

HOW NIMBLE BUSINESS SUPPORT SERVICES TRANSFORMED COMPLEX ACCOUNTS RECEIVABLES CHALLENGES INTO A SYSTEM THAT DELIVERS OPTIMAL ACCOUNT RESOLUTION.

BACKGROUND

A recent transition to a new Enterprise Resource Planning (ERP) system created a series of intricate challenges for our Client, a national network provider to South African businesses.

THE CHALLENGE

A significant challenge posed by the ERP system transition was the transfer of incorrect debtor data. The Client also faced concentration risk with five high-value Key Accounts experiencing payment blockages and process failures, compounded by the system change.

Further to this, its largest Key Account outsourced its billing operations to India, adding another dimension of complexity to account resolution. Lastly, the Client's inability to assess the collectability of the Accounts Receivables Book posed a considerable risk.

THE GOAL

To make the real value of the Accounts Receivables Book more visible, and to improve the efficiency of Key Account collection.

AT A GLANCE

Challenges

- Incorrect Debtor data transfer following new ERP System implementation
- Concentration risk posed by five high-value Key Accounts
- Client inability to assess the collectability of Accounts Receivables Book

Benefits

- Notable reduction in Days Sales Outstanding
- 15% increase in monthly collections
- R40m improvement in Key Accounts' arrears

THE NIMBLE BUSINESS SUPPORT SERVICES SOLUTION

- **Strategic Assessment:** A high-level Nimble consulting team of Business Analysts was appointed to the Client. Their primary objective was to review and assess the quality of the Accounts Receivables Book, aiming to uncover potential opportunities for realizing untapped value.

The consultants consequently developed and presented a comprehensive strategy to tackle arrears and improve cashflow.

- **Skilled Resource Deployment:** To deliver the recommended solution successfully, Nimble employed our skilled resources to perform detailed Key Account reconciliations before and after the system changes. A specialized team of credit controllers was furthermore placed in our Client's environment to execute the strategy. This hands-on approach resolved queries efficiently and led to a notable increase in collections at the invoice level.

The combination of Nimble's people and account management systems, led to the Team operating with full clarity on what was expected from them on a daily basis.

- **Enhanced Management and Reporting:** Recognising the significance of robust management and data intelligence and acknowledging that ERP systems primarily focus on historical data,

Nimble proactively implemented future-focused invoice-level resolution classification. Our analytics-driven system provided our Client with comprehensive insights and enhanced reporting capabilities.

Specific benefits included:

- Appropriate groupings of invoice queries and resolution paths.
- Optimal prioritisation of resolution plans and activities.
- Categorisations of the reasons for credit notes, and upstream rectification of the errors arising from erroneous billing.
- Added value in terms of management intelligence, including gaps in the Client's relationship management processes.

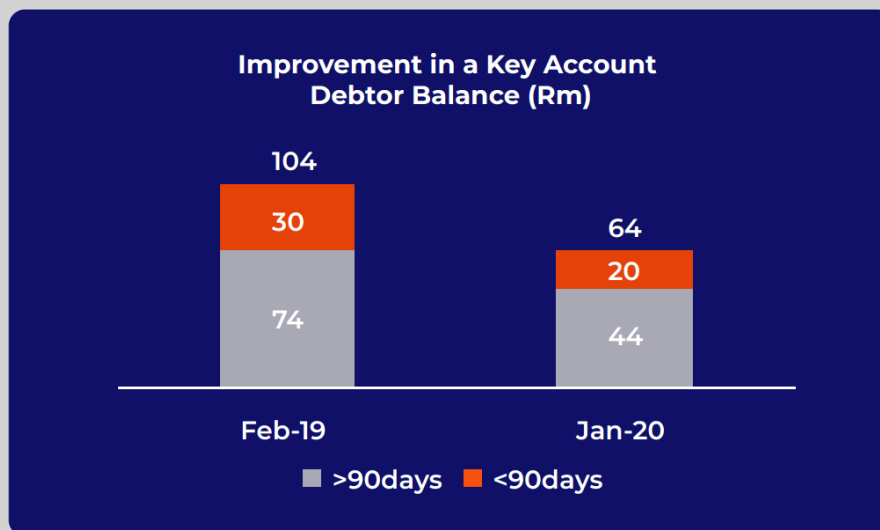




BUSINESS IMPACT

Nimble's strategic intervention delivered significantly positive outcomes:

- A notable reduction in Days Sales Outstanding by 12 days within only three months, following accounts assigned to the Nimble BSS team of Controllers.
- An average increase of 15% in monthly collections.
- A substantial improvement of over R40 million in Major Key Accounts' arrears, achieved through expedited document and dispute resolution.



CONCLUSION

Nimble Business Support Service's agile and innovative approach successfully clarified complex challenges, turning them into opportunities for improved business performance.

Through meticulous analysis, solutions planning and dedicated execution, Nimble's intervention enabled our Client to enhance cashflow, optimize collections, and gain valuable insights for informed decision-making.

This case study demonstrates Nimble's commitment to empowering businesses, realizing untapped value, and driving sustainable growth for our Clients.