

From Chaotic Spreadsheets To a Robust, Strategically Driven Collections Process

Learn how FleetPride increased collections team efficiency by 150% in 3 months



This has made our life much better. We keep learning and using the tool better and better!

Steven Stockseth
Director of Credit, FleetPride Inc.

Company Overview

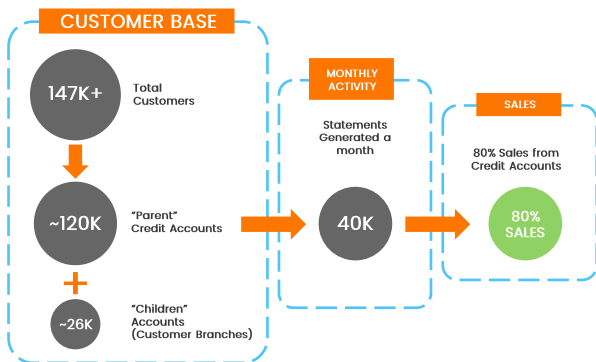
FleetPride, Inc. is the nation's largest retailer of heavy duty truck and trailer replacement parts with over 260 branches in 45 states.

Challenges

FleetPride had a recent surge of customers due to multiple business acquisitions. Managing the large number of accounts became problematic for the small team handling collections. The responsibilities of the collectors included lots of low value manual work. The process was time consuming and needed swift automation to deal with the large number of customers.

Scaling Operations with Limited Resources

Since 2011, FleetPride has added 100 locations and 30,000+ customers due to acquisitions. This increased the pressure on managing such a large base of customers with a relatively small staff of collectors (Customer Service Reps), thus necessitating technology to improve productivity to meet the growth in operations.



The collections department had to perform various low value manual operations for dunning and reconciliation, which was time consuming. With the increase in customers, they needed an optimized way of doing such work.

COMPANY

FleetPride Inc.

INDUSTRY

Manufacturing & Distribution

REGION

America

REVENUE

\$1 billion

BENEFITS

- ✓ 150%+ increase in productivity right after implementation
- ✓ More resources and time available for strategic intervention in key accounts!
- ✓ Easy team adoption: intuitive interface requires little team training

...and more!

FleetPride suffered from an excessive number of overdue balances and their speed to collect was less than optimal. High volumes of long collection lead times adversely impacted their cash flow and raised write off risk. After reviewing their situation, the conclusion reached was that they needed immediate advancements in technological, organizational, and process capabilities to effectively process the existing workload. The major operational issues which needed immediate attention were:

- High volume of overdue invoices: 19,365 accounts worth \$31M
- Labor capacity constraint: Collectors were only able to call ~30% of overdue accounts, potentially missing ~13M in balances
- Calls were not prioritized for effective and efficient collections.

Successful Outcomes



More resources and time available for strategic intervention in key accounts!



Quick gains after implementation: 150% efficiency gain



Easy team adoption: intuitive interface requires little team training



Implementation of best practices for collection management processes through strategically designed rules



Dunning/collecting notices significantly more effective

About the Solution: Collections Management

Collections at FleetPride was largely manual. A limited Collections team had to manage a large number of customers. This made things unmanageable and they needed technology to optimize their existing process. Moving forward with automation, the expectations of FleetPride were:

- Have a flexible system to support new business processes and structure
- Prioritize account call list
- Implement collection management software to automate and control tasks

Manual Aggregation of Information

Previously, analysts had to manually aggregate information from ERP such as Past Due invoices and Customer Contacts and reconcile it in huge spreadsheets. This was a time consuming process and was difficult to track for every customer.

The HighRadius solution generates a prioritized worklist that intelligently gathers data and does task prioritization. With this feature, the analysts can directly focus on the dunning process rather than aggregating information.

Keeping Notes

In their existing process, the analysts had to manually track Reminder Calls, Reminder Mails, and Blocked Orders. This method is prone to errors, and monitoring them regularly is taxing.

The Rules-based Automation allows automated low touch dunning and enables strategic collection activities. The strategic rules used for dunning include prioritizing customers into various buckets based on their payment history and risk class and applies recommended actions for speedy collection. The solution is able to monitor payment commitments, reminder calls, reminder mails, and blocked orders.

Salient Features

1. Prioritized Worklist

The analysts have their own self-generated worklists which allows them to focus on the accounts which need immediate dunning. The accounts have been prioritized based on information from their payment history such as past due duration, past due amount, and risk class. The worklist also suggests actions to speed up the dunning. Rather than collecting customer information from various sources, the solution is able to display all the information in a consolidated worklist. This results in a faster and low-touch dunning process.

2. Automated Correspondence

The solution sends automated correspondence such as emails in bulk. The solution consists of in-built templates according to the dunning stage of the customer, for example, first past due, second past due, and demand notice. It can be customized at will and has the provision of attaching purchase details of the customer such as invoice copies and payment portal link. It also tracks the communication history with the customer.

3. Reporting and Analytics

The reporting feature provides complete managerial visibility in the collections processes. Its interactive drill down functionality enables a thorough root cause analysis and provides key operational insights. It can be used to isolate areas of growth and identify key areas for improvement. It allows monitoring metrics and tracking KPIs. It provides a graphical representation of the performance of the analysts