



BUSINESS PROCESS AUTOMATION SUCCESS STORY

CASH CONVERSION CYCLE

The Schneider Downs Business Process Automation team developed an automated solution for a professional services firm to reduce the length of their cash conversion cycle.

The Manual Process

- Cash conversion cycle was too lengthy, resulting in:
 - » Inability to make investments in the business
 - » Frequent borrowing online of credit
 - » Competitive disadvantage amongst peers
- Contributing factors to lengthy cash conversion cycle:
 - » Mailing of paper-based invoices
 - » Majority of payments received via check (no streamlined form of payment)
 - » Manual application of cash
 - » Limited collection protocols



The Impact of Automation

The automation team converted the client to electronic billing, established lockboxes for cash accounts and implemented automation to facilitate cash receipt application, customer account statements and customer collections, including notifications to customers and internal sales personnel. The automated solution resulted in:

- Improved lockup from 100 to 67 days
- Reduction in draw on credit line (reduced expenses)
- Ability to repurpose of ½ FTE on strategic initiatives
- Ability for secure real-time/online payment options
- More timely recognition of “at-risk clients” to reduce exposure

Improved lockup
from **100** to **67 days**.

For more information visit www.schneiderdowns.com/rpa or contact Patrick B. Armknecht CPA, CITP at parmknecht@schneiderdowns.com.