AR Automation:
How to build cash flow resilience

BLACKLINE

AMERICAN EXPRESS PYMNTS INTELLIGENCE

B2B Digital Payments Tracker

"In the current environment, AR automation is no longer optional"

68%
of CEOs surveyed who say payment-related delays were an issue in the last six months

77%
AR teams behind schedule on collections

81%
Companies seeing delayed payments continue to rise

What Do You Really Want to **Achieve?**

Real Results and Real ROI

Optimize Working Capital

Achieve significant cost savings and release cash

Engage Your People

Free your people to focus on value-added activities and business partnering, rather than chasing customers down for a remittance

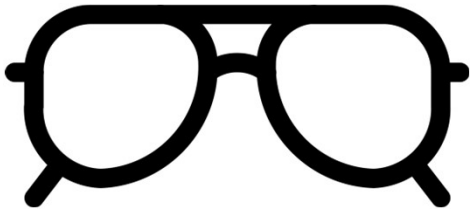
Control Your Process

Create a fully transparent, auditable, scalable and SOX-compliant process that significantly reduces the risk of human error

Improve Customer Experience

Boost customer loyalty by reconciling customer credit accounts in minutes, not days, so customer credit lines are fully available

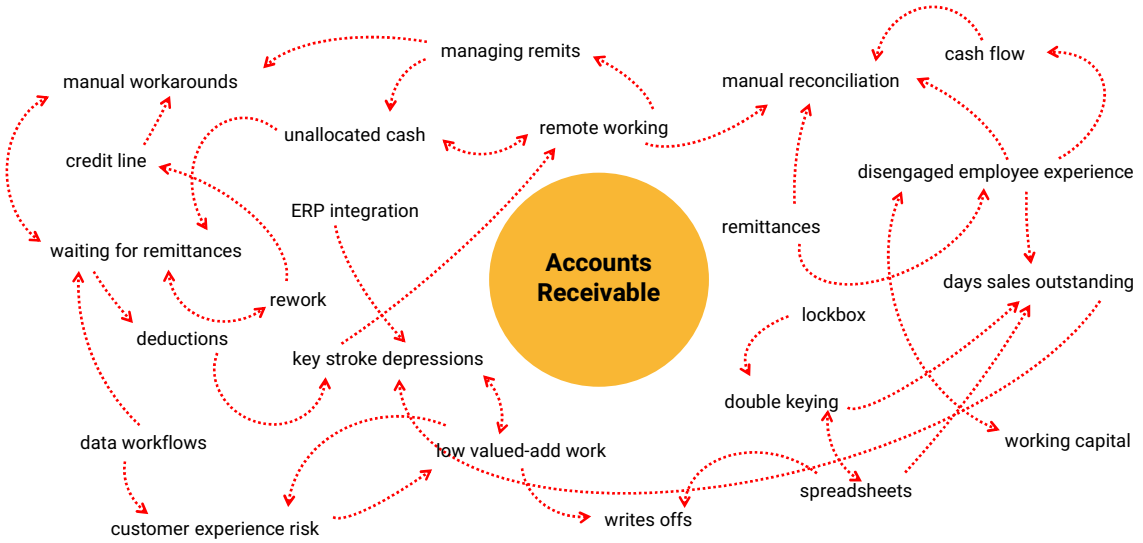
3



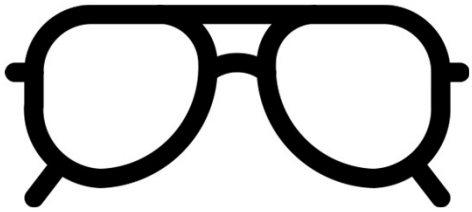
Visibility

BLACKLINE

Cash is not visible.



BLACKLINE



Visibility

BLACKLINE

Automation = Visibility

BLACKLINE

Most financial (and other) data will tell you only what you have done and not where you are going

BLACKLINE

Businesses – "Traditionally" Solving the AR Problem

Adding fuel to the fire

Outcome is more payments into an already struggling process

- More postings on account
- More time from collections teams applying payments at month end
- More time on rework
- More time chasing customers who have already paid because of a messy sales ledger

Collections and Risk

Businesses – "Traditionally" Solving the AR Problem

Adding fuel to the fire

Outcome is more payments into an already struggling process

- More postings on account
- More time from collections teams applying payments at month end
- More time on rework
- More time chasing customers who have already paid because of a messy sales ledger

Collections and Risk → **Customer Data**

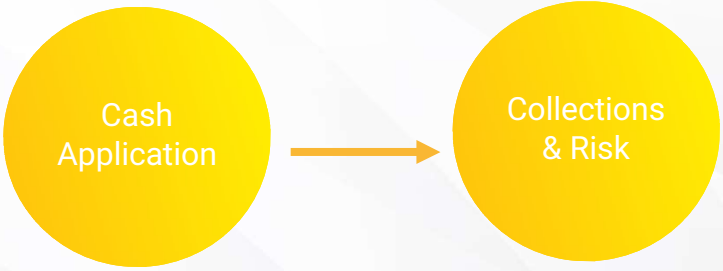
- Operational level metrics only
- Based on how customers 'should pay' rather than 'how they actually pay'
- Relies on CRA/Insurance Data (potentially 3/6 months old)
- Takes time and effort to put data together – not real time

Like building a new house and starting with the roof: there's no solid foundation to build on

What that looks like

BLACKLINE

What that looks like



BLACKLINE

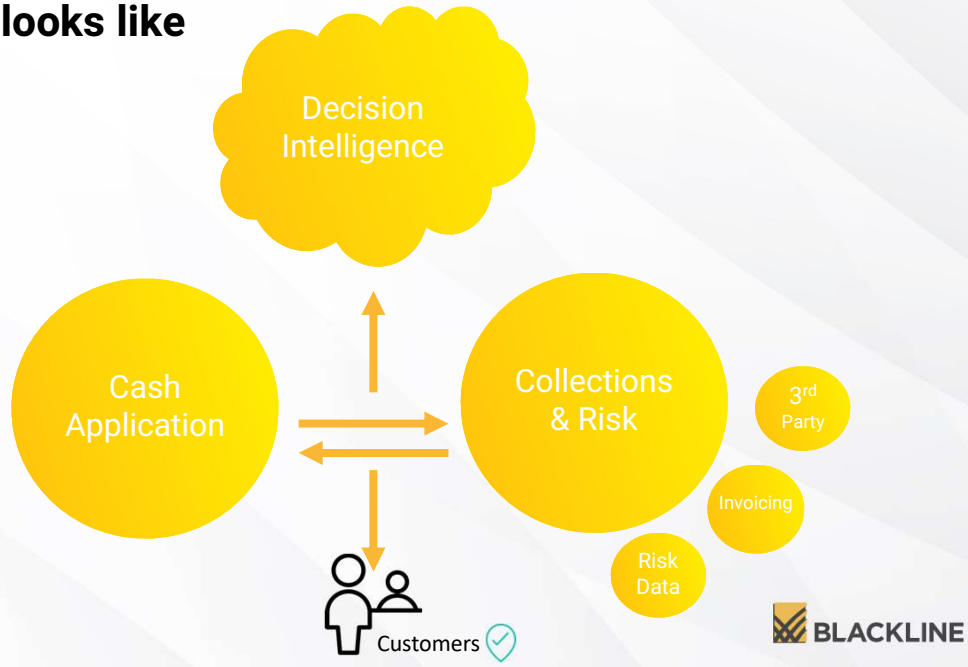
What that looks like

What that looks like

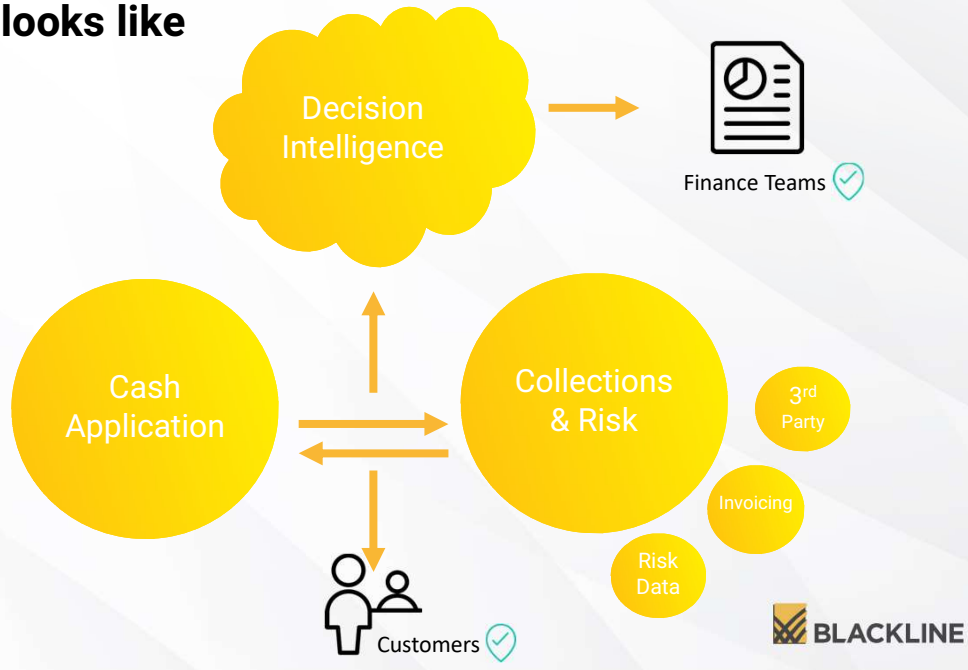
What that looks like

What that looks like

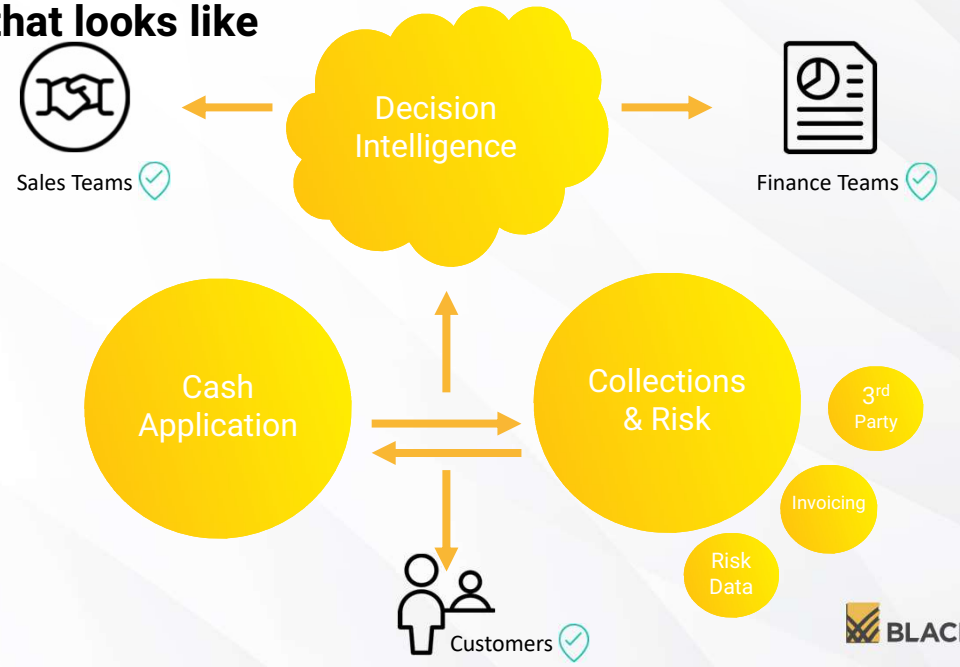
What that looks like



What that looks like



What that looks like



What Does Decision Intelligence Look Like?

Sales Teams

- What makes a good customer? (paying to terms, fewer queries etc)
- Who should we trade more with?
- Who costs the business to trade with?
  - Who consistently pays late and results in you having to borrow money with higher interest rates to operate because they don't pay?
  - Is it actually more cost effective to not do business with them? Or work with account management to change to shorter terms based on their poor paying performance.

Finance Teams

- What's the real risk to the business?
- Who pays when? How? How much? How often?
- Enable quicker access to cash and ensure financial stability
- Greater detail on payment forecasting allowing better decisioning on the need to borrow

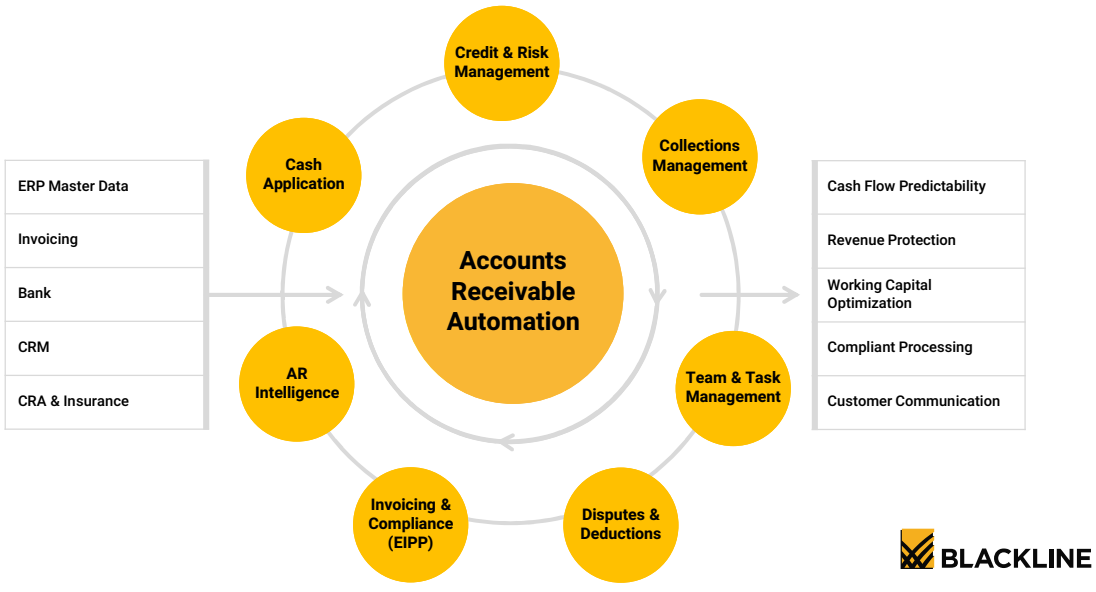
BLACKLINE

Take AR Further

Now is the time to move from process to progress

21

BlackLine Complete Invoice-to-Cash Solution



BLACKLINE

Accounts Receivable - **Strategic & Operationally Critical**

AR is a strategic partner to the **office of the CFO**
and enables better, data driven, business outcomes

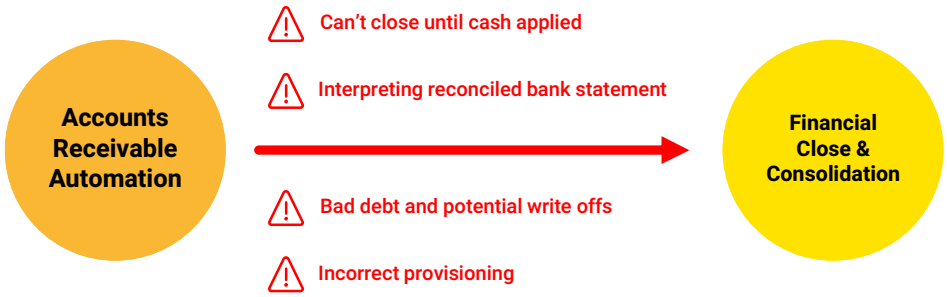
Accounts Receivable Automation

- Faster Cashflow
- Greater Assurance
- Lower Risk
- Happier Customers
- Increased Profitability

23

BLACKLINE

Accounts Receivable - **Strategic & Operationally Critical**



24

BLACKLINE

To summarize….

3 key points to be resilient

Time

- Where is time consumed?
- What actions are NOT done today that would add value?
- Actions that drive value?

Data Driven Decisions

- Data drives Decisions
- Decisions drive Actions
- Actions drive Results & Outcomes

Visibility

- Ability to be flexible
- Plan, Do, Study, Act
- See different 'routes' to achieve goal

25

BLACKLINE

Automation is to Time

What interest is too money!

Anon

26

BLACKLINE