Accounts Receivable Automation

Digitise and Accelerate Accounts Receivable Processes

Is your Accounts Receivable Department spending too much time manually allocating and reconciling cash in your ERP? The Aberdeen Group reports that improving cash flow projections and reducing Days Sales Outstanding (DSO) are the two greatest pressures faced by Accounts Receivable teams today.

Major challenges within Accounts Receivable Processes:

> **Too manual, repetitive and labour intensive**

> **Time consuming and closing cycle takes too long**

> **Heavily paper-based process**

> **Moving data across too many systems**

> **Processing errors that cause delays**

Xcellerate IT offers a single software automation solution utilising **Kofax TotalAgility**, that provides better visibility and accurate validation for a more streamlined customer engagement process.

Automate

Reduce manual work and errors by automating data capture, cash allocation and exception handling

Save

Decrease Days Sales Outstanding (DSO) and Accounts Receivable costs by eliminating data entry and bank fees, and reducing unallocated payments and open items

Analyse

Performance reports enable increased productivity and the ability to identify and troubleshoot issues quickly

Improve

Enhance customer service and maximise revenue through timely clearing of payments

KOFAX Platinum Partner

Key Benefits

> **Drive Digital Transformation –** Enable the transformation from physical to fully digital interactions in any key business process.

> **Improve information visibility and Accuracy** – Digitise paper for better access and compliance

> **Achieve Operational Excellence and Enhance Worker Productivity –** Deploy intelligent business processes to greatly reduce costs. Increase efficiency of all interactions and enhance the productivity of workers through automation

> **Deliver Total Enterprise Agility** – Create business value at every customer engagement touch-point. Reduce cost, while handling greater volumes of transactions

Power Order-to-Cash Efficiency with AR Automation

When you replace manual work with best-practice automated processing in Accounts Receivable, you reduce costs, improve cash flow and cash flow forecasting, and drive greater Order-to-Cash processing performance.

The ultimate goal for any company and AR team is reducing the time for Days Sales Outstanding (DSO) to bring in revenue faster. Your Accounts Receivable Department will be able to reduce manual payment allocation, lower bank fees, allocate cash more quickly and improve visibility. This will allow the AR Department to operate more efficiently and cost-effectively while improving customer service.

AR Manual Process Scenario (Pre-Automation with Kofax TotalAgility)

The Accounts Receivable officer is responsible for:
- Allocating payments within ERP
- Ensuring exceptions are handled efficiently
- Manually printing, sorting and processing email remittances
- Posting customer payments by recording cash, checks and credit card transactions
- Updating receivables by totaling unpaid invoices
- Resolving invalid or unauthorised deductions by following pending deductions procedures
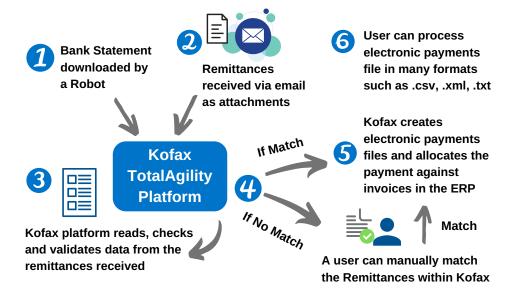
The Credit Controller is responsible for:
- Downloading and printing bank transaction information and all customer remittance advice, daily
- Sorting remittances manually by descending total amount
- Matching remittances against the bank transactions for each customer
- Monitoring debtor balances to ensure a reduction in debtor's DSO
- Reconciling complex accounts that have escalated from the Accounts Receivable team

This process can take a user up to 4 hours a day and is particularly difficult and time-sensitive at end of month, due to the high volume of payments and remittances being received.

A step-by-step example of AR automation using Kofax TotalAgility

1. A Robot downloads the Bank statement
2. Remittances received via email as an attachment
3. Kofax TotalAgility reads, checks and retrieves data from the remittances to match payments
4. If the transaction matches, Kofax TotalAgility creates electronic payment files and saves them into the ERP. If there is no match, human assistance is required to match the remittances
5. Kofax TotalAgility creates electronic payment files and allocates the payment against invoices in the ERP
6. Users can process electronic payment files in many formats such as .csv, .xml, .txt, .api

1 Bank Statement downloaded by a Robot

2 Remittances received via email as attachments

3 Kofax platform reads, checks and validates data from the remittances received

Kofax TotalAgility Platform

If Match

If No Match

4

5 Kofax creates electronic payments files and allocates the payment against invoices in the ERP

6 User can process electronic payments file in many formats such as .csv, .xml, .txt

Match

A user can manually match the Remittances within Kofax