The Increasing Role of Document Management Technology in Credit Management

Howard Frear

Howard Frear
Director
Sales & Marketing
EASY Software

Biography

Howard Frear has been at the forefront of major trends in the software industry for close to 18 years. He joined EASY Software (www.easysoftware.co.uk) in 2001 and during that time he has been instrumental in developing and overseeing a highly successful strategic partnership with SAP, a relationship that today accounts for more than 50% of EASY UK's software sales. Howard is also credited with many of EASY's largest customer wins including Serco Group, Cable & Wireless and Barclays Capital.

Howard is a very successful and experienced sales and marketing professional and is the driving force behind EASY Software UK's go-to-market and business development strategy. Day-to-day Howard is charged with managing the direct sales force, directing key marketing activities and overseeing strategic partner liaison.

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Abstract

The problem of Credit Management can be summed up very simply; the need to get money in to help you trade as a company/organization, and help others trade with you in turn. In this article, the author lays out the main plus points of a more digital approach to enterprise credit management.

Introduction

Credit management software is fast being adopted in organizations to automate core processes, reducing the administrative burden on employees, enabling them to focus on priority areas such as customer service. An efficient credit management system stores all the data in secure digital format, providing instant access to customer information and a detailed credit history. It provides workflow control and a complete audit trail including monitoring of promised payments, checks to approve and action credits and the ability to record and progress complaints for example. These complete digital transaction histories are also invaluable in fighting cases for non-payment.

Going digital

For goods being delivered, full documentation is captured digitally so that it can be checked against acceptance of your order. This is essential to track deliveries and protect against fraud. Outbound goods require the same processes and checks.

But a Credit Management system does not need to operate in isolation. The process of credit management can be complex and the larger the company the more touch points there are to manage. The easier and more efficient you can correlate these digital documents, the easier the management process will be, such as linking sales invoices and proof of delivery to your internal finance (ERP) system. We already have forward thinking customers who are migrating to a full self-service portal integration, with sign-on acting as proof of receipt by a customer or partner. The more transparent these processes, the more agile the system.

Document Management (DM) is also an asset when credit problems arise. You should be working to keeping the amount of time your organization is in debit to a minimum. This can be done by ensuring efficient, joined-up internal communications, ensuring everyone is copied in from the goods/service user to the purchasing team. Single line invoices sent once are better than complex, multi-line versions, which may be easier to produce, but are difficult to automate at the customer's end, which can slow down payment. Avoid duplicating invoices as they only cause bottlenecks, making it difficult to review accounts accurately in real-time.

The road to transformation

Electronic Document Interchange (EDI) allows organizations to automate the exchange of data between applications across a supply chain. Once only seen as affordable by large enterprises, integration between in-house DRM, ERP and EDI systems has now come an affordable reality, ensuring business critical data is sent efficiently and on time, whilst minimizing human error.

If you do opt to take this road as part of your digital transformation strategy, it is essential you have adequate data stream storage in place as well as providing human-readable content for query purposes at key staging points in the process.

Key differentiator

DM-empowered embedded credit management works in any business regardless of size and is the ultimate answer in streamlining operations, enabling organizations to more efficiently run internal processes and external transactions with partners.