

Situation

- \$2B high tech solutions provider (“**Solutions Co**”) wanted to dramatically transform its operations and enhance profitability
- Solutions Co struggled with collecting money owed from its customers in a timely fashion and wanted to benchmark and improve its days of sales outstanding (DSO)



Complications

- Solutions Co lacked standardized invoices and rules on billings and collections across its various sales and finance functions
- Solutions Co lacked specific DSO goals and measurements

Critical Questions

- What processes need to change to improve DSO? What should DSO goal be each quarter? At what value to Solutions Co?
- What longer term automation options exist? What short term automation options exist?

Answers, Implementation, and Performance Outcomes

- Recommended centralization of collections and adoption of both short term automation tool to improve billings and collections and longer term tools to improve process
- \$100M of one-time cash flow identified based on:

New Tiger Teams
Focused on
Improving Legacy
Collections

Adoption of
Short-Term
Tool To Reduce
Custom
Invoices

Adoption of ERP
Solution to
Streamline
Billing &
Collections

New KPIs to
Measure DSO by
Region, Account,
Salesperson