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**High Touch to Hi-Tech:
The Journey to Touchless
Collections**



Agenda

- **Introduction**
- **The Collection Process**
- **Touchless Digital Automation for Collections**
- **Case Study**
- **Conclusion**
- **Questions**

Introduction

- Credit Departments have long been challenged to achieve adequate “portfolio coverage” in their Collections effort, as the way to deliver results.
- Major accounts usually receive the attention they require. Medium & small accounts are often neglected, allowing preventable bad debt exposure to fester
- The pandemic economy has increased the Credit & Collection workload for most companies by 200 – 400%
- How can this challenge be met without increasing staff?

The Collection Process

- **AR Ledger - who owes how much, for what, and how old is it?**
- **Prioritization – who do we contact first, second, third?**
 - risk rating or historic payment performance
 - amount owed: total, past due
 - event driven: NSF payment, broken promise
- **Contact – initial and follow up**
 - phone call, email, IVR, EIPP portal
- **Metrics & Analytics**
 - activities & results

These are extremely time consuming if performed manually. Which can be automated?

Touchless Digital Automation for Collections – AR Ledger

- **Consolidated** Accounts Receivables Ledger – in total and by customer from multiple ERP's
- Detail by customer: all open transactions aged, disputes, promises-to-pay, collection notes
- **Consolidated** AR portfolio analysis – aging, risk, payment behavior pattern
- Collection portfolio allocation to Collectors
- Digital documents storage

Touchless Digital Automation for Collections – Prioritization

- **Customized** account **prioritization** using multiple parameters with user specified weighting (value, risk, aging, event triggered)
- Daily prioritized **Task List** – optimizes effort & forces usage of Best Practice prioritization vs individual Collector preference
- Collector **Workbench** places all info (all open transactions aged, disputes, promises-to-pay, collection notes) & automated actions at Collector's fingertips

Today's Digital Automation for Collections – Contact

- **Automated Dunning** - 100% customer contact
- **AI Enabled Digital Assistants extract invoice status and dispute/deduction data from** Customer Vendor Portals & route deductions to designated Resolver
- Automatic teeing up of next account to contact (including follow ups) with full account info
- Auto-retrieval of key documents (invoices, statements, POD's) & collection notes



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Today's Digital Automation for Collections – Contact

- **Automated Order Hold** – can be most important tactic during pandemic economy
- Automatic credit to debit matching & clearing – keeps accounts clean and out of “order hold” for amounts that have been credited
- EIPP portal to inform customers of account status, provide documents (invoices), accept payments & disputes
- Auto-dial and Interactive Voice Response (IVR) to route incoming calls and accept credit card payments



Today's Digital Automation for Collections – Metrics & Analytics

- User customized dashboards to measure activities (# of contacts by type, PTP \$, etc.) as well as results (portfolio coverage, cash receipts, aging, DSO)
- Analytical insights to deep dive into opportunities for improvement & fuel process improvement
- Pre-formatted analytic dashboards & reports with ability to custom configure your own

Large Global Manufacturer: Global Shared Services

\$10B Receivables in Emagia till date	2,000,000 Digital Transactions	34 Business Units	150 Countries
14 Languages English, German, Spanish, Portuguese, French, Italian	30+ Banks Lock Box Remittance	2k+Users Collections Dispute Resolvers Cash Application	Unified Global Customer Master Parent/Child Hierarchy Invoice Consolidation
100% Customer Touch	100% Risk Assessment	100% Analytical Insights	

>85%

Current AR

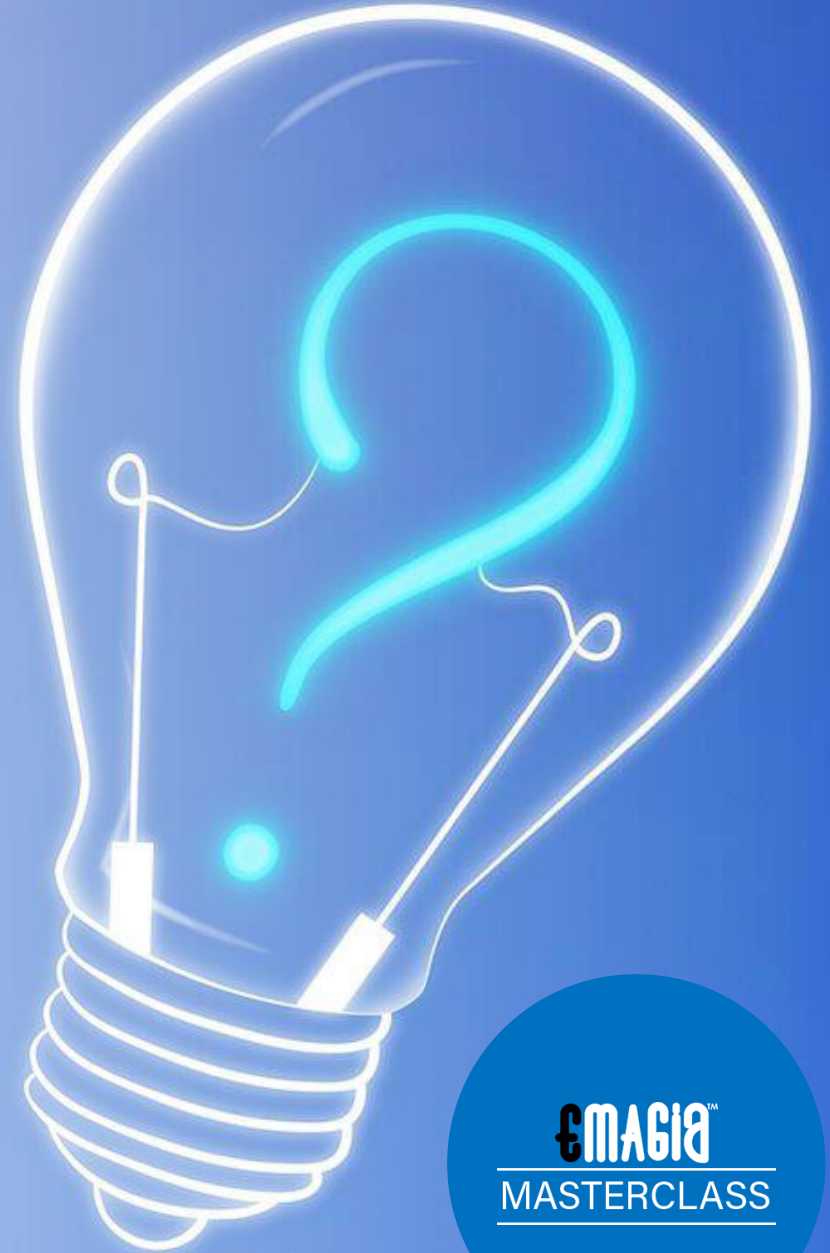
>90%

Auto-cash

Conclusion

- The need to drive cash flow and manage bad debt exposure has never been greater, and the Credit & Collection workload has never been greater
- It is unlikely you will ever have enough Collectors to cover the AR Portfolio sufficiently
- **Digital Automation tools can bridge the gap by transforming many manual activities into “touchless” activities**

Questions



If you have any questions or comments about this session, please let us know in the chat box or write to us at info@emagia.com

Next Emagia Master Class Session:

Topic: Four Essentials of Digital Cash Forecasting



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