

CRM

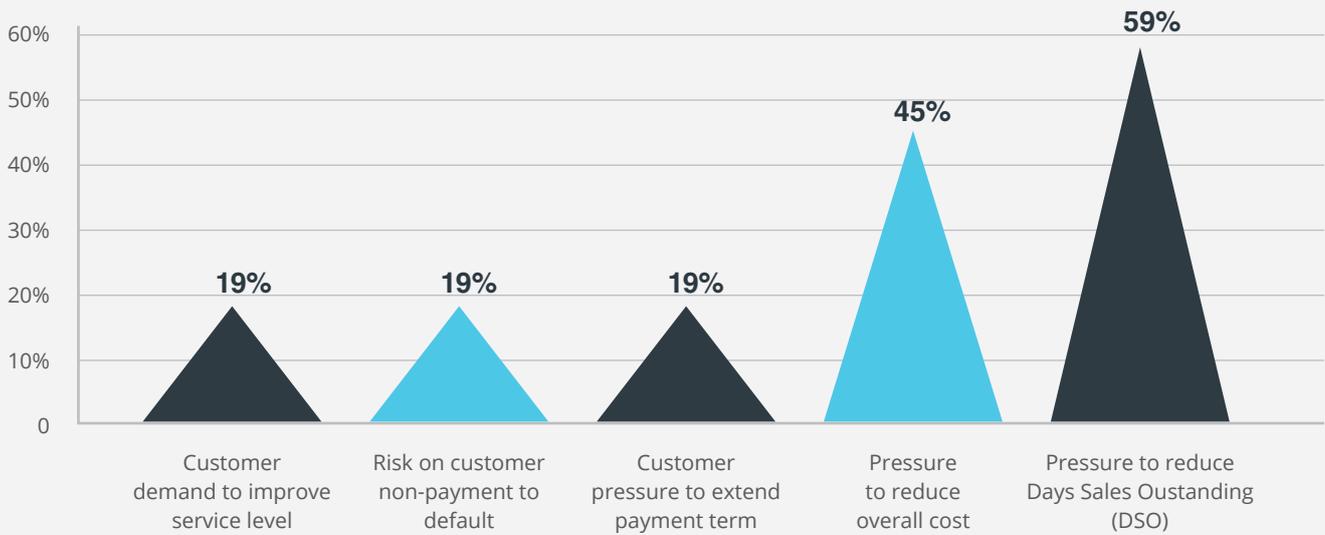
for Collections

EXECUTIVE SUMMARY

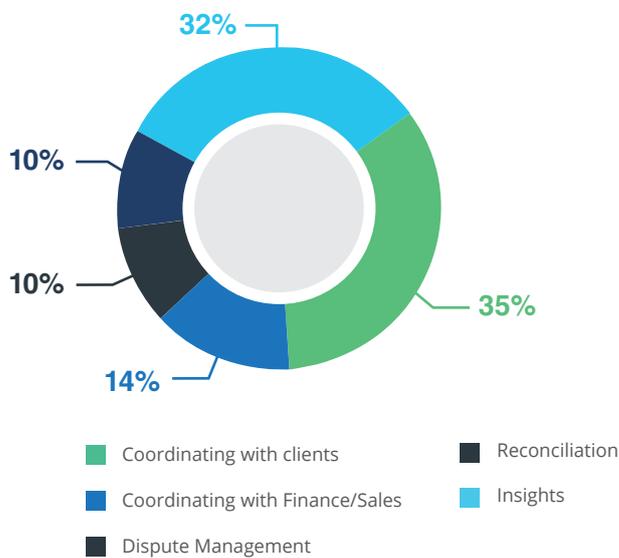
Amid all the seismic shifts in customer expectations & competitive market, function of Credit & Collections/Finance & Accounting teams remain largely the same. They play a major role to steer the your business in a fast-changing world; and stay at the forefront of driving favourable results.

It is imperative, they respond positively to internal and external pressures affect the role they're asked to play in the organization.

There are key challenges for the organizations in their quest - to grow, create competitive edge all the while increasing efficiency of collections team to align with your business strategy.



How a collections team segregates its time on an average?



Out of the total time, only **35%** is spent to interact with customers!

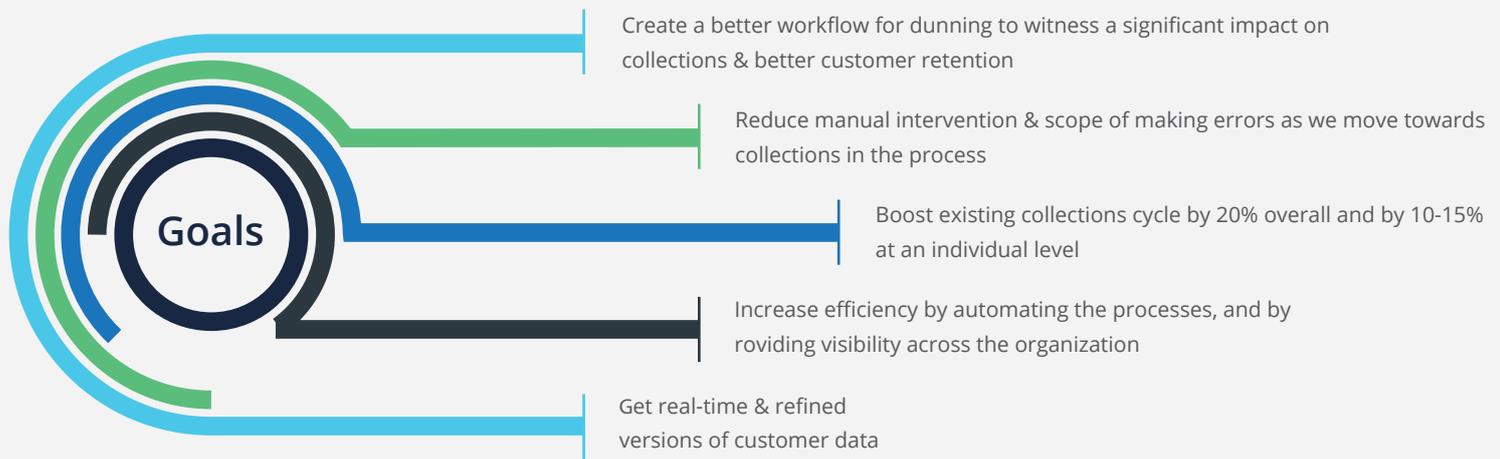
Hence, your business needs to implement a customized solution as a CRM to replace manual processes, increase efficiency of your workforce, centralize information, and automate time consuming tasks.

Also, it is important for a collector to spend time on analysis of customer data to receive constructive insights; that help you provide better customer experience & to make better decisions in future.

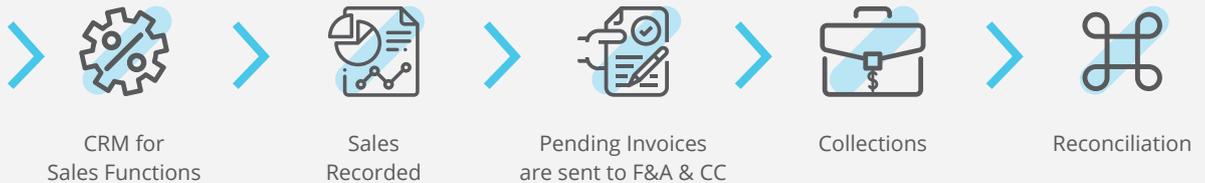
Effects of using CRMs - at an individual level

Automation & a CRM for collections, together have shown drastic improvements in receivables performance: CRM applications - can increase collections by 29%, productivity upto 34% and forecast accuracy by 42%. Further, surveys show that the average number of active accounts handled per user showed improvement of 119% over manual processes.

Activity	Manual	Auto	% Improved
Average number of calls made per collector each hour	13.5	17.5	29%
Average number of payment promised per hour	6.4	10.5	64%
Average number of debtor contacts per collector each hour	6	8.5	41%



The 5-step process



Challenges faced by your teams during collection process

In the real-world, every business is keen on keeping their collections process efficient, optimized and continually improving, utilizing best of what the technology has to offer. According to an industry analyst from Paystream Advisors, businesses haven't evaluated efficiency of manual process & the ones in the interstices - "ERP solutions have been woefully inadequate in terms of credit and collections functionality".

This statement holds its ground even today. Most of the executives in collections, are used to these modules. Instead of trying to connect with their customers as per the business strategy, they spend their time on administrative work, such as using spreadsheets to manage data tasks, & make ageing reports.

What an ERP cannot offer?

- Dunning: An ERP's primary focus is on internal business processes. It doesn't cover functional aspects of external interface such as any healthy or unhealthy customer interaction for accounts receivable. Connecting with the right customer using right tone of aggression holds a great significance. This largely affects the term of your relationship with your clients. Even if some ERPs support dunning, the execution is manual.

- As ERP systems cannot record a customer's response, it greatly stifles dynamism & creativity of business. Most of them stay on spreadsheets till a transaction is made. Hence, reducing the scope of tracking data that reflects your customer's behaviour dynamically, and on a realtime basis.
- ERPs don't provide visibility of workflow amongst team members or support any form of interaction amongst team members and their clients. For example, disputes.

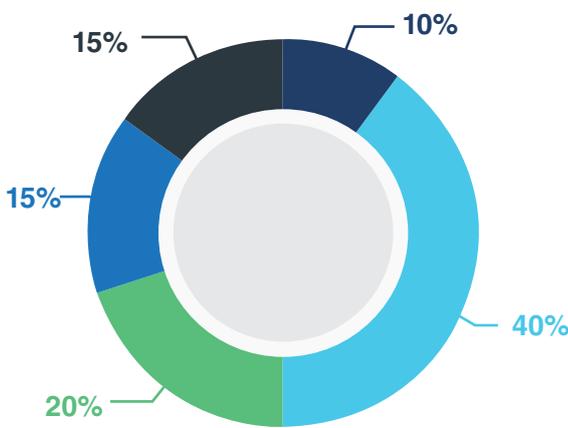
Why a CRM for collections?

- All CRMs available in the market claim to accelerate sales, not collections.
- ERPs & CRM for sales are two softwares that do not overlap. ERPs are used to manage resources such as inventory and its niche being organizational management. On the other hand, a CRM made for sales cannot help a collector to work with best of his ability. This is because prioritization needs to be done manually on spreadsheets.
- A CRM for sales may prove to be helpful for driving sales. But it fails when it comes to collecting as Sales executives, collection agents & managers have different permissible actions. This coordination between team members is carried out either on spreadsheets or via emails.

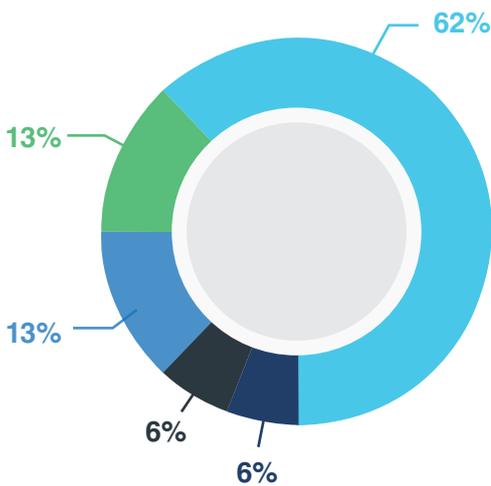
Numberz Advantage

There are few things in interstices of the process, that are executed manually. Hence, increasing scope of errors. This raised a question, whether ERP or existing CRMs can serve for collections or not? This is where we integrate with your ERP to enhance the processes & help you track and improve the performance of your team. All the while, delivering excellent customer experience.

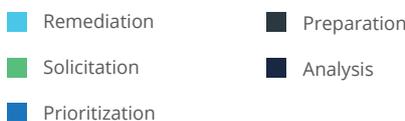
How automating collections will change your AR Process



Traditional Collections



Automated Collections



*Paystream Advisors

Get paid faster while you increase the efficiency of your workforce

According to Paystream Advisors, organizations who use customized solutions for collections get paid 20% faster than others. We help in streamlining internal processes & increase visibility across teams. This acts as a catalyst to get paid faster.

A CRM for finance & accounting

We offer an integrated task/activity workflow to manage collections at both customer and invoice level, tracking every bit of information generated during the interaction and progress in real-time. You can also track prioritize tasks, collection activities & use various methods such as e-Collect and eNACH.

Improve cash forecasting using CRM and analytics

We have made a solution that allows your collections team to track expected payments through our workflow driven approach. We help you to capture nature of expected payments using promise-to-pay, solving disputes, data-issues etc. With analytics, in addition to providing a statistical cash forecast, you can also use expected payments to confirm your statistical cash forecast for more accurate cash flow management.

Understand your team & customers better

The workflow we created naturally provides an organized approach to collections team. It means, it also provides insights of team performance, target-driven progress and better understanding on quality of customers. Hence, making this solution one stop destination for effective decision making.

Create and assign tasks across teams (Task Management)

No ERP offers task management. With numberz, you can create a role & then limit the visibility of the users as per the segregation of duties across the hierarchy.

We understand that Sales, F&A & collectors must have different permission sets.

Did you know?

To streamline collections, the majority of the organizations around the globe, attempt to use CRM for sales & ERPs. According to an industry analyst, **“ERP solutions & CRMs for sales have been woefully adequate in terms of credit & collections functionally.”**

Additional advantages

Maximise unused credit lines

We give you a holistic view of the entire AR process so you can understand, how improved credit management can impact future sales. With numberz, you can identify unused credit lines & work with lower risk customers to build long-term, healthy relationships.

Improve financing costs

When you get paid 20% faster, what does that mean to your bottom line?

For every 10 lakhs (INR) in revenue you're incurring about 1,00,000 (INR) in finance charges (at 10% interest rates). Getting paid 20% faster eliminates about 2,00,000 (INR) in finance costs every year. Companies that rely on factoring to solve cash flow issues can also save a considerable amount of money by reducing their dependency on financing options that charge high rate of interest.

Improve bad debt write-offs

According to Paystream Advisors, organizations using a CRM for collections typically reduce bad debt by 15-25% because they identify and resolve disputes sooner, preventing them from aging to the point where they're uncollectable. Let's put this into perspective, a business worth 1 Cr (INR) is writing off 4 lacs (INR) annually. A 20% reduction provides a savings of 80,000 (INR) each year.

Improve borrowing position

At the end of the day all of us want to increase our working capital. Sometimes, we even opt for loans in order to improve it. Usually, bank reviews your receivables to determine how much to lend to you and at what interest rate. Organizations that use CRM for collections have healthier AR & qualify for more amount at a lower rate of interest with huge potential savings over the course of each loan.

Numberz helps by creating a smooth flow for you. **It acts as a catalyst in the process that gets optimized to collect faster & better.** Whether you're a manager or a strategist, it is a one-stop destination to analyze the performance of the collectors as well as customer behaviour to make a strategy for the future with best of your ability.

Summary

Customer relationship management is more than just technology - it is all about customers. The idea is to deliver superior customer experience, and increase time & quality of interaction. Demanding features such as task management & recording activities for collections from a CRM that's designed for sales may sound like a good idea, but it is something like managing the entire process on spreadsheets. It is possible to execute it, but it takes a toll on visibility of the information - as it configures the system in a way that it's just another silo of information. It lacks workflow and protocols that help a team perform efficiently in their processes. Additionally, you cannot afford to ignore response of your customer base. No two customers portray similar behaviour & it is essential for you to study & analyze the same.

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