

Experian

Corporate Linkage service used by clients enhances Experian's own collection strategies.

Enhancing its enterprise-wide client master and improving collections strategies in parallel with tools from Experian's Business Information Services group, the Experian Order to Cash Finance team streamlined workflows to decrease balances more than 90 days past due by 55 percent.

Client

Experian® is a global leader in providing information, analytical tools and marketing services to organizations and consumers to help manage the risk and reward of commercial and financial decisions. Experian also is known for industry-leading, innovative products that help businesses comprehensively reduce risk and manage workflow.

In 2009, Experian's North American Order to Cash Finance team began centralizing operations under a shared services model and the centralization of multiple client masters into one enterprise-wide client master. The new 23-member team was responsible for managing the credit and collections activities for more than 30,000 active accounts originating from 14 business units. With this model, it was essential to have a view of business relationships within a portfolio, across each division and across North America.

Challenge/Objective

Prior to the adoption of the shared services model, many of Experian's business units managed their own credit and collection activities. This was a result of rapid growth in new markets and newly acquired companies remaining relatively autonomous. Under the new shared-services model, the Order to Cash Finance team faced multiple challenges as they began looking to set strategy and make decisions for a diverse client base across multiple business units.

Challenges included:

- Limited visibility into client relationships across business units.
- Limited segmentation and treatment strategies for managing collections.
- Inconsistencies in the new applicant credit approval process.
- No way to monitor changes within the client base.

The Order to Cash Finance team wanted to maximize the benefits of the shared services model and their enhanced enterprise-wide client master. They quickly looked for ways to enhance their understanding of their existing client base and adopt new tools to manage the credit and collections process from order to cash.

Resolution

The Order to Cash Finance team and the Business Information Services group took a multistep approach to enhancing systems and processes:

- 1. Integrated Corporate Linkage into the newly enhanced enterprise-wide client master to provide visibility into the relationship of a business across a corporate family.
- 2. Integrated Corporate Linkage into the newly enhanced collection strategy.
- 3. Adopted the BusinessIQSM platform for new application processing and high-risk-alert notifications in a process oriented environment.

Results

The introduction of the newly enhanced enterprise-wide client master and collections strategy system occurred in parallel with the introduction of Experian's Corporate Linkage. Corporate Linkage provided visibility into the relationship of a business across a corporate family and across Experian's multiple business units. This intelligence was used to develop new collection treatment strategies that optimized the efforts of the Collections team. The Order to Cash Finance team hopes to enhance the collections process by using Experian credit scores in the future.

Combined, these efforts resulted in a 55 percent decrease in balances more than 90 days past due over 12 months. In addition, BusinessIQ is now used daily to determine how to treat new accounts. Daily alerts are used to notify analysts of significant events that may indicate a business is experiencing financial trouble such as a bankruptcy or deteriorating payment behavior. The Experian services helped maximize the benefits of the enterprise-wide client master and collection system enhancements by using the same services that help clients worldwide.

“Experian faces business challenges just like our clients that require best-in-class products and services to resolve. This case study explains how Experian's use of the Corporate Linkage service used by their clients helped enhance their internal systems and optimize collections treatment strategies.”

— **Freeman Garrett**, Senior Manager, North America Order to Cash Finance
