

Generating cash fast

Optimizing working capital with machine intelligence

The COVID-19 crisis has many companies across industries scrambling for cash. One of the most effective ways to address this critical need for working capital is to tighten up inefficiencies that, in a perfect world, wouldn't exist in the first place. *Poorly managed payables and receivables. Delayed invoicing. Misinterpreted payment terms. Lost discounts.* Turning lemons like these into lemonade can help companies generate the cash flow they need to be able to make it through the crisis.

A path forward

Many organizations are looking toward the finance function as they seek to respond, recover, and thrive amid COVID-19-related challenges. Solutions such as **Deloitte Reimagine Platform** offerings and Deloitte's **Trufa** tool can help, enabling organizations to intelligently automate their accounts payable (AP) and accounts receivable (AR) processes, to optimize working capital, and to identify improvement opportunities.

Developed in collaboration with SAP® and enabled by **intelligent SAP technologies**, Deloitte Reimagine Platform offerings for finance transformation leverage capabilities such as machine learning to automate payables and receivables, while Trufa serves as a powerful AI-based tool that uses advanced analytics and machine learning to analyze transaction data—and then identify optimization opportunities related to working capital, profitability, and cost.

Key offerings from the Deloitte Reimagine Platform:

- **Accounts Payable Optimization** – Read invoices via OCR and use machine learning algorithms to automatically code and process invoices
- **Disputes and Collection Management** – Enable improved collections and manage disputes through machine learning algorithms
- **Cash Application** – Apply cash efficiently and automatically to free up customer credit and increase cash inflow

A related Deloitte offering, **LiquidityIQ™**, also can help you improve working capital management by accelerating insights for fundamentally enhancing processes, policies, procedures, and technology.

Trufa, meanwhile, offers a broad spectrum of analysis results, with a focus on outcome measures. Key capabilities of Trufa include:

- Optimization of procurement processes
- Optimization of Days Inventory Outstanding (DIO), Days Sales Outstanding (DSO), and Days Payable Outstanding (DPO)
- One-click material reduction opportunities
- Avoidance of lost discounts
- Invoice prediction and forecasting
- Simplification and optimization of payment terms



Potential benefits

- Gain transparency into process performance, and automatically identify optimization opportunities and potential based on cash and profitability impact
- Improve visibility of receivables and payables
- Optimize inventory
- Gain accurate insights into cash position and liquidity forecast
- Identify spare parts without movement
- Identify recurring patterns and simulate the impact of process changes on cash and profit
- Apply cash efficiently to help free up customer credit and increase cash inflow



How we can help

Addressing the COVID-19 crisis and getting to the “new normal” will likely require industry-specific guidance and a spectrum of skills that extend across business and technology needs. Deloitte can help, providing critical solutions and services for enabling a more resilient organization. Here are a few ways we can help position your organization to respond, recover, and thrive.

- Conduct data-driven analysis of procure-to-pay, order-to-cash, and treasury processes
- Conduct technical setup, analysis, and “quick scan” workshops to identify performance optimization opportunities, with a focus on procurement
- Review and assess existing practices against leading practices and benchmark data
- Identify current ERP usage patterns, configuration complexity, and potential business benefits
- Identify opportunities, root causes, and potential value for optimizing working capital, profitability, and costs



The Deloitte difference

Deloitte brings a tested methodology for creating value with the “built to evolve” Kinetic Enterprise™—an intelligent, responsive, cloud-enabled organization powered by a clean core and an inclusive ecosystem of capabilities. When you work with our team to optimize working capital, you get access to Deloitte’s deep industry-specific experience—which grows daily as we help enterprise leaders across the globe reimagine everything and use SAP solutions to help solve complex business challenges.

Deloitte.

Let's talk

If working capital optimization is a priority for your organization, we should talk. Contact us to learn more about how we can help you take your AP and AR processes to the next level with the Deloitte Reimagine Platform and Trufa—so you can effectively address COVID-19-related challenges as well as future waves of disruption.

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