakage that Costs Companies Millions Each Year

Continuous tracking of process steps identifying, who is responsible, the reason for any delays, and how long with the actual cost to the company at every stage of the BCT.

## Improve Global Order to Cash Governance

Complete organizational billing process ownership. The process flow creates teamwork and accountability in Realtime throughout the entire BCT process.



## Standardize and Consolidate Billing Process in the BCT Flow

Facilitate the transition from the decentralized billing model to an efficient centralized standard billing model, enabling an organization to address pain points in a standard format.

## React to Real-Time Customer Invoice Requirements Data

Customer Requirements Module is a fully auditable global repository of customer needs, contract requirements, and point of contact, which can be accessed by any user within the organization fully integrated with SAP.

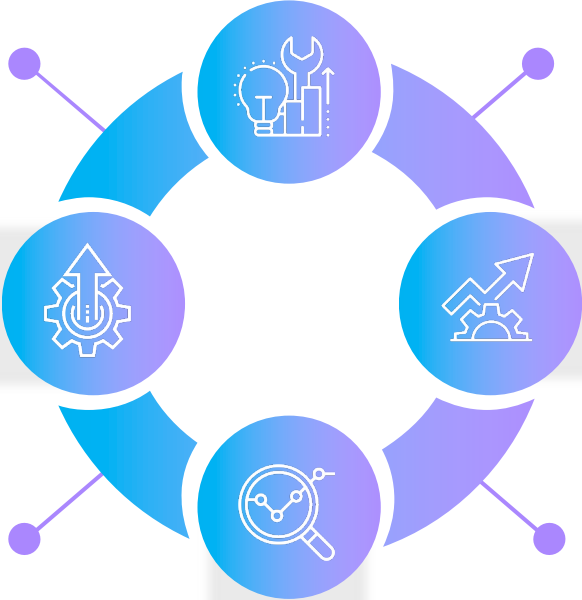
# Reduction of Waste, Defects and Escapes in BCT Process Continued

## Improved Service Visibility

- Real time KPI Measures & Metrics
- Process Chokepoints

## Improved Operations

- Enhanced Process Ownership
- Assignable Accountability at Every Stage
- Targeted (automatic) Workload management



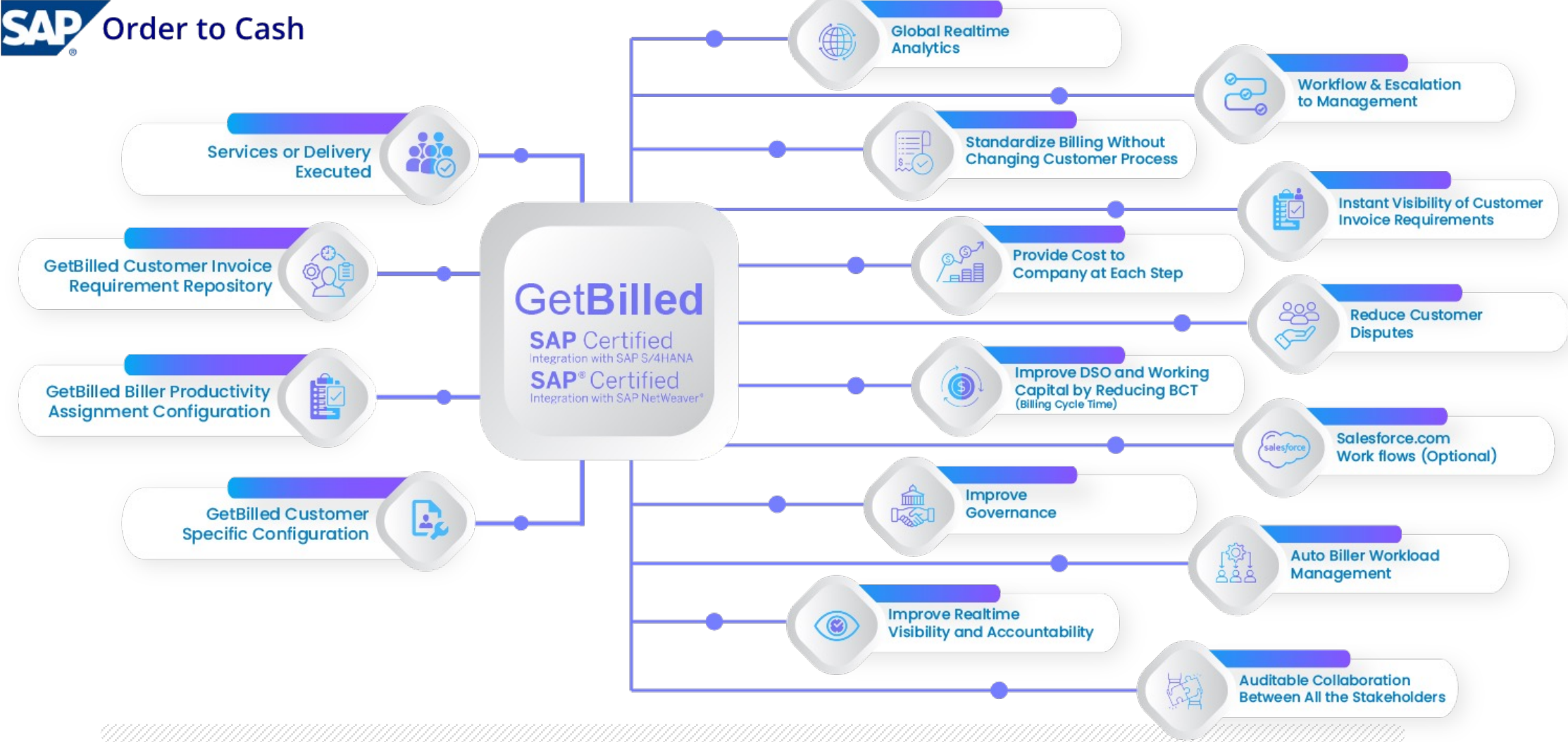
## Improved Execution

- Proactive Doc Management
- In-Platform Auto-Escalation
- Single Pane View of all Required Artifact
- Apply to Capital and Turnkey projects

## Measurable Outcomes

- Reduction in Billing \$ backlog
- Reduced Capital Cost
- Improved Cashflow by facilitating reducing BCT (Billing Cycle Time)
- # of transactions completed per biller
- Quality of billing – Reduced dispute
- Alignment to standard Billing process

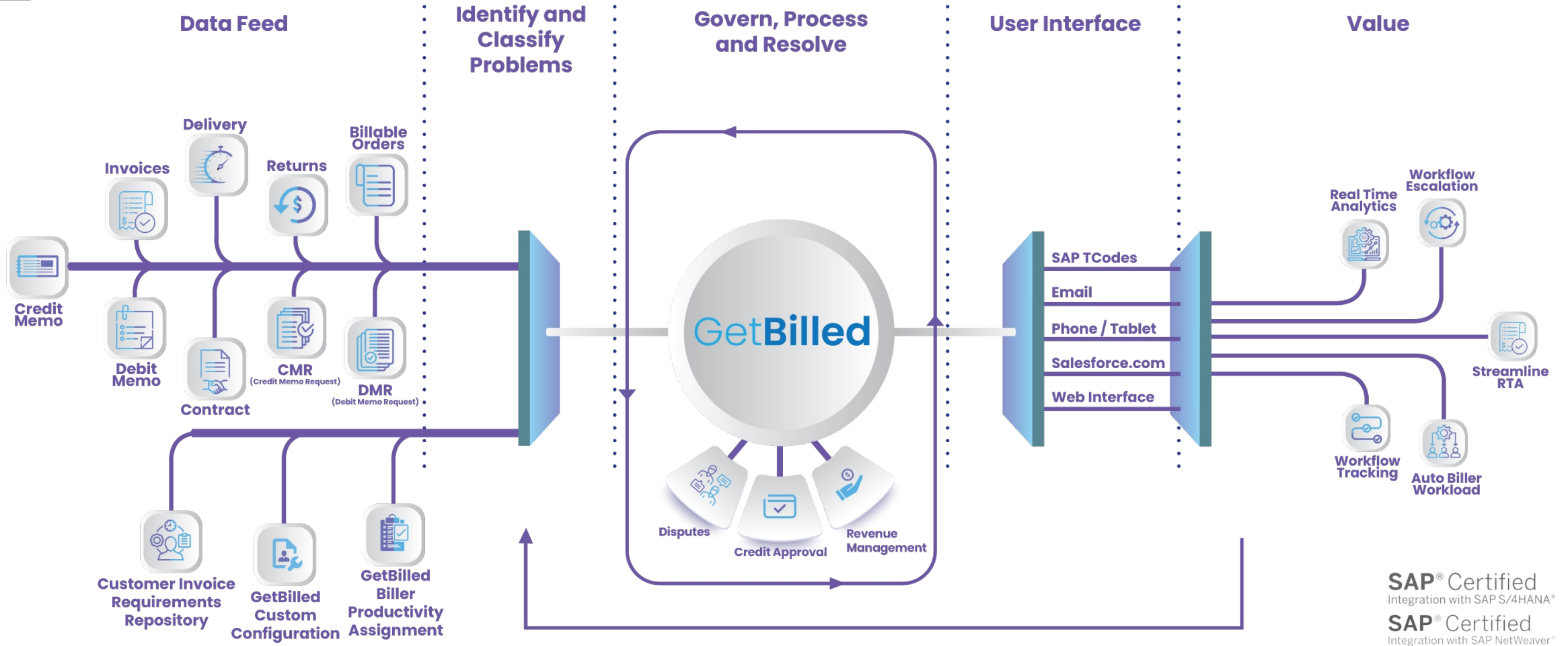
# Process Flow, Business Capability and Value Added



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# System Components, Process and Data Flow

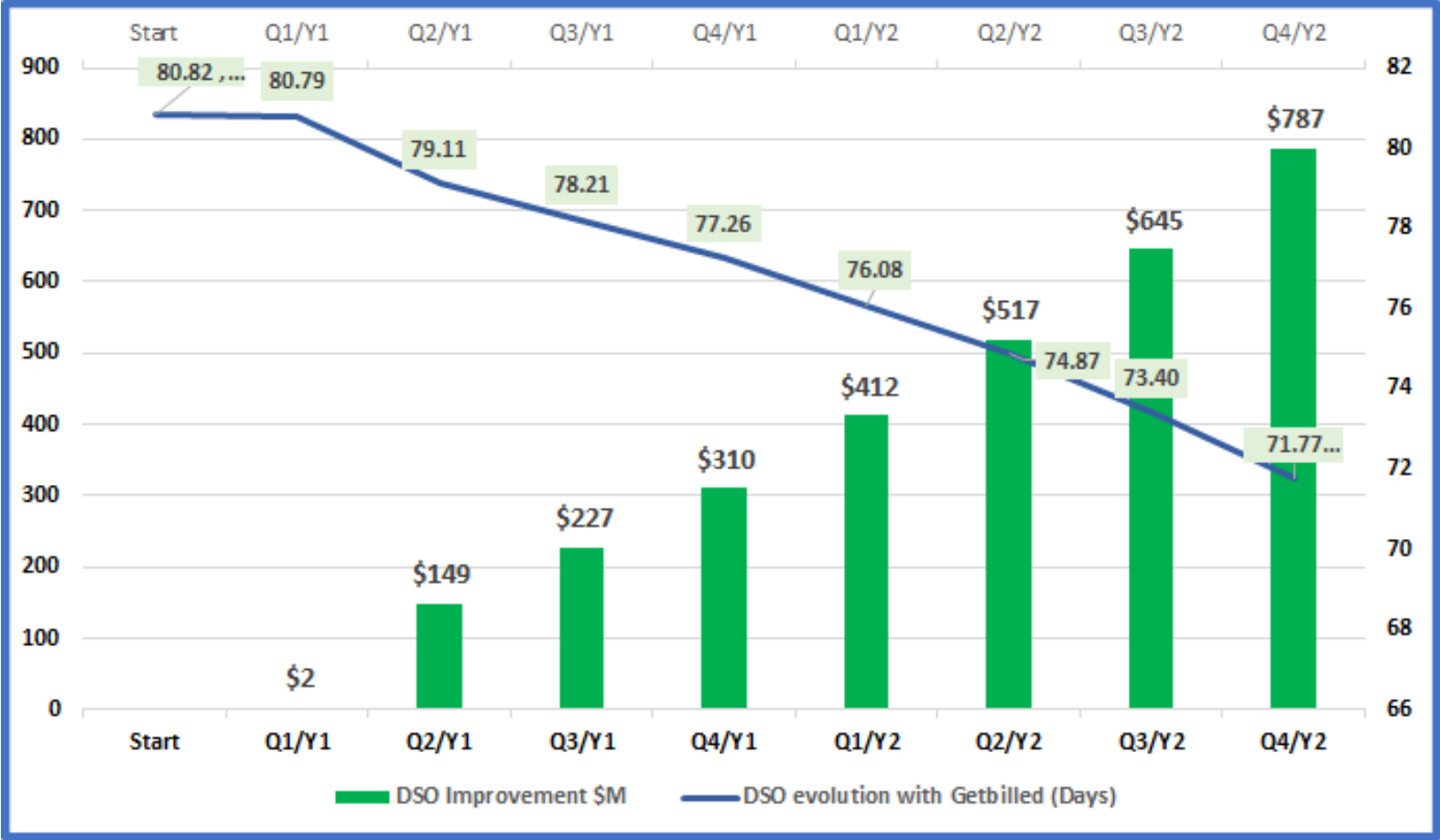
## SAP Order to Cash



SAP® Certified  
Integration with SAP S/4HANA®  
SAP® Certified  
Integration with SAP NetWeaver™

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# Potential Cash Flow & DSO Improvement Q4'22



- Q4'22 Revenue: **\$7,878M**
- Q4'22 DSO: **80.2 days**
- Q4'22 Total Account Receivables: **\$7,032M**
- Account Receivable / DSO day: **\$87.7M**
- Free Cash Flow: **\$945M**

Note: Core data from US SEC Form 10K Report Filing

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# UNBILLED Cost Q4'22

UNBILLED COST (\$M) Q4'2022						
PERCENTAGE UNBILLED	1%	5%	10%	15%	20%	25%
UNBILLED COST (\$M)	2.2	10.8	21.6	32.4	43.2	54.1

- Q4'22 Total Account Receivables: **\$7,032M**
- Weighted Cost of Capital (WACC): **12.3%**
- Industry Average Unbilled AR (25%): **\$1,759M**
- Cashflow Leakage Unbilled invoices (**25%**) in 22Q4: **54.1M**

## Notes:

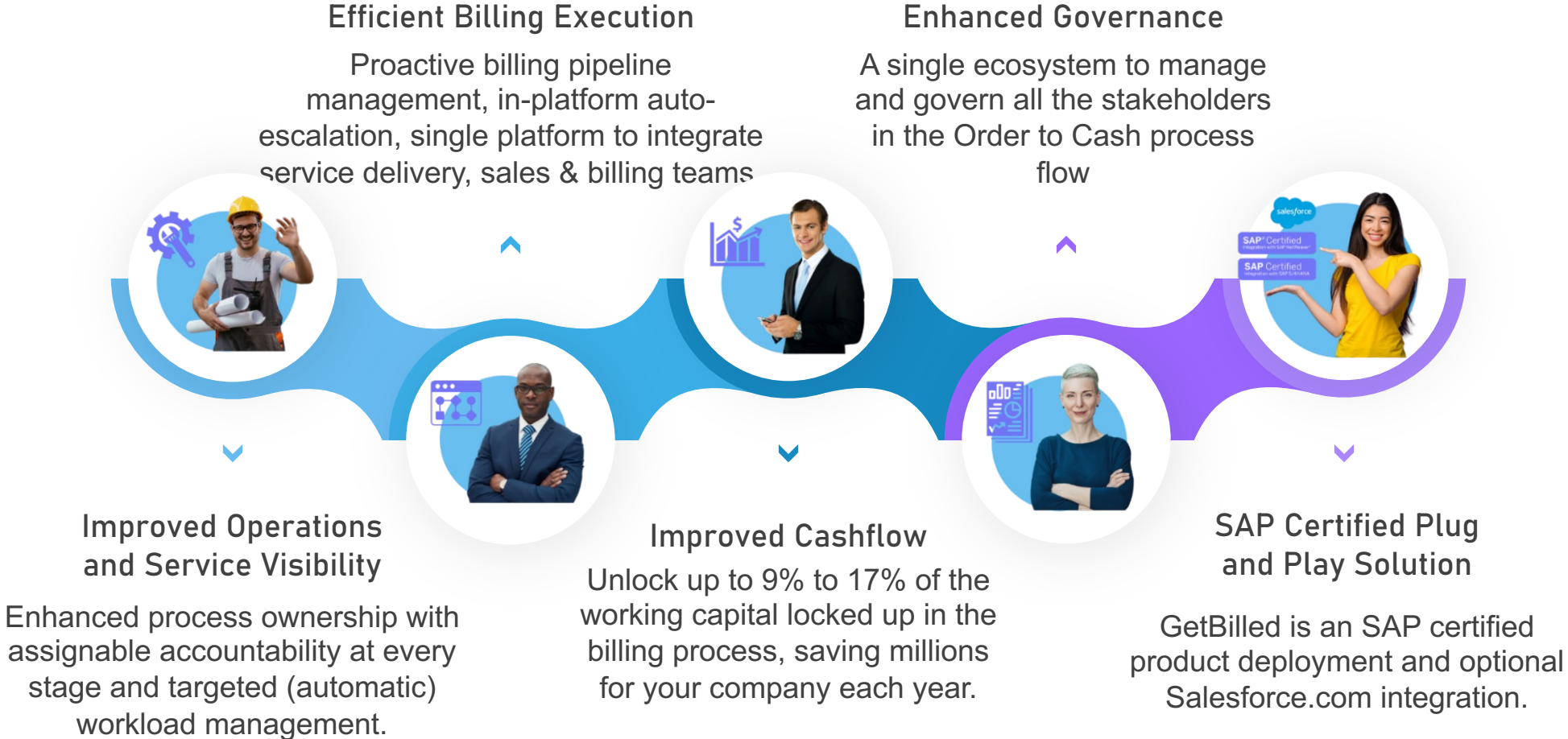
- Core data from US SEC Form 10K Report Filing
- Industry Average of Unbilled is 25%
- Unbilled Cash Leakage/Qtr. = (25% Unbilled AR x WACC%)/4)

# Key Drivers for Success

- Agile BCT process
- Standardize BCT process
- End to End Governance and Process improvements using GetBilled Metrics
- Proactive waste removal in invoice creation from cradle to payment
- Invoice Quality improvements to minimize Defects and Escapes
- Minimal Change Management
- Easy User Adoption



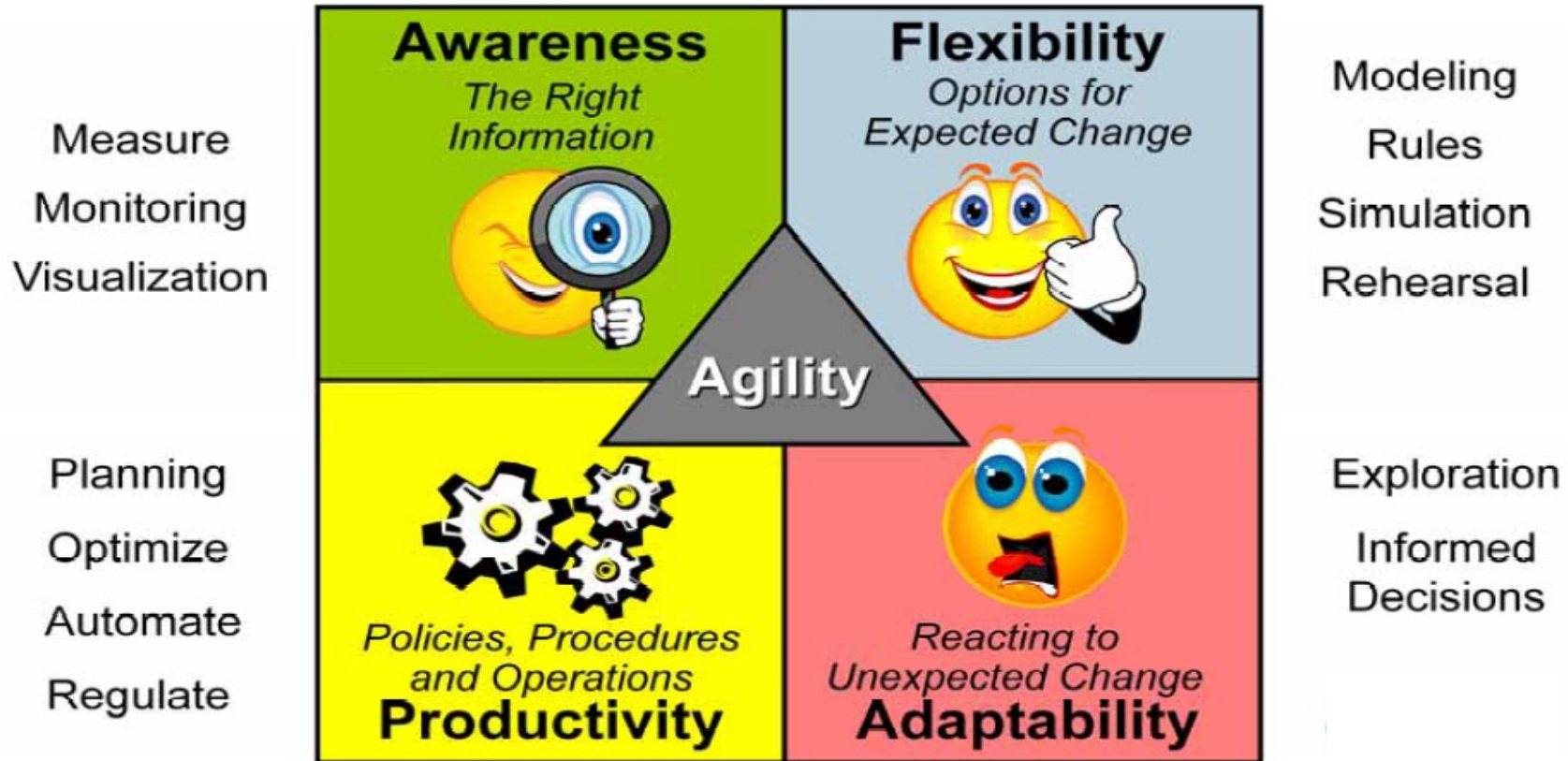
# GetBilled Simplifies Complex Challenges in the SAP Order to Cash Process and Unlocks Value Across The Enterprise



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# AGILITY

✓ **Agility ...** "the ability of an organization to **sense environmental change and respond** efficiently and effectively to that change."



Bill Gassman, "Business Activity Monitoring — Powered by Complex Event Processing" (Gartner BPM Summit March 22-24, 2010)

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# Value Proposition

VALUE PROPOSITION Q4'2022				
	A	B	C	D
<b>DSO Day (\$M)</b>	<b>68</b>	<b>61</b>	<b>74</b>	<b>87</b>
<b>Average DSO Day (\$M)</b>	<b>72</b>			
<b>1% UNBILLED COST (\$M)</b>	<b>1.4</b>	<b>1.7</b>	<b>0.5</b>	<b>2.2</b>
<b>Average 1% UNBILLED COST (\$M)</b>	<b>1.4</b>			
Note: Core data from US SEC Form 10K Report Filing				

- Improve Cash Flow & Working Capital
- Visibility & Value to Reduce 1 or more AR/DSO days
- Visibility & Value to Reduce 1% or more Unbilled
- Core Information available US SEC Form 10K Report Filing
- Fast and Fact based Business case for improvement
- Identifies & Facilitates reduction of process induced waste and defects
- Allows for targeted opportunities for Transformational Improvements across BCT process

Note: Core data from US SEC Form 10K Report Filing

Let's plan a real time demo of GetBilled

GetBilled

**Thank you**  
GetBilled



Unleash Trapped Cash  
in SAP Order to Cash

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