Getting to
Zero Bad Debt
with Credit Automation

DON GIALLANZA
Commercial Credit Manager

- A veteran, 20+ years of experience in credit, collections, and accounting.
- Major strengths include motivating staff, improving collection efficiency, DSO reduction, improving delinquency rates, and service management of sales

ANTONIO CARDENAS
Commercial Credit Manager

- Credit professional with 13+ years of experience in the Oil & Gas and Chemical industry
- Has a proven track record of successfully managing large international and domestic portfolios

RADIANCE 2023

About
Chevron Phillips Chemical

Chevron Phillips Chemical is a global petrochemical company jointly owned by Chevron Corporation and Phillips 66

It is a leading producer of polymers and specialty chemicals worldwide

$15 Bn
Revenue globally

5k +
Employees worldwide

3
Major regions served
North America, Europe, and Asia

The Poll Question
Register your vote through Webex Events App

Q What is the most **important feature** you are looking for in a credit automation solution?
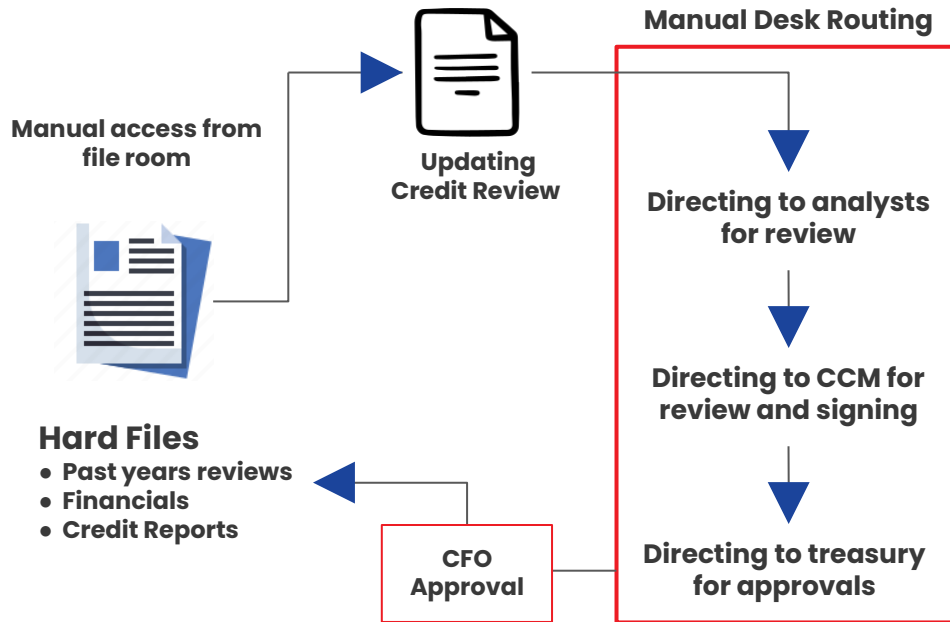
A Centralized repository of data

B Data-backed prioritization of accounts

C Streamlined electronic workflows

D Trackable KPIs and metrics

Manual Credit Management Process
not able to support global operations

Manual access from file room

Updating Credit Review

Manual Desk Routing

Directing to analysts for review

Directing to CCM for review and signing

Directing to treasury for approvals

CFO Approval

Hard Files
- Past years reviews
- Financials
- Credit Reports

Disadvantages

Manual extraction of data from paper based files

No tracking mechanism of file movements due to paper trail

Lack of flexibility to do credit review on the go

Long processing time due to desk-to-desk routing

Major Roadblocks
in managing global credit operations

No prioritization of accounts
leading to suboptimal collectors' productivity

Prone to human errors
inaccurate credit limit assignments leading to bad debt

Manual red flag identification
leading to high bad debts and credit risk exposure

No central storage for client data
analysts scraping data from multiple sources

Complex credit limit approvals
leadership had to visit credit portal multiple times to approve limits

Delayed approvals/ rejections
leading to negative customer experience and loss of business

Key Metrics Depicting Performance Issues
in the pre-automation credit infrastructure

⚠️ **7** Days

Delayed customer onboarding hindering **sales growth**

⚠️ **8** Hours

Average hours lost in manually evaluating credit risks

⚠️ **96** Accounts/month

Low frequency of credit assessments

⚠️ **2** Weeks

Average delay in validating **bank and trade references**

⚠️ **4** Hours

Lost while **manually accessing customer data**

⚠️ **24** Hours

Lost by collectors while manually chasing non-payers

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Hitting the Road
to Zero Bad Debt
with HighRadius Credit Automation

- Improve the topline
- Mitigate credit risk
- Seamlessly assign credit limits

Improved Customer Focus
with enhanced operations

360-Degree View
across all the customer profiles to stay on top of credit reviews

Actionable Insights
for customer credit portfolio to improve collectors' productivity

Automated Approval Workflows
for low-risk customers enables higher focus on critical customers

Customer Hierarchy Mapping
for all complex parent-child scenarios in joint venture setups

Improved Metrics
key achievements in numbers

61%
Speedier customer onboarding

2x
Faster approval of credit limits

89%
Time reduction for credit reviews

96%
Increase in credit limit reviews

50%
Lesser Time to evaluate bank references

Long Term
Positive Impact
and where we stand today

➢ **Zero bad debt**

➢ **Positive impact on working capital**

➢ **Increased collectors' efficiency**

➢ **Faster time-to-credit approvals**

➢ **Faster time-to-recovery of past dues**

Efficiency Gains
achieving absolute success

It is an absolute
100%

Accuracy in customer master updation

Credit review policy compliance

Seamless data backed prioritization of customers

BONUS

How Chevron Phillips Chemical is Better Placed to Tackle the Threat of Recession?

CP Chemical's Art of War
to counter recession

Collectors focus on high value tasks such as industry credit research

Faster and data backed credit limit decisions

Improved industry visibility to facilitate better credit assessments

Better workforce productivity in the era of austerity

Better collections performance with focus on non-payers

Q&A