

FROM COST-CENTRE TO PROFIT CENTRE:

How Nimble Business Support Solutions successfully transformed the Debtors Department of a large-scale business.

BACKGROUND

A prominent turnkey facilities management company had undergone rapid expansion due to strategic business acquisitions. This presented significant operational challenges to the efficiency of its credit management.

Prior to engaging Nimble Business Support Services, the company's more than 50 employees working in the Debtors department were grappling with the amalgamation of various Management Information systems, business processes, and a billing approach that was out of sync with its varied contract models. The Client furthermore faced pressing issues concerning stock pilfering, fraudulent and missing proofs of delivery, which put additional strain on their operations and financial position.

THE CHALLENGE

Confronted with these complexities, the Client sought an agile and innovative credit management partner to evaluate the problem areas identified by Nimble, and to develop relevant solutions to streamline their credit operations.

THE GOAL

A key objective was to achieve a minimum of 40% reduction in accounts receivable days outstanding, promoting cashflow and enhancing operational efficiency.

AT A GLANCE

Challenges

- Rapid expansion
- Amalgamation of various Management Information Systems
- Operational credit management challenges
- Stock pilfering
- Fraudulent and missing proofs of delivery

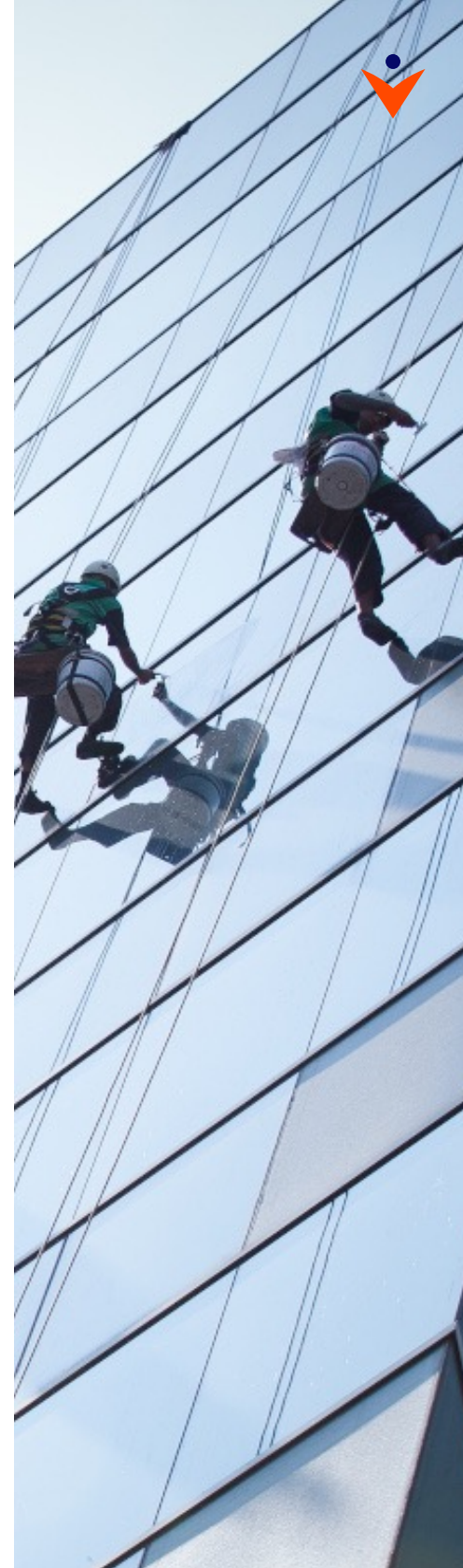
Benefits

- Monthly collections boosted by 20%
- Accounts Receivables Days reduced by 40%
- Significant cost savings realized through operational optimization



THE NIMBLE BUSINESS SUPPORT SERVICES SOLUTION

- **Tailored Strategies for Optimal Results:** Our Client required tailored strategies for the various Debtor Book challenges, to optimize their recovery process.
- **Empowering Data-Driven Decisions:** Understanding that every account is unique, we delved into the significance of individual accounts in terms of volume and value. Armed with this insight, we empowered our Client to make data-driven decisions, prioritizing high-value accounts and tailoring recovery strategies accordingly.
- **Analyzing the Aging Profile and Credit Profile:** A crucial aspect of our solution involved meticulously examining the aging profile of the book and credit profile of debtors. By gaining a comprehensive understanding of these factors, we identified potential bottlenecks and implemented proactive measures to minimize risks, improve the provisioning policy, and accelerate the recovery process.
- **Fine-Tuning Process Efficiency:** Improved management practices were implemented and encompassed a thorough review and resolution of the complexities in billing and Client contracts/pricing and quicker, more effective resolution of specific debtor complaints such as service issues and delivery problems. Additionally, the restructuring of the accounts receivables function was undertaken, to ensure the optimal allocation of resources.
- **Introduction of Workflows and Improved People Management:** With the understanding that accounting packages predominantly handle historical data, Nimble and Management collaborated to devise a forward-looking solution that encompassed system changes to streamline workflows, and improved people management. Consequently, the outcome was a better systems orientation towards desired objectives, and Management knew what was expected from the Debtors Team each day.
- **Improved Management Information and Business Intelligence:** A positive consequence of refined workflows was more insightful reporting. For instance, feedback regarding unusual credit note generation was obtained, prompting a thorough analysis and the subsequent implementation of appropriate remedial corrections.

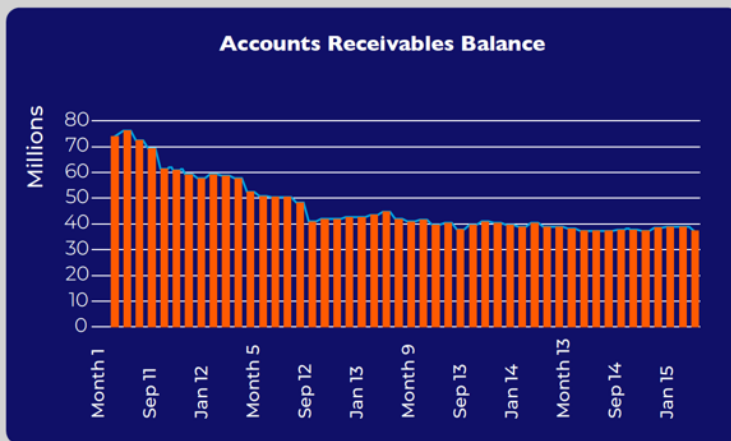


“In the beginning of the relationship Nimble brought an incomparably high-level of value-add and expertise.”

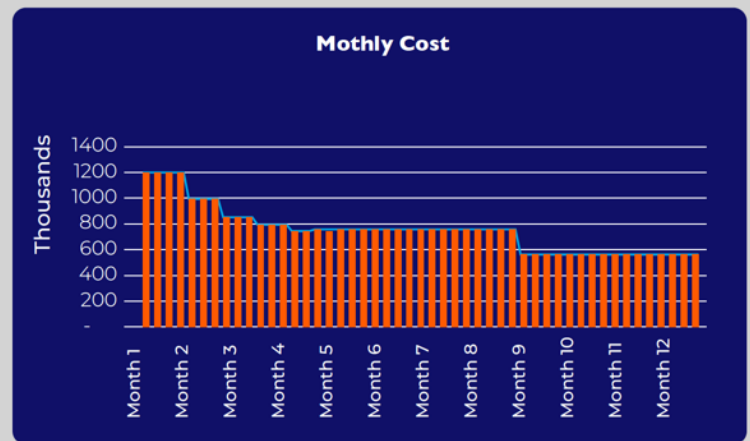


BOTTOM LINE IMPACT

- **Monthly Collections Boosted by 20%:** Within just 12 months, Nimble’s Business Support Services Solution resulted in a 20% increase in monthly collections, showcasing the efficacy of our approach in enhancing the company’s revenue generation.
- **Accounts Receivables Days Reduced by 40%:** By streamlining our Client’s credit management operations and optimizing debtor book strategies, our solution delivered a substantial reduction in accounts receivables days of 40%.
- **Significant Cost Savings Realized through Operational Optimization:** In addition to revenue gains, our focused management strategies achieved a notable 35% reduction in both direct staff numbers and related overhead costs.



40% decrease in accounts receivable days outstanding



Overhead costs reduced by 35%

OVERALL BUSINESS MANAGEMENT IMPROVEMENT

Through our agile and innovative approach, Nimble Business Support Services played a vital role in transforming our Client’s credit management operations. Our collaborative partnership led to significant enhancements in the performance of the Debtors Book and substantial cost reductions. The Debtors department consequently evolved from being a cost-centre to a profit-centre, elevating it to a strong asset for the business.



“It is this advantage (white labelling) that would make me use BSS again. It would swing anyone.”



“We couldn’t live without them. They were so proactive and always one step ahead.”