

# Business Credit<sup>®</sup>

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PAUL DENK

## Unlock Your Receivable Data and Optimize Cash Flow

Every day, we as credit professionals face the ongoing challenge of exceeding corporate expectations in terms of managing and controlling critical accounts receivable business information. Improving working capital, reducing DSO, optimizing internal efficiency while maintaining superior customer satisfaction levels is a goal we all aspire to in today's challenging business environment. We all know the impact that these initiatives have on the financial success of our individual organizations.

As a credit professional, achievement will be measured by innovation, creativity and the ability to find and implement alternative policies, procedures and systems. This strategic business solution may focus on internal as well as external strategies.

In most organizations, the accounts receivable base is the largest tangible asset, yet the tools provided are typically the weakest link. Analyzing trends, collecting money, and resolving disputes without the proper mechanisms can lead to a significant deterioration in profit margins and an unnecessarily inflated DSO. Here at Johnson and Johnson, we strive to achieve success using technology as an aid, in order to maximize efficiencies and maintain our corporate goals and objectives. One of the ways that we do this is to attempt to equip ourselves with the best possible business analysis credit and accounts receivable software tool that is available. It is imperative that we leave no stone unturned in providing our staff with flexible resources that will enhance our daily processing efficiencies in terms of workflow task orientation and management analysis capability.



In the short term, our main objective in working with a software partner was to maintain our current A/R system, but provide an interface to a business tool, which would allow us to meet our priorities and provide a roadmap to success: "a one-stop solution". The core priorities we established were:

- Executive Dashboard with graphical drilldown
- Provide functionality for all A/R related functions:
  - Credit
  - Collections
  - Deductions
  - Receivables management
- Data Analysis query tool
- Identify DSO at a business level and a customer level

- Flexibility to customize Johnson and Johnson key business measures
- Identify trends and react to them
- Windows-based solution
- Detailed drill-downs to support high-level and customer data analysis
- Ability to export data to Excel
- Customer & item comments as well as "future review date" functionality for collections, deductions, financial statement analysis
- High-level customer consolidation
- Deduction analysis tools
- History and G/L analysis tools

In addition to the core receivable requirements, we wanted to analyze our portfolio with such Johnson and Johnson specific critical measures such as:

- Weighted DSO
- J and J custom calculated DSO
- Best possible DSO
- Days over best
- Days of claims outstanding

Initially, we thought that a software solution would be easy to develop internally. After all, our current mainframe legacy CustomAR system has an incredible amount of information available to us: massive customer data, comprehensive aging information, and deduction statistics, not to mention a huge history file. The problem, as we came to realize, is that the information was difficult to get to in an easy, user-friendly manner. We found ourselves writing huge reports and going through hoops to get an answer to a simple business question.

Our collectors and deduction analysts needed a simple way to help them identify key information and prioritize their daily and monthly workload. Management needed to see financial results and simply drill into the components in a graphical or an informational way in order to impact trends. Credit individuals needed access to appropriate information to help make decisions about shipping orders. Accounting individuals needed an analytical tool to understand customer profitability and write-off trends. We wanted to understand these critical business measures at our highest and lowest levels such as operating unit level, as well as for our individual customer.

We were frustrated, as a wealth of information was available to us, but we didn't have the key to unlock it.

We heard all of the rumors, read all of the articles about lengthy implementations of software solutions and how, in the short-term, they may negatively impact receivables management with poor functionality and weak analysis tools. We needed a solution—and we wanted it immediately. The key for us was to work with an organization committed to providing a cost effective solution to improve performance of core processes, while having the credit management experience to understand our business needs, in our language. Also important to us was that we not install a “rigid” package, but one that could be tailored to meet our changing needs, which includes the potential to bolt-on to an ERP system if necessary. Our concern was to not get caught up in a process that we would need to overhaul the way we do business in order to make our internal procedures fit a software solution. After all, we have been a very successful company and we did not need to reinvent the wheel!

So we decided to “look in our own back yard” and talk with Global Visions Solutions, our CustomAR mainframe support vendor. We knew they had designed a “bolt on” solution for the CustomAR system and had used

suggestions from several credit professionals associated with Fortune 500 companies. We wanted to implement a receivable solution built by receivable professionals across many industries.

After product analysis and providing the vendor with our custom requirements, we recently implemented the GVS WorkflowAR product, in their Oracle version, which provides us a cost-effective solution to meet our receivables business goals. Full testing and installation took less than a month and, due to the vendor's streamlined implementation strategy, our technical and user resources were not stretched. Access to information is at our fingertips, custom business measures help us identify areas of opportunity and we did not need to go through the process of a long disruptive system implementation. We find that we can easily identify our critical business measures in screens that are easy to interpret and supported by drilldowns to lower level data. Our staff is appreciative of the support tool as they are now empowered to define and react to daily workflow priorities.

We have been in production with this solution for three monthly business cycles and are already seeing measurable improvement. Do yourself a favor and look towards an internal or external business solution that can unlock the massive amount of data sitting at your fingertips, embedded in your A/R system. You will reap enormous benefit!

*Paul Denk is Director of Credit/A/R at Johnson and Johnson HCS. He may be reached at 732.562.3282 or by e-mail at: PDenk2@HCSUS.JNJ.com.*

### Complete the Receivable Puzzle

*WorkflowAR is a web-based Credit and A/R business solution designed by receivable professionals for*

*receivable professionals at all levels. With an affordable investment, integrating WorkflowAR and your current A/R or ERP system will unlock the data from your largest asset.*

#### Product Benefits

**Identify** and analyze critical A/R measures  
**Prioritize** and manage business processes  
**Improve** Cash Flow, Profitability, DSO

# WorkflowAR

## The Receivable Professional's Toolbox

#### Features

- Portfolio & Customer Analysis
- Credit Management
- Collection Processing
- Deduction Management
- Ad-hoc Queries
- Reserve Analysis
- Graphical Key Indicators

GLOBAL VISIONS



Providing  
Solutions for the  
Receivable  
Professional

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