

Cash Conversion Strategies in an Era of Financial Disruptions

Improving Your DSO & DPO with a Single SAP-Integrated Finance Tool

Cindy Dobson, P2P Sales Manager, Esker



SAPinsider
Las Vegas

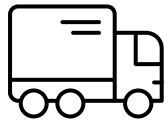
2023

SAPinsider

What We'll Cover

- Factors Affecting Cash Flow
- 4 Ways to Improve DSO
- 4 Ways to Improve DPO
- Wrap-Up

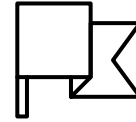
Factors Affecting Cash Flow



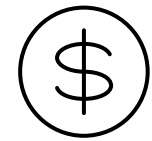
Supply
Disruptions



Fluctuating
Demand



Liquidity
Pinches



Rising
Costs

Costs of Unproductive Cash



Research &
Development



Raw Goods &
Materials



Sales & Marketing



Mergers &
Acquisitions



Manufacturing &
Distribution



Payroll &
Administration



Investing &
Borrowing



4 Ways to Improve Days Sales Outstanding (DSO)

Improving DSO tip #1:

Deliver Invoices Intelligently

Smarter Invoice Delivery

With AI-Powered Automation

Data extraction

FACTURE N°4850051 Page 1/1

Conditions particulières de règlement :
CHEQUE 30 J FIN/MOIS

Date d'échéance : 28/09/2016

A votre service MARI 78 07

Numéro de la commande: 654692

Date de la commande: 28/09/2016

1

Splitting

Document 1 Document 2

Split after page 0

Split options Split every 'n' pages

Pages per document 1

Preview Reset

2

Intelligent routing

On the portal (with email notification) ▼

As an email attachment

By fax

By postal mail

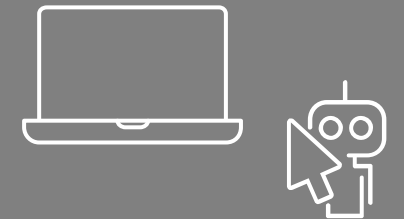
On the portal (with email notification)

By EDI

By another method

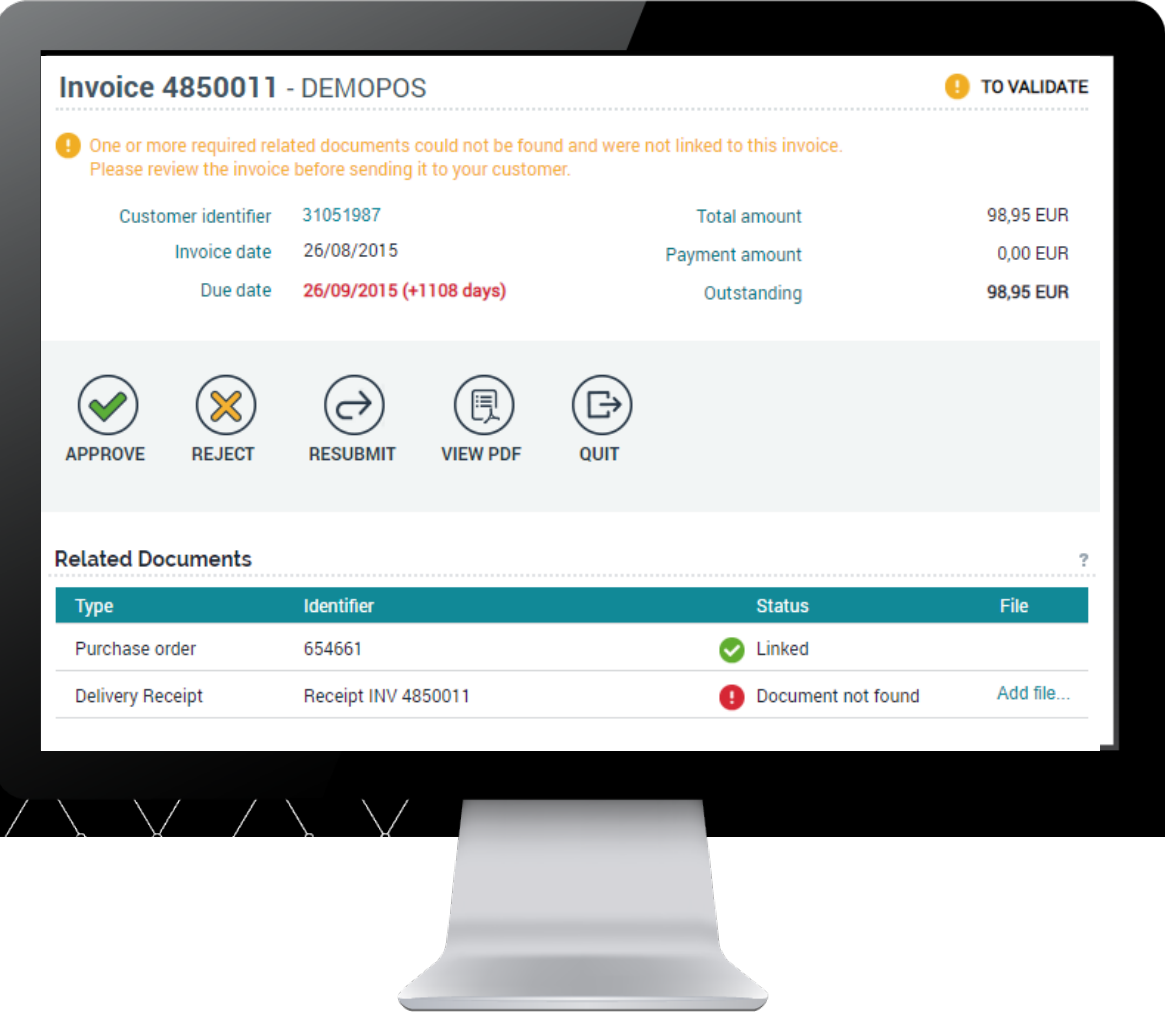
3

Robotic Process Automation



4

Benefits of Using AI in Invoice Delivery:



Greater Accuracy



Better Visibility



Faster Delivery



More Collaboration



Lower Costs

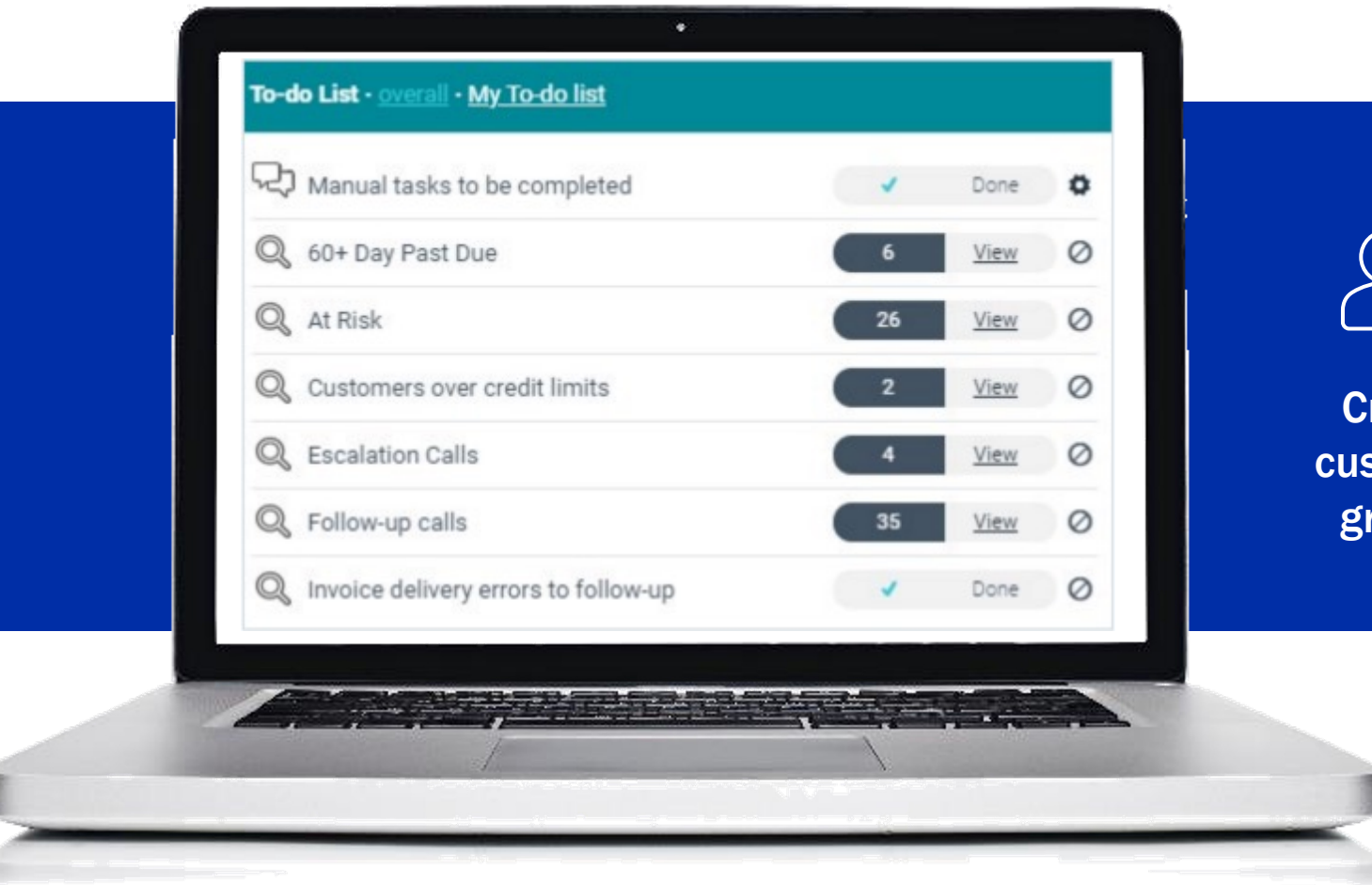


Worldwide Compliance

Improving DSO tip #2:

Tailor Collections

Adjust Collections Strategy



Create
customer
groups



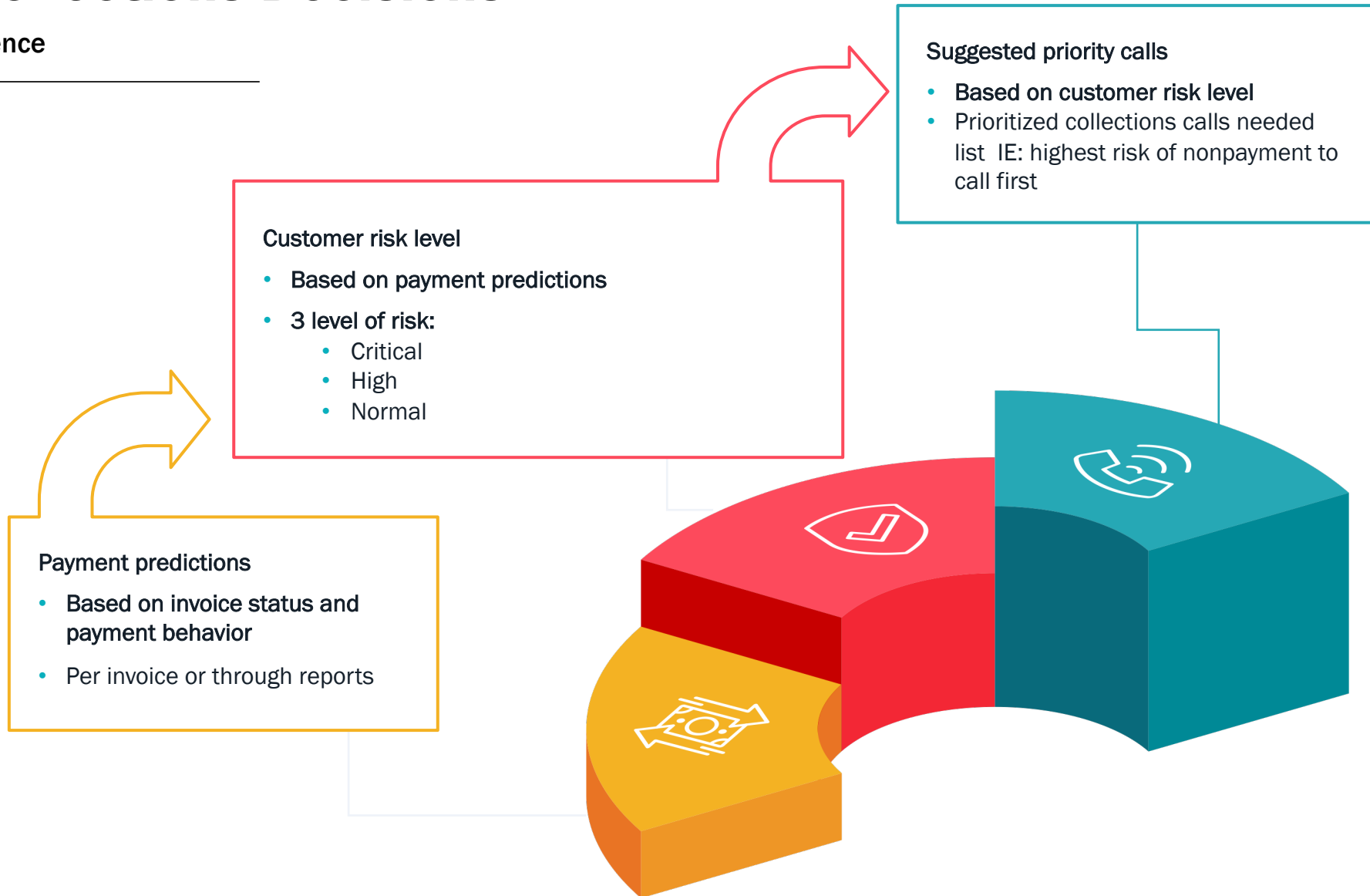
Prioritize &
customize
strategy



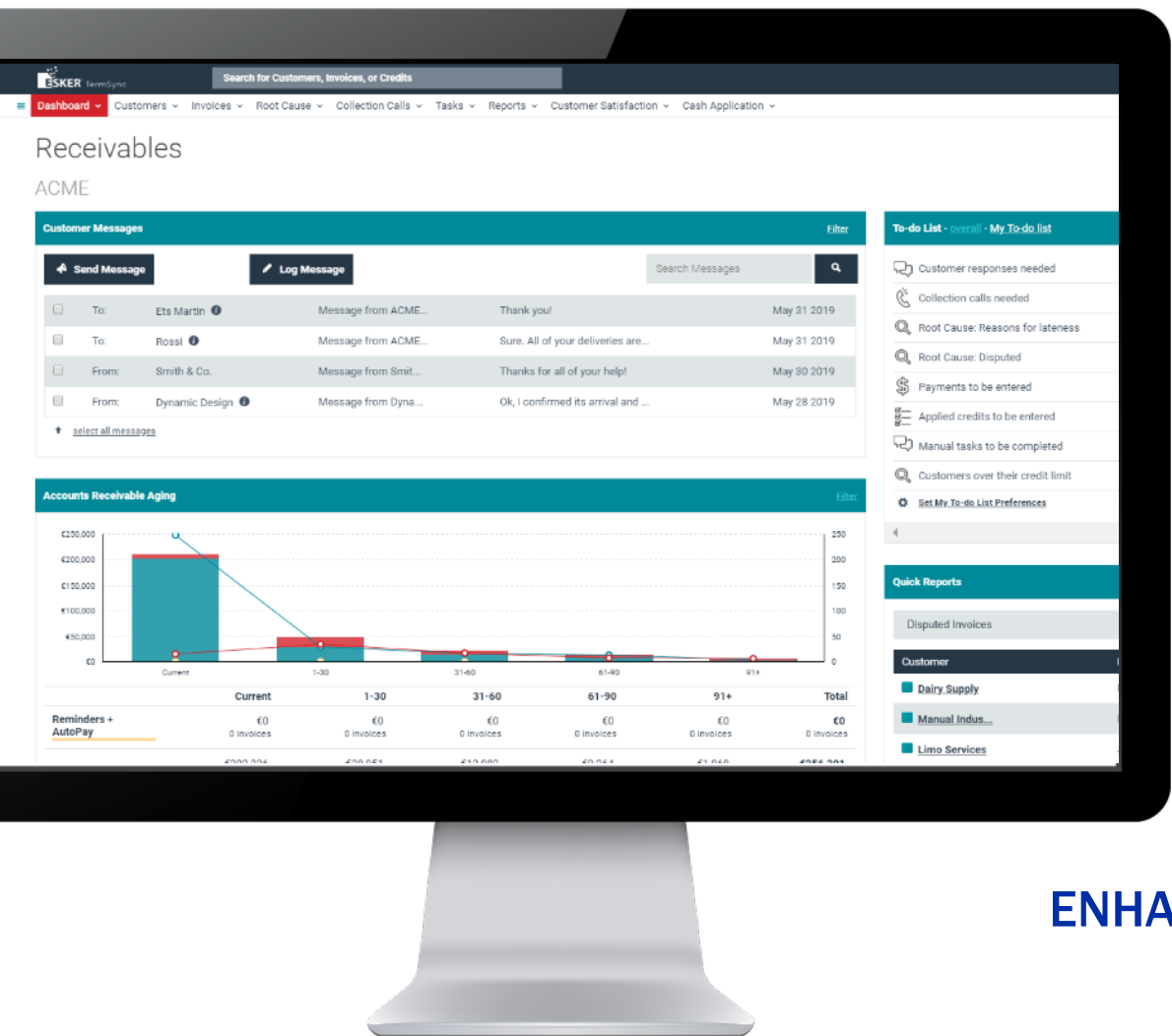
Optimize AR
staff efforts

Enhance Collections Decisions

With Artificial Intelligence



Benefits of Adding AI to Collections Management



Monitor performance



Standardize & adjust strategy



Highlight weaknesses



Improve internal process



Control customer risk

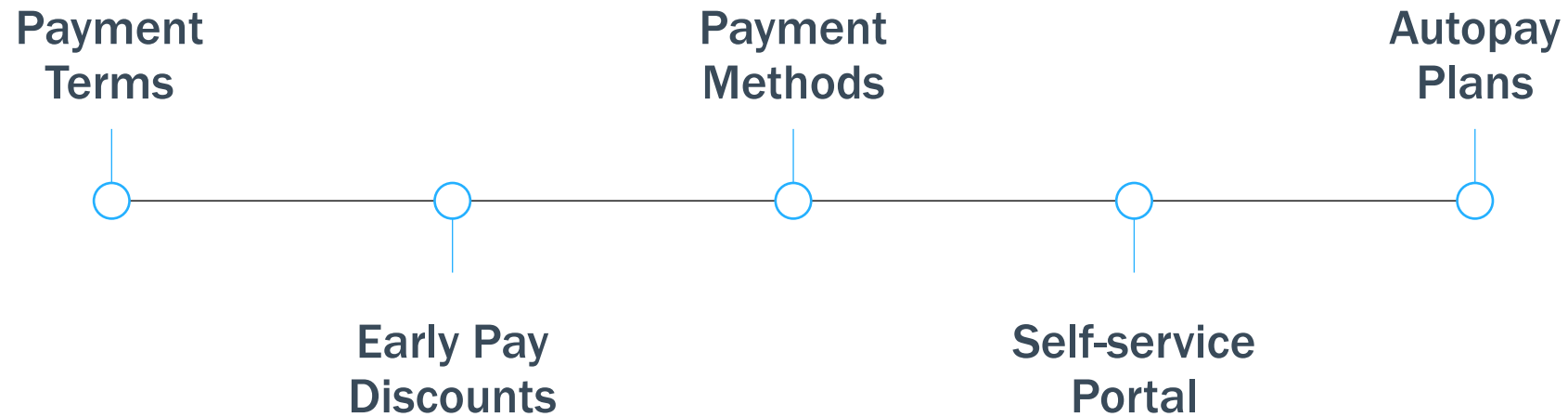
ENHANCED VISIBILITY FOR GREATER EFFICIENCY!

Improving DSO tip #3:

**Be Easy
to Pay**

Facilitate Customer Payments

It Pays to Offer Flexibility



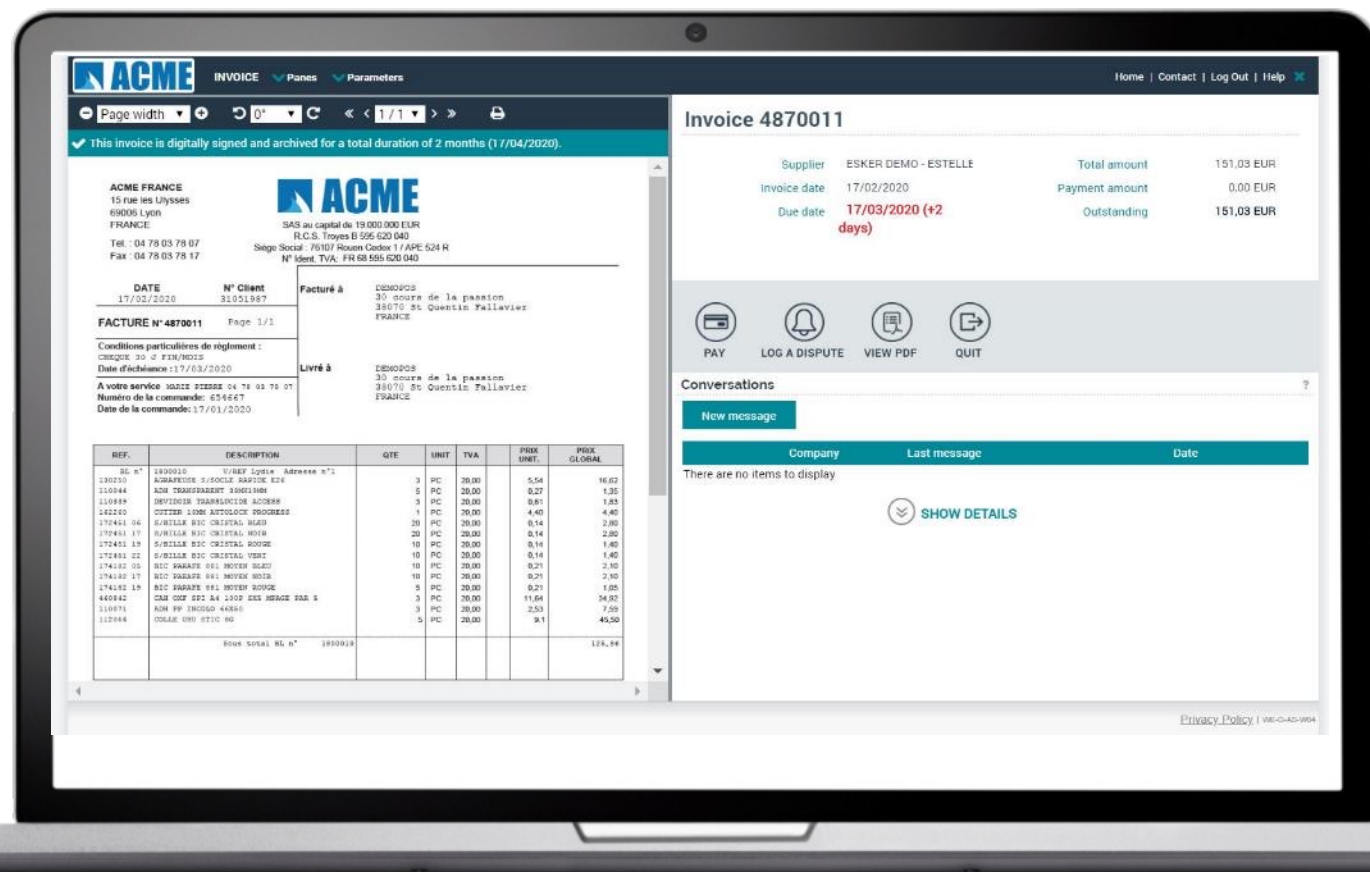
Be Easier to Pay with Online Payment & Self-Service



Enable payment globally or on a customer-by-customer basis



Offer multiple payment methods (card, direct debit) worldwide



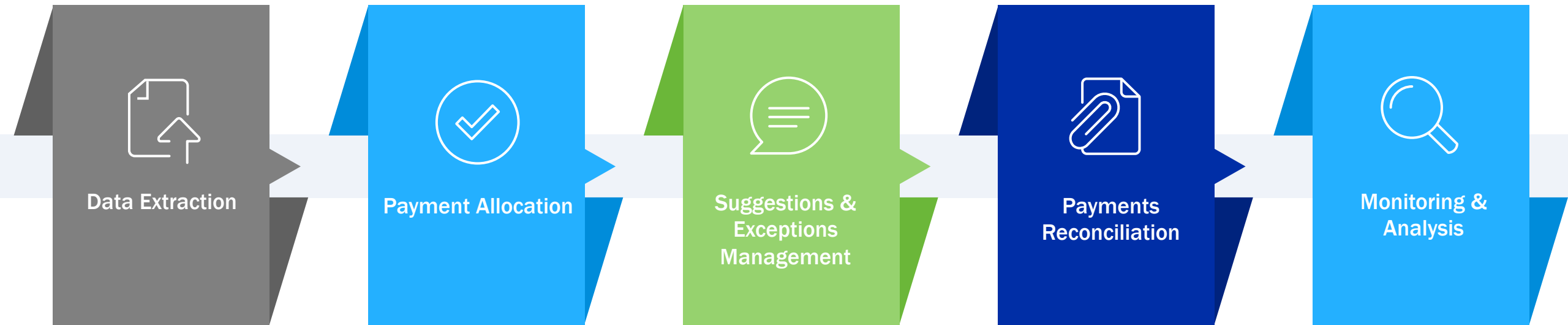
Improving DSO tip #4:

Apply Cash Efficiently

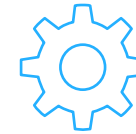
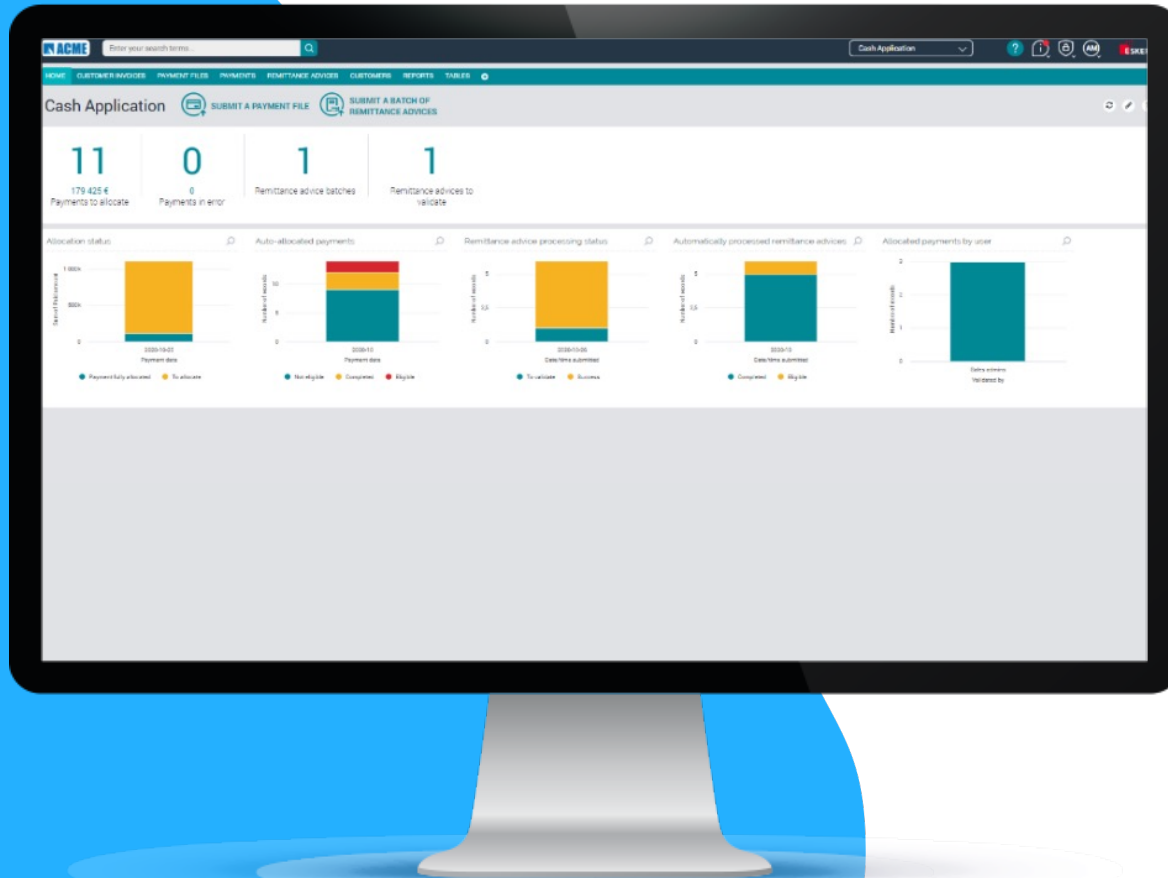
Apply Your Cash Efficiently



Opportunities for AI in Cash Application



Benefits of Using AI in Cash Application



Increased productivity

with less manual intervention and AR teams able to focus on value-adding tasks and making human decisions.



Enhanced visibility

provides an always-up-to-date picture of the current status of receivables and revenue.



Improved relationship with customers

by removing the need for clarifications and follow-ups.



More efficient credit & collections

with greater accuracy, real-time visibility and reduced manual errors.

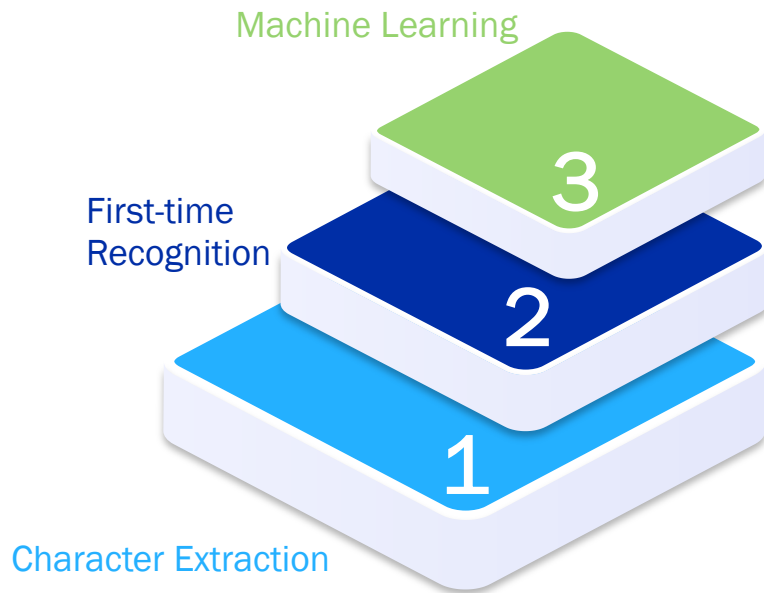


4 Ways to Improve Days Payable Outstanding (DPO)

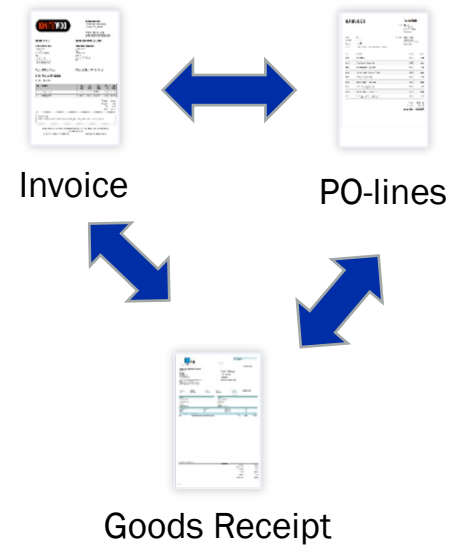
Improving DPO tip #1:

Accelerate AP Invoice Processing

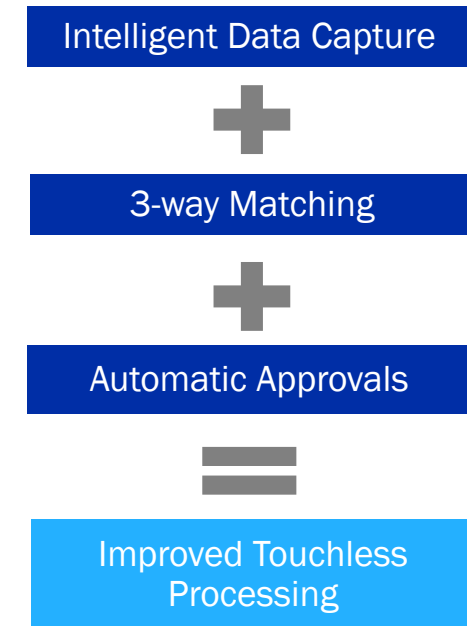
Advanced Invoice Processing



**AI-Driven Data
Recognition**



Auto-Matching



**Touchless
Processing**

Improving DPO tip #2:

Improve Visibility

AP's Goldmine of Data

Spend Management



Fraud/Compliance



Budget Monitoring



Supplier Management



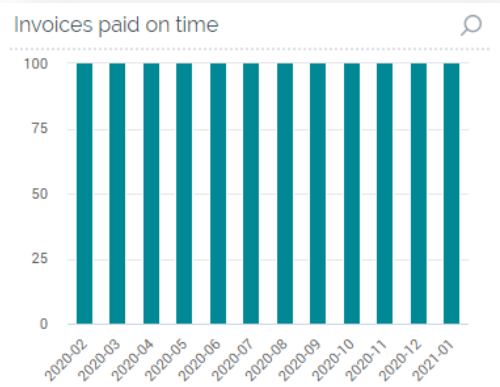
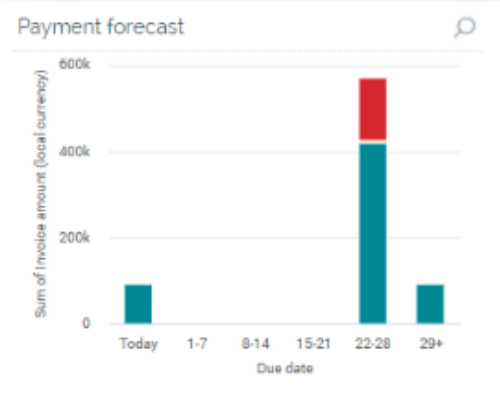
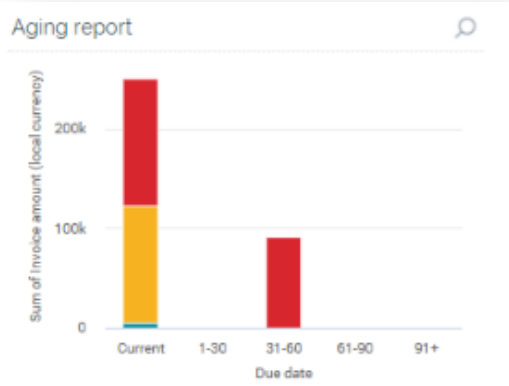
Process Efficiencies/KPIs



Payment Terms / Early-Payment Discounts



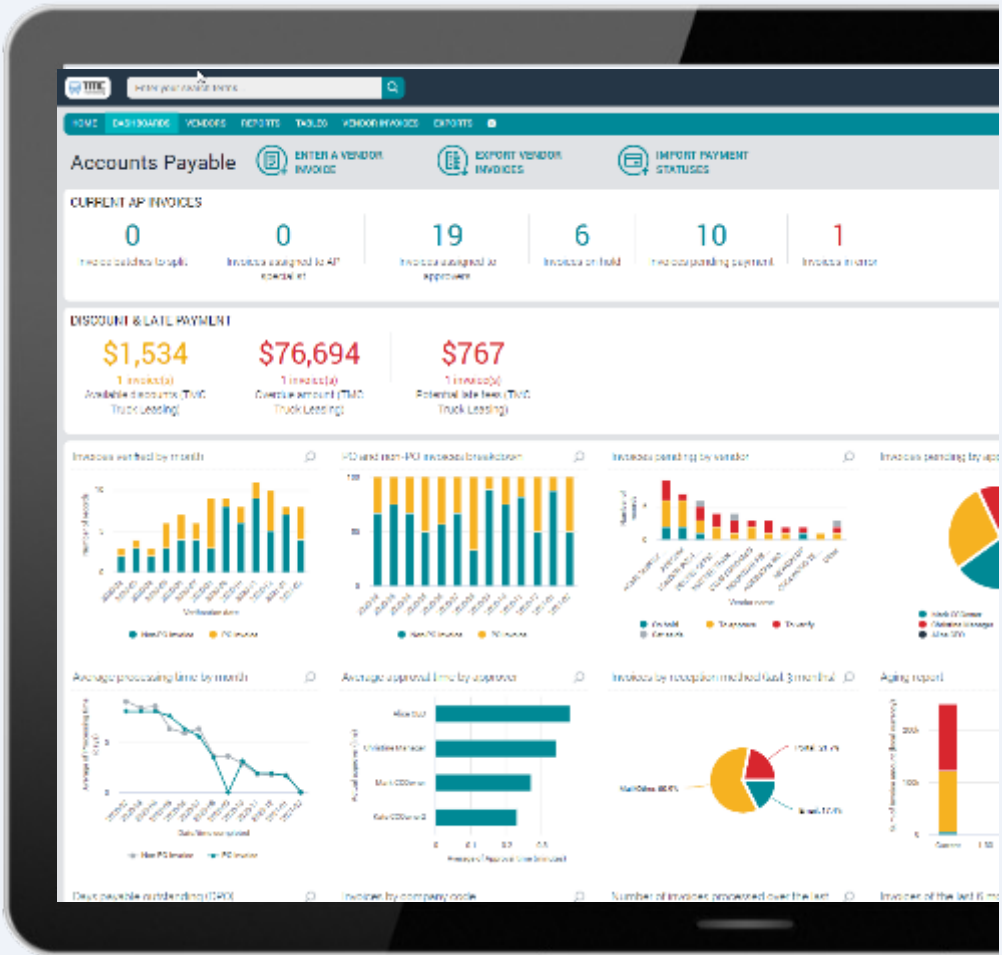
Immediate Financial Metrics



Keep A Close Eye On AP Processing Performance



Monitor Cash Flow in Real-Time



Rethinking Reporting

Real-time data + predictive analytics = better decision making



Performance Monitoring

No major process metric goes unnoticed thanks to custom dashboards to track



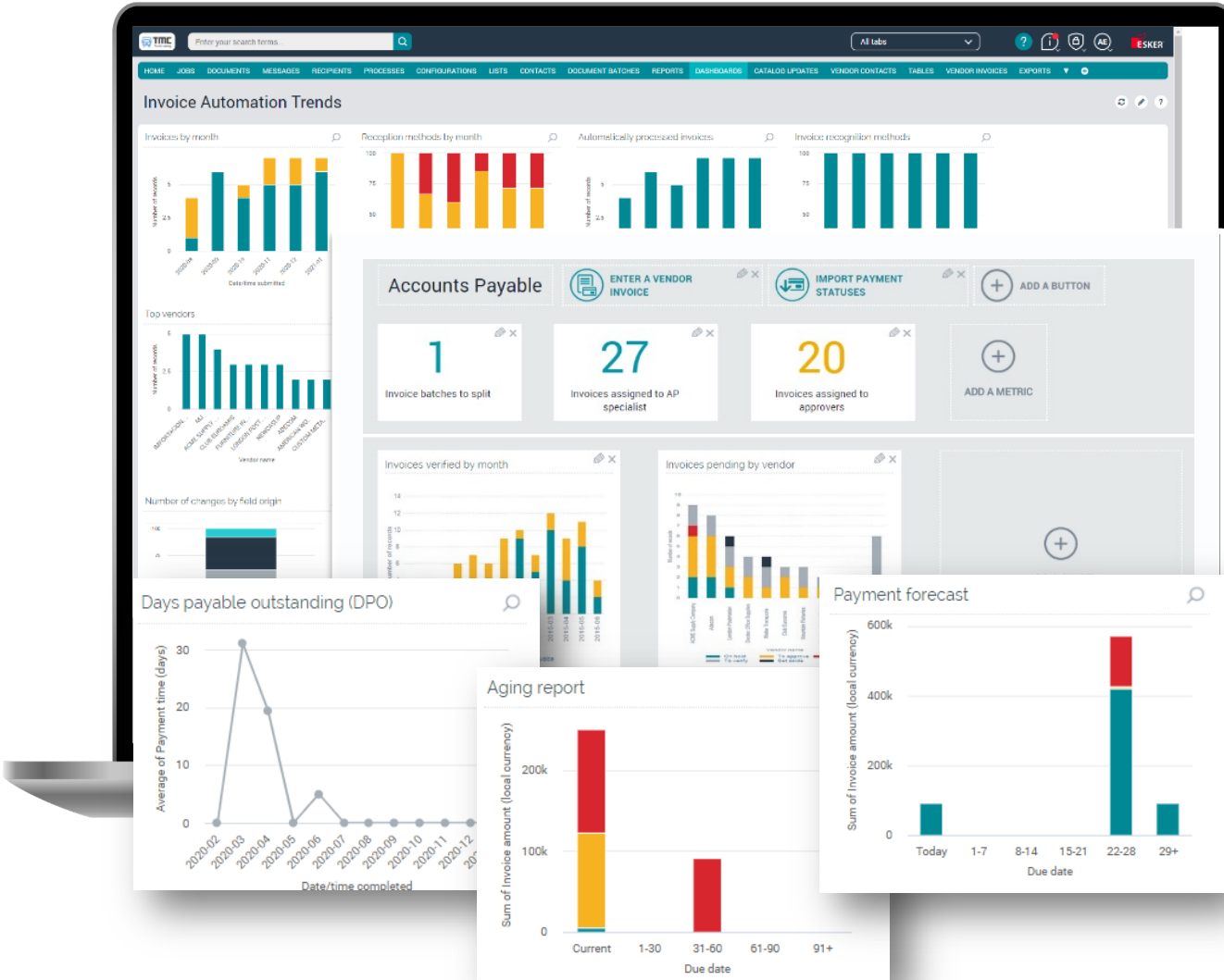
Supplier Insights

Dig into data that provides direct insight into supplier activities and patterns



Predictive Analytics

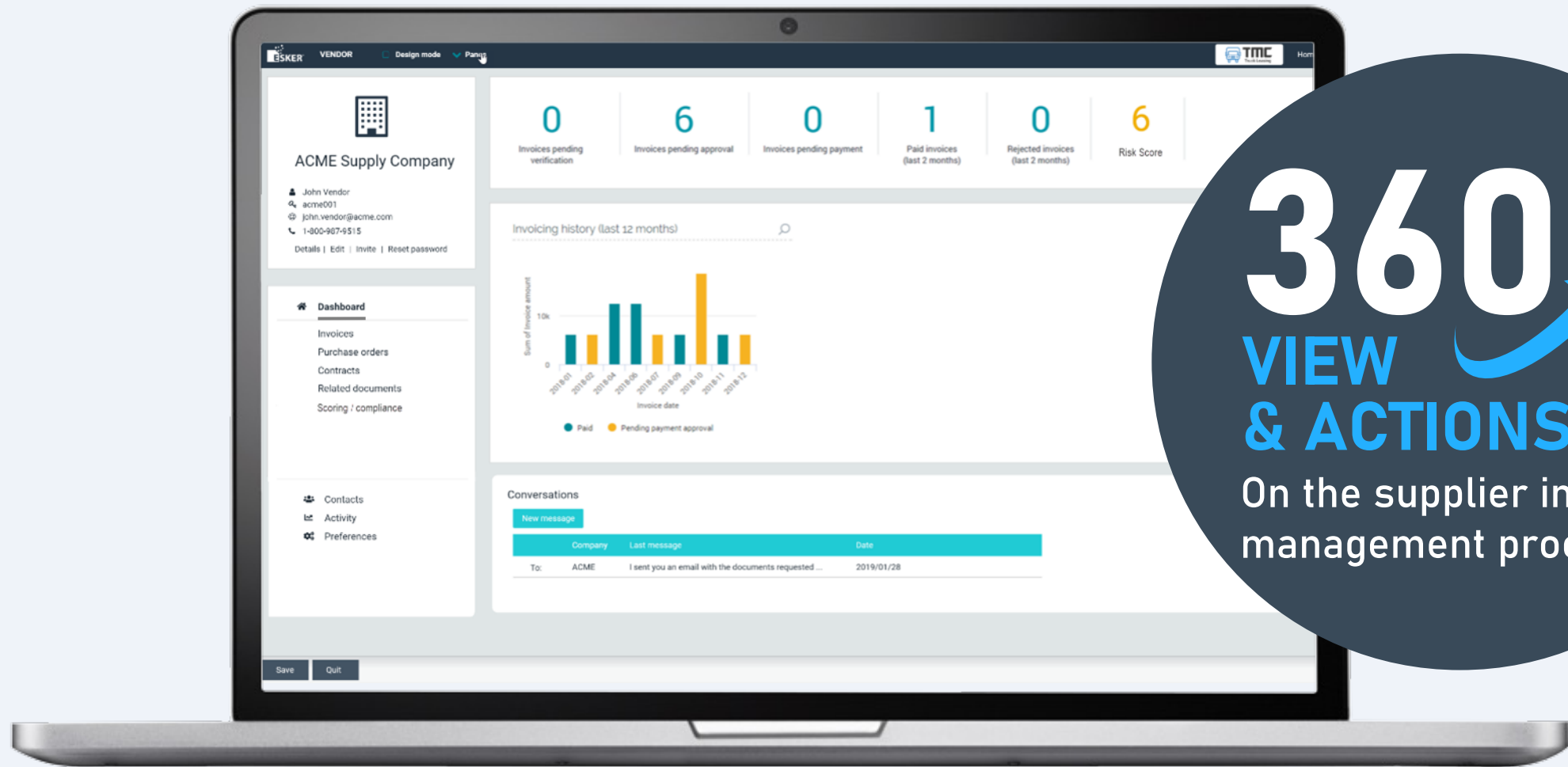
Get a more accurate AP roadmap thanks to forward-looking analytics



Improving DPO tip #3:

Nurture Supplier Relationships

Central Supplier Information Repository



Supplier Management At-a-Glance



Manage Supplier Information

Information/Document Repository



Collaborate

Supplier Portal And Chat



Manage Risk & Compliance

Iban/Ofac Check
Financial Health Review
dun & bradstreet



Monitor Performance

Visibility Over The Process & Performance



Improve Supplier Relations

Maintain Good Status And Supplier Health



marketdojo
eSourcing evolved

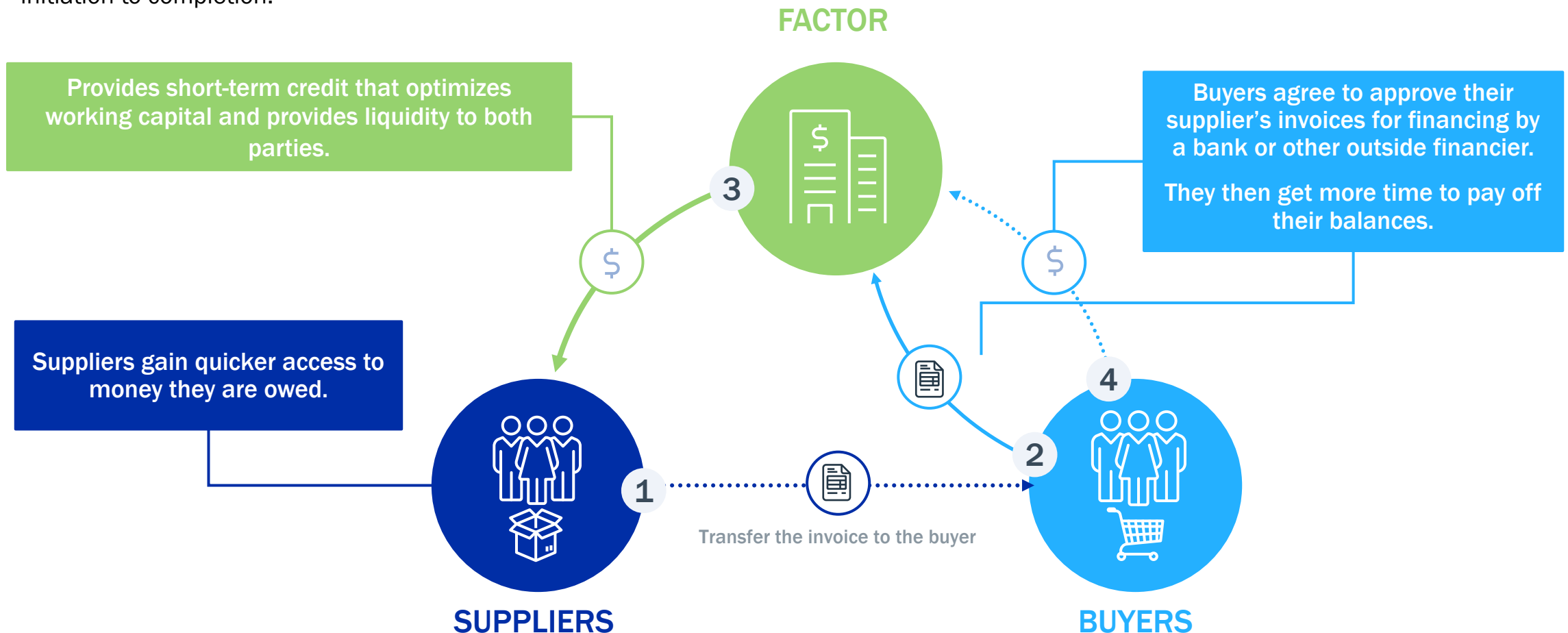
eSourcing allows you to run tenders and negotiate via on-demand auctions. Helping you identify the best suppliers in the market – saving time & money.

Improving DPO tip #4:

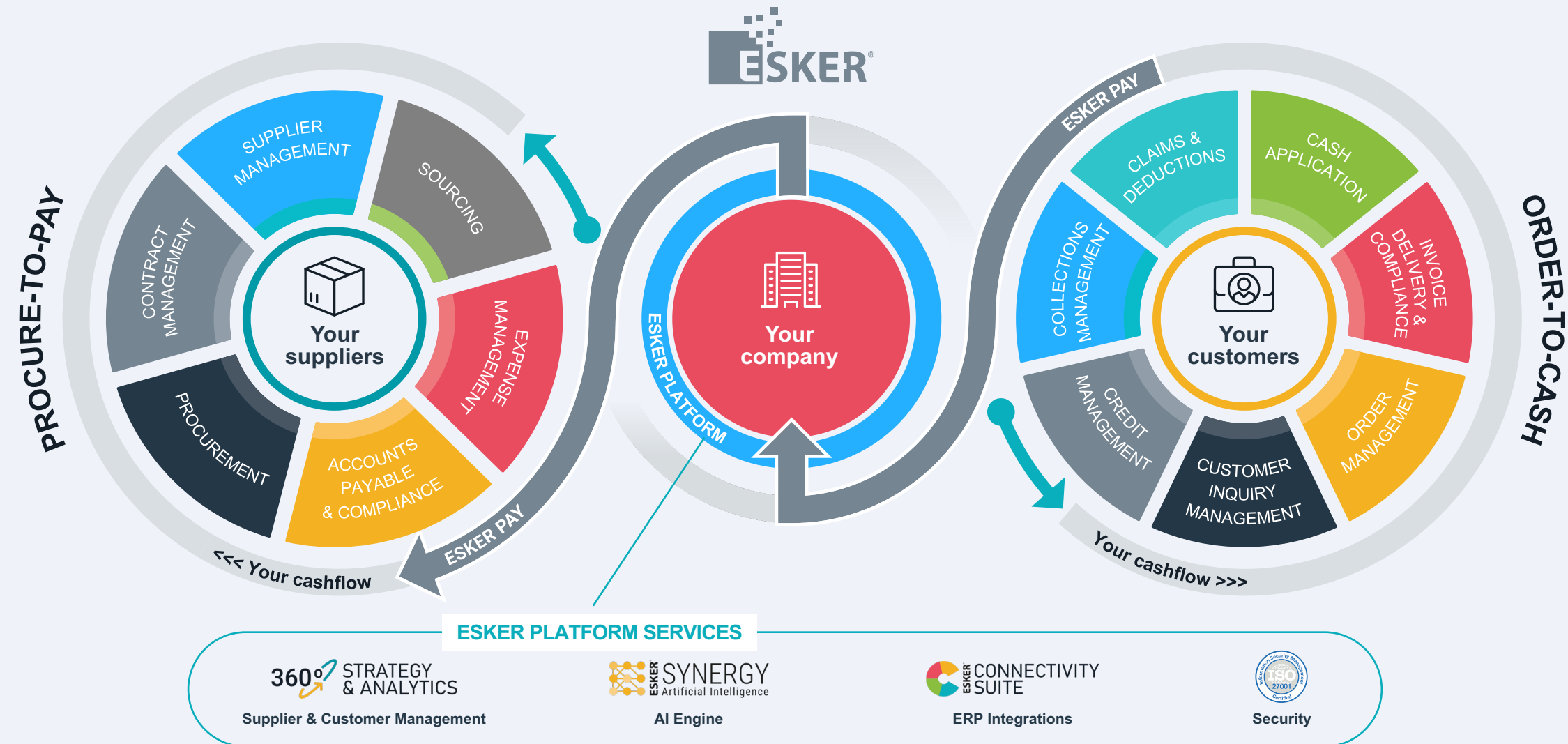
Supply Chain Finance

Supply Chain Finance

Supply Chain Financing is a form of supplier finance in which suppliers can receive early payment on their invoices. It is also known as “reverse factoring”. Supply Chain Finance works by automating transactions and tracking invoice approval and settlement processes, from initiation to completion.



One Platform. Any Process.

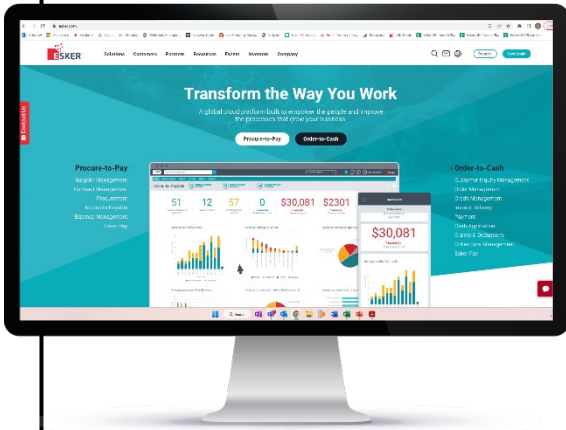


A low-angle, upward-looking photograph of several modern skyscrapers. The image is heavily filtered with a solid blue color, creating a monochromatic effect. The perspective makes the buildings appear to converge towards the top of the frame. The central building is the tallest and most prominent, with a dense grid of windows. To its left, another tall building is visible, and to the right, a building with a more complex, angular facade. The sky is a uniform blue, matching the overall color scheme.

Wrap Up

Where to Find More Information

www.esker.com



Ebook: Future of the Digital CFO
How to Become an Architect of Value,
Change & Resilience



*find it at www.esker.com/resources
or click the cover image

Ebook: Financial Transformation
How AP & AR are Coming Together to
Better Manage Cash



*find it at www.esker.com/resources
or click the cover image

Join us for an upcoming webinar
www.esker.com/events/webinars



Key Points to Take Home

- AP and AR workflows are among the most labor-intensive functions, and modernizing them is a top priority for CFOs
- Minimizing DSO and DPO separately accelerates the cash conversion cycle
- Uniting AP and AR through automation can drastically improve cashflow management, forecasting and operational efficiency
- Finance leaders need to act now to sharpen their organization's competitive edge and ensure future success

Thank you! Any Questions?

Cindy Dobson

cindy.dobson@esker.com

[Linkedin.com/in/cindy-dobson/](https://www.linkedin.com/in/cindy-dobson/)

Contact Esker:

info@esker.com

1-800-368-5283

Please remember to complete
your session evaluation.