

AUGUST 19, 2021



Practical Applications of Artificial Intelligence in Credit, Collection & Deduction Management



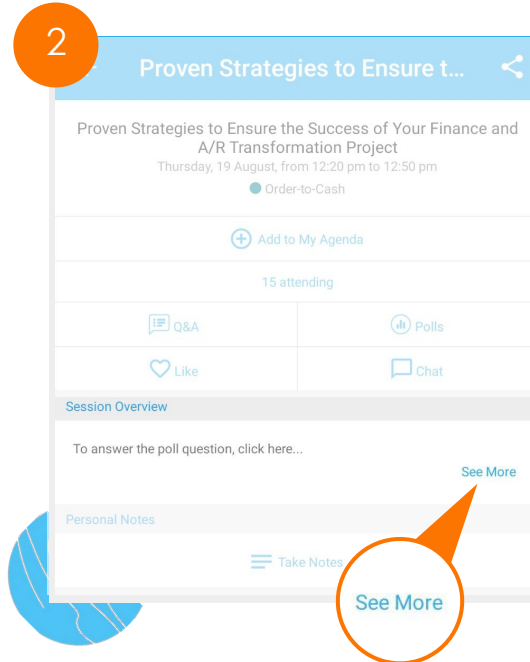
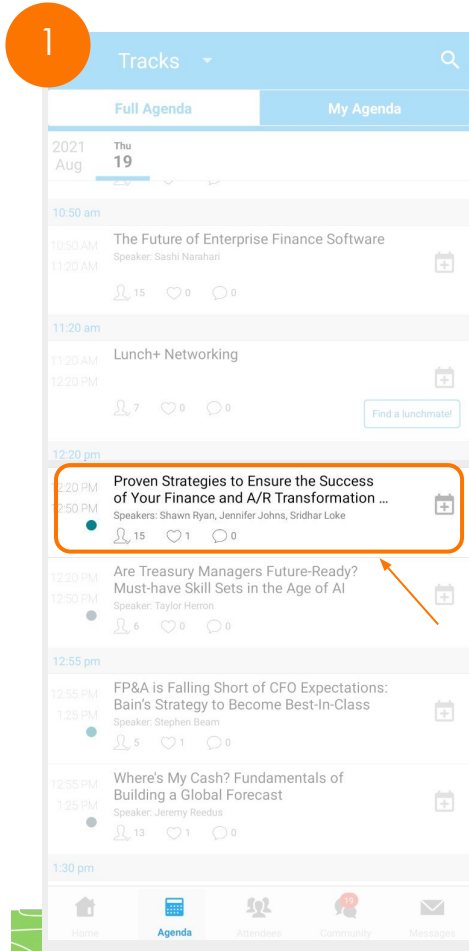
Molly Pryor

Director of Transformation Solutions - Credit & Treasury

Sirius Solutions



How can I register my vote during polling sessions?





Agenda

1. Major Challenges in the Life of Credit & Collection Teams
2. Artificial Intelligence as a Game Changer
3. Major Benefits of HighRadius Applications



Major Challenges in the Life of Credit & Collection Teams

Mitigate Credit Risk

- How can I protect the business from unexpected delinquency?
- Can I keep the risk exposure of my entire portfolio in check?
- How do I fast track approvals of credit limits?

Improve Working Capital

- How should I build the most effective dunning strategy?
- How should I improve my process efficiency?



Control Operating Costs

- How do I shift my focus from transactional activities like cash application and spend more on strategic processes like credit and collections?
- How do I make sure that I am able to maintain the perfect balance between cash flow and customer experience?

Improve Visibility Into Your Business

- How do I make sure that the C-suite can get access to all critical credit, collection and deduction related metrics at one-single place?

Sales Enablement

- How can my team is able to anticipate blocked orders and also identify growth opportunities?

slido



**Which of the 5 following
areas is your biggest
concern for the next year?**

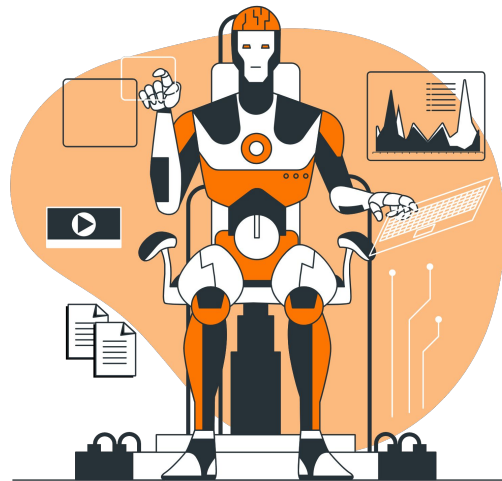
① Start presenting to display the poll results on this slide.

Artificial Intelligence as a Game Changer

Mitigate Credit Risk

- Automated or manual financial analysis for credit risk assessment and limit recommendations
- Initiates credit reviews by automatically identifying changes in risk categories sourced by agency data
- Triggers real-time risk alerts to analysts
- Automated workflow for credit approvals

- Predicts your customers next payment date enabling better dunning strategies
- Helps in dynamic customer segmentation with worklist prioritization for maximum efficiency
- Touchless dunning for low risk customers



Control operating costs of running the A/R process

- Automates 95% of cash application process saving FTE cost as well as bank lockbox fees
- Automatically downloads claim documents, POD & BOL from customer portals saving deduction team's time and effort

Improve Visibility into the business impact of A/R

- AI Enabled integrated cloud platforms create a connected network enabling easy flow of information as well as better executive visibility

Sales Enablement

- AI predicts blocked orders even before they are blocked to unlock more sales potential
- Provides release recommendations and auto-releases orders based on payments & cash app data

Real Time Credit Risk Monitoring

[Home](#)[Invoicing](#)[Collections](#)[Cash Recon](#)[Credit Risk](#)[Analytics](#)[Administration](#)

[Dashboard](#)[Worklist](#)[Customers](#)[Approvals](#)

Select filter to search...[Analytics](#)[Advanced Search](#)

[Edit](#)[Credit Limit](#)[Email](#)[Link](#)[Credit File](#)[References](#)

<<<>>>Page 1 of 1

[Refresh](#)[Filter](#)[Sort](#)

[Pending \(13\)](#)[Completed \(61\)](#)[All \(74\)](#)[Prioritize](#)

Reviews 1 - 13 of 13

<input type="checkbox"/>	Workflow ID	Workflow Type	Customer	Customer #	Processor	Credit Score	Risk Class	Calculated Credit Limit	Approved Credit Limit	Credit Exposure	Review Status
<input checked="" type="checkbox"/>	57	Bankruptcy Alert	Retailing Pvt	31531237	Nikola Tesla	0	Critical	0.00	62,000.00	42,000.00	Awaiting Ap...
<input type="checkbox"/>	60	Slow Payer	Largest Life L...	3153122344	Marie Curie	35	High	0.00	35,000.00	20,000.00	Manual
<input type="checkbox"/>	59	Rating Downgrade	Retail Chain	895503663	Marie Curie	65	Medium	40,000.00	50,000.00	39,000.00	Manual
<input type="checkbox"/>	55	Security Expiry	Public Retail...	315312290	Marie Curie	89	Low	50,000.00	50,000.00	30,000.00	Manual
<input type="checkbox"/>	52	High Past Due	Mutual Life In...	100092	Marie Curie	37	High	20,000.00	40,000.00	30,000.00	Awaiting Ap...
<input type="checkbox"/>	51	High Utilization	Packaging C...	100060	Nikola Tesla	65	Medium	40,000.00	50,000.00	49,500.00	Awaiting Ap...
<input type="checkbox"/>	50	High Utilization	Tire Manufac...	31531228	Nikola Tesla	39	High	20,000.00	23,000.00	22,000.00	Awaiting Ap...
<input type="checkbox"/>	48	New Customer	Norgren Inc	HR102856083	Nikola Tesla	83	Low	50,000.00	0.00	0.00	Awaiting Ap...
<input type="checkbox"/>	47	New Customer	Folsom Inc	HR102856082	Tim Cook	62	Medium	40,000.00	0.00	0.00	Awaiting Ap...
<input type="checkbox"/>	38	New Customer	Forsythe INC	HR102856079	Tim Cook	40	High	20,000.00	0.00	0.00	Awaiting Ap...
<input type="checkbox"/>	35	New Customer	PANTHER LLC	HR102856081	Tim Cook	87	Low	50,000.00	0.00	0.00	Awaiting Ap...
<input type="checkbox"/>	56	Tax Expiry	Health & Wel...	100902348	Tim Cook	70	Medium	40,000.00	40,000.00	29,000.00	Manual

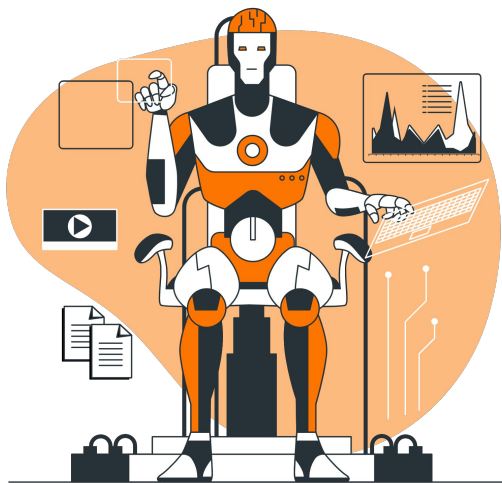
Artificial Intelligence as a Game Changer

Mitigate credit risk

- Initiates proactive credit reviews by automatically identifying change in risk categories, troubled financials
- Triggers automated real-time risk alerts to concerned teams
- Enables automated credit scoring, limit recommendations & auto-capture of credit agency data

Improve Working Capital

- Dynamic customer segmentation with priority worklist for dunning strategy and efficiency
- Predicts customers payment delays to enable proactive dunning
- Touchless dunning for low risk customers



Control operating costs of running the A/R process

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Sales Enablement

- AI predicts blocked orders even before they are blocked to unlock more sales potential
- Provides release recommendations and auto-releases orders based on payments & cash app data

Automated Customer Payment Date Prediction

The screenshot displays the highradius Collections dashboard. At the top, the highradius logo is on the left, and the user name 'Laura Edwards' with a notification bell and settings gear is on the right. Below this is a blue navigation bar with tabs: Home, Cash Application, Credit, EIPP, Deductions, Collections (active), and Analytics. Under the Collections tab, there's a sub-navigation bar with links: Worklist, Search Customer, P2P, Email Inbox, Portal Updates, Invoices, Bulk Upload, and Payments. A search filter 'Select filter to search...' is on the left, and 'Analytics' and 'Advanced Search' buttons are on the right. Below the navigation is a toolbar with icons for Assignment, Snooze, Change Collection Status, Change Customer Status, Call Log, and Calls. The main content area shows a table of customer data. At the top of the table, summary statistics are displayed: Open: 9,347,169.49, Current: 5,586,267.86, and Past Due: 5,212,221.04. The table has columns: Customer Number, Customer Name, Priority, Customer Segment, Disputed Amount, Committed Amount, DSO, and Suggested Actions. The first row is highlighted in orange and has a checked checkbox. A mouse cursor is hovering over the 'Blocked Order Notifig-' link in the Suggested Actions column for the 10th row.

Customer Number	Customer Name	Priority	Customer Segment	Disputed Amount	Committed Amount	DSO	Suggested Actions
<input checked="" type="checkbox"/> 0450024848	Rite-aid	Critical	High risk		2,773,537.04	30	2nd Past Due Notice
<input type="checkbox"/> 0450028698	WENDY'S COMPANY	Low	All Others		305,741.77	2.19	Call - Escalate
<input type="checkbox"/> 0450025167	COSTCO	High	High risk	63,931.32	11,664.50	29.54	1st Past Due Notice
<input type="checkbox"/> 0450009646	LLBEAN-INFRASTRUC...	High	Low risk		98,268.38	2.37	1st Past Due Notice
<input type="checkbox"/> 0450020083	ALDI INC	High	High risk	41,458.03	795,358.15	31.00	Final Demand Letter
<input type="checkbox"/> 0450001273	AMAZON	High	All Others		0.00	15.17	Call for Follow-up
<input type="checkbox"/> 0450021143	ONANON	High	All Others		0.00	1.38	2nd Past Due Notice
<input type="checkbox"/> 0450029510	PUBLIX AP	High	Medium risk	16,843.80	2,807.90	98.45	Call for Follow-up
<input type="checkbox"/> 0450009696	CVS	High	Medium risk	27,622.16	949,773.75	13.1	Blocked Order Notifig-
<input type="checkbox"/> 0450024884	KROGER	Medium	Medium risk	14,206.32	265,881.24	2.26	Call for Broken Com-
<input type="checkbox"/> 0450024859	SILICON GRAPHICS IN...	Medium	Low risk		0.00	1.32	Proactive Payment r-

Automated Dispute Validation

The screenshot displays the HighRadius Deductions interface. The top navigation bar includes links for Home, Cash Application, Credit, EIPP, Deductions (active), Collections, and Analytics. Below this is a secondary navigation bar with Dashboard, Worklist, Approvals, Commitments, Promotions, Tracking Information, Customer Claims, Email Inbox, Correspondence, and Variance. A dropdown menu for 'Non Trade Deductions' and an 'Advanced Search' button are also present.

The main table displays deduction records with the following columns: Id, Type, Customer Name, Reason Code, Status, Priority, Attachment List, Processor, Owner, Validity Predictor, Confidence Score, Open Amount, Original Amount, and Un. The 'Validity Predictor' column uses color-coding: orange for 'Invalid' and green for 'Valid'. A red dashed box highlights the 'Confidence Score' column.

Summary statistics at the top right of the table area: Unresolved Amount : \$13,007.49, Open Amount : \$28,725.45, Deductions 1 - 15 of 15.

Id	Type	Customer Name	Reason Code	Status	Priority	Attachment List	Processor	Owner	Validity Predictor	Confidence Score	Open Amount	Original Amount	Un
27567276	Deduction	SHAWS GT...	Returns	Payback C...	Medium	L	Chris Lee	Laura Edw...	Invalid	92.63	2,133.00	2,133.00	
27534153	Deduction	REGR WAL...	Returns	Correspon...	Medium	R	Dorothy Wl...	Sowmya T...	Invalid	92.75	1,733.68	1,733.68	
27534112	Deduction	Largest Ra...	List Price D...	Payback C...	Low	I P C	Dorothy Wl...	Laura Edw...	Invalid	91.53	530.00	530.00	
27534108	Deduction	REGR WAL...	Shortage	Payback C...	Medium	C P	Jess Saini	Laura Edw...	Invalid	99.82	2,337.26	2,337.26	
27532048	Deduction	TURKEY HIL...	List Price D...	Correspon...	Medium	P	Tim Fogarty	Laura Edw...	Invalid	91.59	1,606.30	1,606.30	
27532036	Deduction	WEI-CHUA...	Repayment	New	Medium	P C	Laura Edw...	Laura Edw...	Invalid	92.63	1,710.18	1,710.18	
27532033	Deduction	REGR WAL...	List Price D...	Open	Low	C	Tim Fogarty	Laura Edw...	Valid	98.24	834.17	834.17	
27532032	Deduction	REGR WAL...	Repayment	Open	High	C R C 2	Dorothy Wl...	Laura Edw...	Invalid	97.25	3,579.71	3,579.71	
27532030	Deduction	REGR WAL...	Returns	Oopen	Low	P C	Tim Fogaartv	Laura Edw...	Valid	97.31	750.45	750.45	

At the bottom, there is a status bar showing 'Records Selected : 0', 'Open Amt : 0.00', 'Original Amt : 0.00', 'Unresolved Amt : 0.00', and 'Deductions 1 - 15 of 15'.

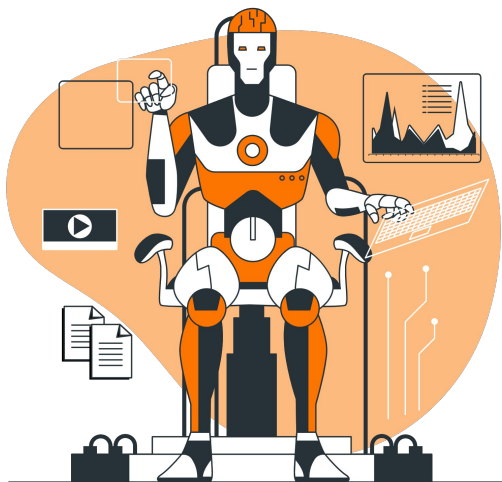
Artificial Intelligence as a Game Changer

Mitigate credit risk

- Initiates proactive credit reviews by automatically identifying change in risk categories, troubled financials
- Triggers automated real-time risk alerts to concerned teams
- Enables automated credit scoring, limit recommendations & auto-capture of credit agency data

Improve working capital availability

- Predicts your customers next payment date enabling better dunning strategies
- Helps in dynamic customer segmentation with worklist prioritization for maximum efficiency
- Touchless dunning for low risk customers



Control Operating Costs

- Automates 95% of cash application process saving FTE cost as well as bank lockbox fees
- Improves customer experience
- Automatically downloads claim documents, POD and BOL from customer portals
- Saves deduction team's time and effort

Improve Visibility into the business impact of A/R

- AI Enabled integrated cloud platforms create a connected network enabling easy flow of information as well as better executive visibility

Sales Enablement

- AI predicts blocked orders even before they are blocked to unlock more sales potential
- Provides release recommendations and auto-releases orders based on payments & cash app data

Automated Cash Application (Identifies Multiple Remittance Formats)

Payment Number: 5355750194

Customer Name: Largest Grocery Store

Remittance Source: Website

Payment Amount: 19,408.02

Customer Number: 0450019495

Linked Remittance File: [Download](#)

Payment Date: 2020-01-10

Payer Name: Largest Grocery Store

Original Payment File: [Download](#)

Exception Status: Success

Payer Account Number: 8373636384

Supporting Documents:

Exception Details:

Payer Routing Number: 736336371

Check Image:

Received Data

Transformed Data

Payment Amount: 19,408.02 Net Amount: 19,408.02 Difference: 0.00

Page 1 of 1

Received Data 1 - 5 of 5

Reference Field*	Total Amount	Discount Amount	Payment Amount	Reason Code	Reason Description	Exception Details	Reference Key1
CB-566490505	-58.40	0.00	-58.40	A176			
30317294	4,686.00	-93.72	4,592.28				
30323665	4,329.28	-86.59	4,242.69				
30304890	1,275.30	-25.51	1,249.79				
30304891	9,573.12	-191.46	9,381.66				

Automated Cash Application (Transforms unstructured data into structured)

Details

Payment Number:	5355750194	Customer Name:	Largest Grocery Store	Remittance Source:	Website
Payment Amount:	19,408.02	Customer Number:	0450019495	Linked Remittance File:	Download
Payment Date:	2020-01-10	Payer Name:	Largest Grocery Store	Original Payment File:	Download
Exception Status:	Success	Payer Account Number:	8373636384	Supporting Documents:	
Exception Details:		Payer Routing Number:	736336371	Check Image:	

Received Data

Transformed Data

Payment Amount: 19,408.02 Net Amount: 19,408.02 Difference: 0.00

Page 1 of 1

Received Data 1 - 5 of 5

Reference Field*	Total Amount	Discount Amount	Payment Amount	Reason Code	Reason Description	Exception Details	Reference Key1
<input type="checkbox"/>							
<input type="checkbox"/> CB-566490505	-58.40	0.00	-58.40	AI76			
<input type="checkbox"/> 30317294	4,686.00	-93.72	4,592.28				
<input type="checkbox"/> 30323665	4,329.28	-86.59	4,242.69				
<input type="checkbox"/> 30304890	1,275.30	-25.51	1,249.79				
<input type="checkbox"/> 30304891	9,573.12	-191.46	9,381.66				
<input type="checkbox"/>							
<input type="checkbox"/>							

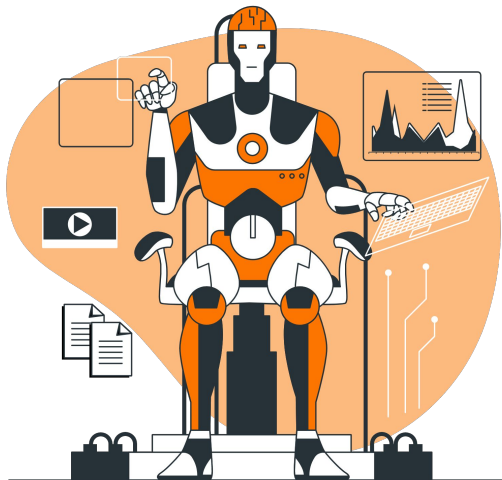
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Improve Visibility into the business impact of A/R

- Ai Enabled integrated cloud platforms create a connected network enabling easy flow of information as well as better executive visibility

Sales Enablement



- Artificial Intelligence predicts blocked orders
- Auto-releases orders based on payments and cash app data
- Provides release recommendations based on limit utilization and payment behavior
- Avoid pain points for sales and customers


Probable Blocked Order Prediction

 Laura Edwards  

[Home](#) [Cash Application](#) [Credit](#) [EIPP](#) [Deductions](#) [Collections](#) [Analytics](#)






[Worklist](#) [Customers](#) [Approvals](#) [Correspondence](#) [Orders](#) [Attachments](#)

Radiance  

 Autonomous Mode [Analytics](#) [Advanced Search](#)

[Edit](#) [Credit Limit](#) [Seasonal Limit](#) [Predicted Orders](#) [Print](#) [Email](#) [Fax](#) [Link](#) [Agency Data](#) [Credit File](#) [References](#)

Page 1 of 1

Pending (13) Completed (3) All (16)

Reviews 1 - 13 of 13

<input type="checkbox"/>	Customer Name	Customer Number	Workflow Type	Application Type	Processor	Credit Exposure	Requested Credit Limit	Calculated Credit Limit	Approved Credit Limit	Calculated Risk Class	Review Status
<input type="checkbox"/>	Intercontinent...	HR102607204	New Custome...	Privately held ...	John Moore	0.00	95,000.00	30,000.00	95,000.00	High	Awaiting App...
<input type="checkbox"/>	Norgren Inc	0450021995	Collateral Expi...	Publicly trade...	John Hopkins	65,000.00	120,000.00	150,000.00	120,000.00	Medium	Awaiting App...
<input type="checkbox"/>	Ability One Co...	0450020007	Bankruptcy Al...	Government ...	jessica butler	10,010.00	55,000.00	50,000.00	50,000.00	Highest	Awaiting App...
<input type="checkbox"/>	Aldi Süd	0450025538	Blocked Order...	Publicly trade...	Laura Edwards	45,000.00	60,000.00	50,000.00	50,000.00	High	Awaiting App...
<input type="checkbox"/>	JOE FROYO LL...	0450091932	Risk Alert Wor...	Publicly trade...	Laura Edwards	39,000.00	50,000.00	50,000.00	50,000.00	Low	Awaiting App...
<input type="checkbox"/>	Honeywell Int...	0450020000	Ad Hoc Review	Publicly trade...	jessica butler	55,000.00	150,000.00	30,000.00	90,000.00	High	Awaiting App...
<input type="checkbox"/>	Man GLG	HR102581922	New Custome...	Publicly trade...	jessica butler	0.00	50,000.00	50,000.00	38,000.00	Highest	Awaiting App...
<input type="checkbox"/>	Pacific Intern...	0450020009	Extended Ter...	Education	John Hopkins	11,100.00	35,000.00	32,000.00	30,000.00	Medium	Awaiting App...
<input type="checkbox"/>	Weber Enterp...	0450091331	News Alert	Publicly trade...	Robert Taylor	104,800.00	120,000.00	104,000.00	110,000.00	Medium	Awaiting App...
<input type="checkbox"/>	Panther Run ...	HR102583154	New Custome...	Government ...	Dorothy Willia...	0.00	65,000.00	50,000.00	50,000.00	Medium	Awaiting App...
<input type="checkbox"/>	Norgren Inc	0450021995	Tax Certificat...	Publicly trade...	John Moore	65,000.00	120,000.00	150,000.00	120,000.00	Medium	Awaiting App...



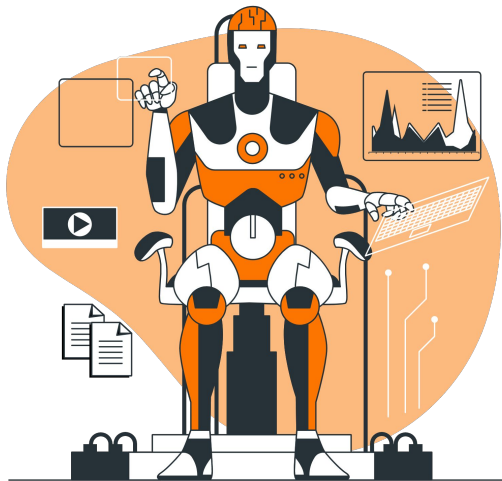
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- Automatically downloads claim documents, POD & BOL from customer portals saving deduction team's time and effort

Improve Visibility into the Business

- Artificial Intelligence enables integrated cloud platforms to achieve full potential of order to cash
- Creates a connected network for a streamlined process and transparent information.
- Results in acceleration of cash, improved business relations and enhanced customer experience
- AI predicts blocked orders even before they are blocked to unlock more sales potential
- Provides release recommendations and auto-releases orders based on payments & cash app data

Integrated Receivables Cloud Platform



Credit

Online Credit Application

Credit Bureau Integration

Credit Scoring

Credit Workflow



Collections

Collection Strategies

Notes, Reminder & Payment Commitments

Dispute Management

Automated Correspondence



Cash App

Image Data Capture

Email, EDI, Web Data Capture

Invoice Matching

Deduction Coding



Deductions

Claim POD Backup Automation

Automated Trade Matching

Shortage/ Price Variance Analysis

Automated Claim Denial Packages



EIPP

Merchant Branded Portal

Invoice Templates

Dispute Management

Payment Gateway Integration

Rivana artificial intelligence engine provides accurate decision making. Algorithm trained on \$2.2 trillion+ A/R data.



Major Benefits of HighRadius Applications

Direct Business Impact

15%

DSO Reduction

\$6 M

Increased Working
Capital

20%

Bad Debt Reduction

Process Level Impact

2X

Collector's Productivity

95%

Automated Cash
Application

100%

Reduction in Bank
Lockbox Fees

60%

Released Blocked
Orders





Thank you!



NEXT SESSIONS



O2C

HighRadius Integrated Receivables Tech Showcase

14:50 PM CT | Main Stage



TREASURY

Women in Treasury

14:50 PM CT | The Cantina

RADIANCE ON THE ROAD

HOUSTON

