

Outsourcing by the Numbers



▶▶ Streamline & Accelerate your F&A Process

Finance and Accounts Outsourcing is the buzzword amongst retailers for reducing costs and increasing profits. The CFOs of retail organizations turn to outsourcing to transform their F&A processes, drive better internal control and regulatory compliance. A recent study indicated that outsourcing transactional activities enables CFOs to spend 25% more time on strategic activities. Retailers, who initially focused on Sarbanes-Oxley compliance are now venturing to improve business processes through outsourcing.

▶▶ Challenges & Opportunities

Challenges

- Sarbanes-Oxley compliance has made it mandatory for retail companies to strengthen their internal controls around transaction processing functions such as Accounts Payable (AP), Accounts Receivable (AR) etc.
- Increasing cost of finance function
- Manual and fragmented processes spread across the enterprise
- Inconsistent accounting processes

Opportunities

- Finance and Accounts outsourcing helps you centralize and manage day-to-day finance functions, improve controls and service levels, reduce cost of operations
- Outsourcing enables segregation of duties, improved financial reporting, real-time information to users and improved quality of financial disclosure

▶▶ HCL Solution

HCL's domain expertise in the Finance and Accounting area coupled with retail industry experience helps to meet specific Client requirements.

Service Offerings

Order to Cash	Procure to Pay	Controllership Accounting	Financial Analysis and Reporting	Advanced FAO Services
<ul style="list-style-type: none"> Customer Master Maintenance Order Management Billing Credit Control Collections Cash Application Customer Support 	<ul style="list-style-type: none"> Purchase Order Processing Invoice Management Vendor Master Maintenance Payments Processing Travel Expense Vendor Reconciliations 	<ul style="list-style-type: none"> Reconciliations Cross BU/ Entity Accounting GL Accounting Provisioning Asset Accounting Audit Support 	<ul style="list-style-type: none"> Group Consolidations Financial Analysis Planning and Budgeting MIS Reporting 	<ul style="list-style-type: none"> Taxation Treasury Statutory Reporting

HCL Advantage

- Blended delivery model combining onshore and low-cost offshore locations
- Ensures seamless relationship between outsourced and retained processes and staff
- Experience in handling commodity processes (accounts payable/receivable) as well as complex accounting services (core operational accounting, inter-company reconciliations and management, statutory and tax reporting)
- Investment in delivery platforms for enhanced performance management and workflow mechanism
- Leverages leading automation technologies while offering extensive applications and IT infrastructure management as well as a wider back-office solution combining finance, HR and procurement
- Team of professionally qualified accountants

Business Benefits

- Improved efficiency and speed of access to financial information
- Substantial reduction in operating costs
- Flexibility through a variable cost structure
- Transparency into F&A processes
- Superior controls and risk management

Case Study

Client Background: UK based Multinational Consumer Product Company

The client is a subsidiary of USD 7 Bn consumer products conglomerate and is the largest water distribution company in UK.

Drivers for Outsourcing

- Reduce Day Sales Outstanding (DSO)
- Reduce the cost and increase coverage of outbound collections
- Reduce customer churn through reduction in dispute management
- Reduce cycle time and ensure accuracy in receipt posting
- Sales ledger reconciliation and tidy maintenance

Benefits

- Day Sales Outstanding brought down to 68 days from 180 days
- Customer complaints reduced to 1% from 8%
- Significant reduction in customer churn
- Accurate and improved turnaround time in receipt posting activity
- On-account receipts brought down to 1% from 12%
- Developed automated system for payment reconciliation and posting

HCL Solution

- **Credit control and dispute management:** Handling diverse product and service customer queries i.e disputes in billing, discrepancies in invoice and credit notes etc.
- **Collections:** Pre-calls made to customers to ascertain invoice accuracy and ensure timely payment, early stage collection calls to bring down overdue debt, late stage collections, generation of dunning letters etc.
- **Sales Ledger Maintenance:** Lockbox receipts exceptions handling, receipts posting and allocation, customer account reconciliation

About HCL

HCL Technologies, with USD 4.8 bn revenue and 55,000 professionals operating in 18 countries, is one of India's leading global IT services companies providing software-led IT solutions, remote infrastructure management and BPO services. HCL's BPO division provides customers with world class offshoring, business process migration, project management and technology strengths. HCL provides solutions across select verticals like Retail & Consumer, Banking & Financial Services, Insurance, Hi-Tech & Manufacturing, Telecom, and Media & Entertainment (M&E). HCL BPO ranks 3rd globally for Highest Client Satisfaction as per Black Book of Outsourcing, 2007.

Give your company the advantage of HCL's F&A solutions.

To schedule a meeting or to set up a pilot, call our F&A Experts at

1. 940.367.5824

or email to:

marketing.bpo@hcl.in

www.hcl.in