

Driving A/R Transformation Across 30 Business Units

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Global Process Owner – Invoice to Cash

- Leading the transformation of Wesco's corporate invoice to cash process
- Working closely with credit, collections & cash application teams to drive A/R automation
- 25+ years of experience in project management, master data management, ERP implementation, credit, collections and cash application

Agenda

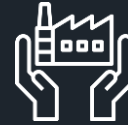
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- 3 Cash Application Automation Success
- 4 Next Steps: Expanding the Scope of A/R Automation

About Wesco

A world leader in B2B distribution and supply chain solutions. Our businesses are centered around:

- Electrical and Electronic solutions
- Communications and Security solutions
- Utility and Broadband solutions

100
YEARS OF
INGENUITY



1.5 M
Products



50+
Countries

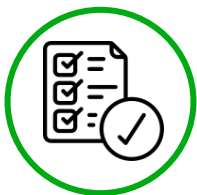


140K
Customers



18,000
Employees

The Challenging A/R Landscape at Wesco



Lack of standardization and optimization due to **multiple ERP systems** and **disparate business processes**

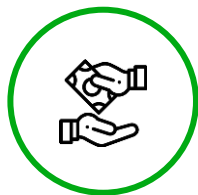


Limited automation across A/R processes – **Not easily scalable** across our businesses and payment types

We assessed our A/R processes to identify gaps that could be solved through automation and **started with Cash Application on one ERP instance.**

The State of Manual Cash Application

With **10M** invoices and a team of 9 analysts, it was difficult to apply cash on time.



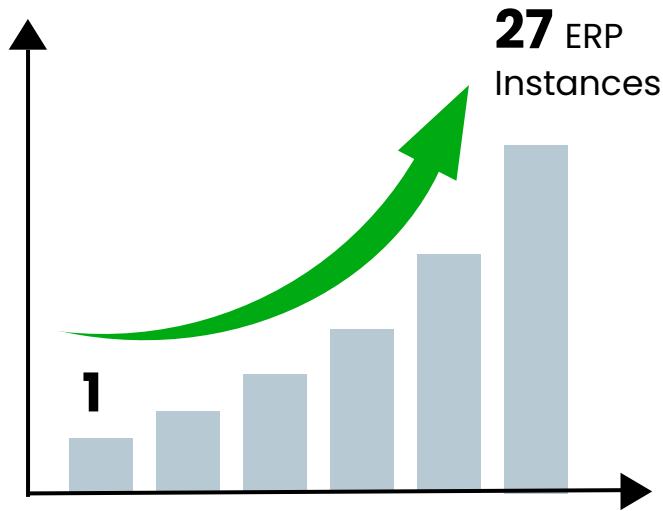
Multiple payment methods across BUs



Manual processes with **minimal ability to scale**

60% of the incoming payments via ACH which demanded huge manual efforts and time.

Wesco Cash Application Automation Results



Scaled automation to **93%** of our North America payment dollars

Header-Level Hit-Rate

80% Pre-Exception

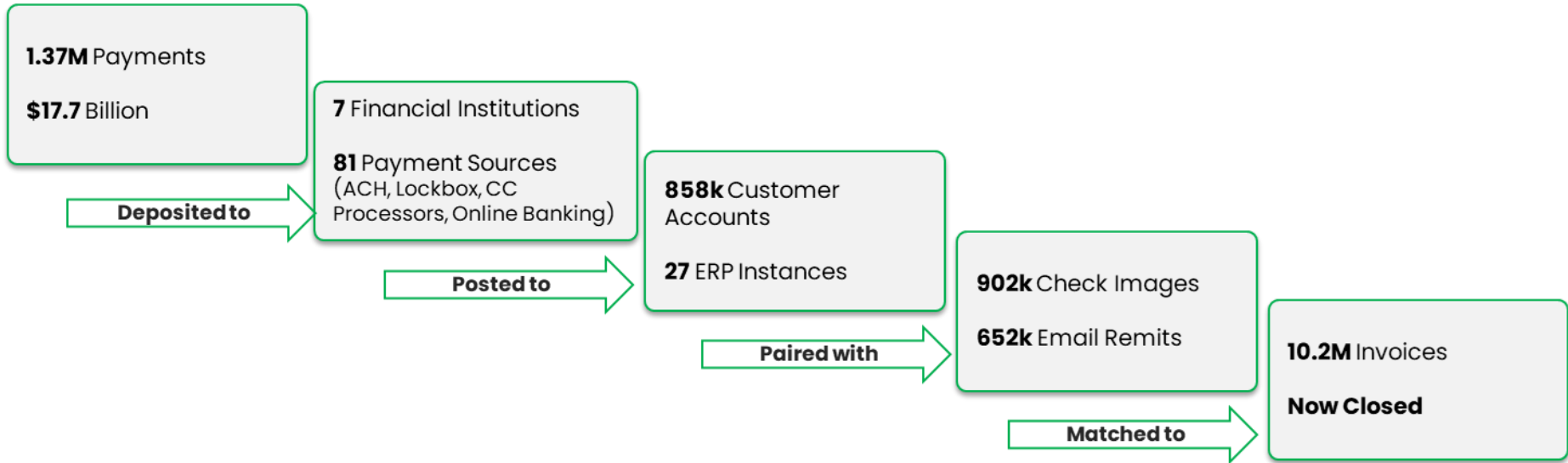
95% Post-Exception

Item-Level Hit-Rate

85% Pre-Exception

99% Post-Exception

Wesco HighRadius Cash Application Throughput



High transaction volume = **Automation** and **Artificial Intelligence**
Accurate and **timely Cash Application** is essential to Collections & Credit success

Expanding the Scope of A/R Automation



Cash Application

- Anixter Mainframe CC application - Apr '22
- EECOL - May '22
- Cross-company payments - Oct '22
- 6 additional businesses planned for '23
- New lockboxes and credit card payment files
- Targeted improvement opportunities: MICR, ALIAS, email remit availability and cleansing, DIL reviews, line-level hit-tate tracking



Collections

- Wave A implemented 2022 (Oracle)
- Wave B in progress (Mainframe)

Credit

- Wave C in progress (Oracle)
- Wave D future (Mainframe)

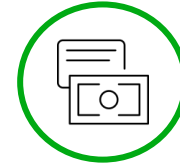
Best Practices to Scale Up A/R Automation

- ✓ Understanding current process gaps that need to be optimized
- ✓ Ensure quality of input data for smooth A/R Automation
- ✓ Use a phased implementation approach to streamline the system and scale faster
- ✓ Identify digital transformation change agents within the organization
- ✓ Initiate early adoption through training programs to support change management

Transforming Collections and Credit Processes



- Manual and inefficient Collections processes
- Lack of prioritization of tasks and redundant work
- Duplication of work impacting customer experience negatively



- Lack of 360-degree visibility of customers' credit profile
- Multiple ad-hoc credit reviews involving manual credit data aggregation
- No real-time credit risk analysis resulting in increased bad debt



Touchless dunning with AI-driven worklist prioritization to avoid duplication of work and enhance customer experience

Real-time credit risk monitoring and **360-degree visibility** across customer portfolios to mitigate risk

Q&A