How a Global Software Giant Increased Efficiency and Saved Costs

WITH MOVEINSYNC'S BILLING MODULE

INTRODUCTION

A leading global software giant reached out to MoveInSync with a unique problem. With 6 Indian offices and approximately 3,000 employees opting for company-sponsored commute, their billing process was long and lacked transparency. We recognized their problem and implemented our Automated Billing Module, which ultimately reduced the billing TAT and also helped improve savings.

But how did we achieve this feat? Keep reading to find out more.

# ABOUT THE CLIENT

Client :
A Global Software Giant

Focus Geography :
6 offices across India

User Base :
3100+ employees

Offering :
MoveInSync Billing

PROBLEM STATEMENT

The billing process for the client's employee commute was suffering from long processing delays. They were also faced with inaccurate and sometimes unprocessed invoices, leading to a massive backlog. Moreover, there was a lack of transparency in billing operations.
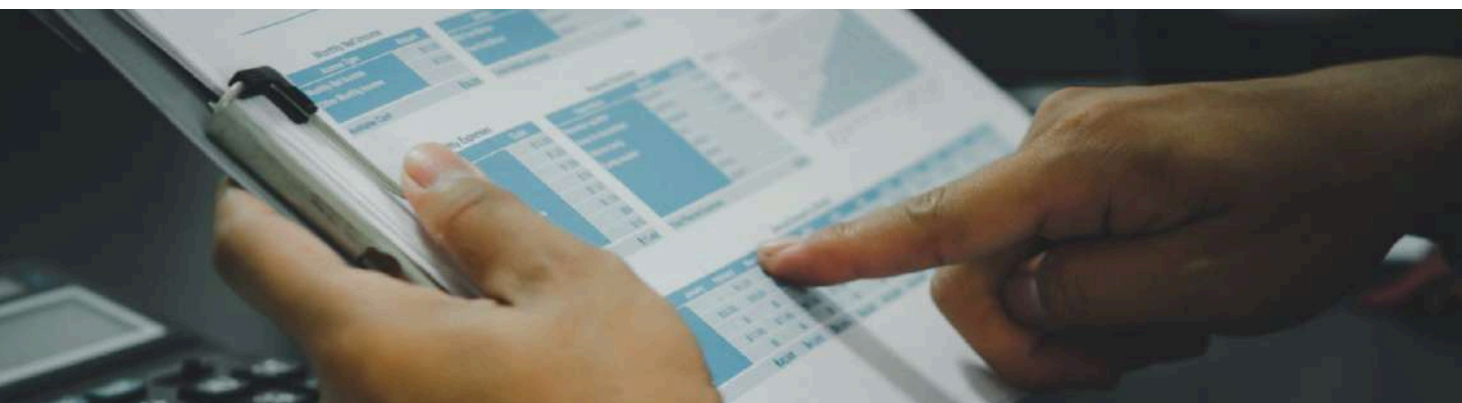
THE CHALLENGES FACED BY THE CLIENT

Prolonged Billing Closure Cycles: Monthly billing closure cycles were excessively long, extending beyond the established timelines.

Pending Billing Arrears: Five months of billing remained pending, indicating a backlog of unprocessed invoices.

Inconsistent Billing Calculations: The lack of a maker-checker system within the billing process resulted in inaccuracies and inconsistencies in billing calculations.

Limited Contract Visibility: The billing process lacked transparency, creating confusion and frustration among stakeholders.

UNDERSTANDING THE BILLING GAPS

Before implementing the MoveInSync Billing Module, we conducted an operational study to identify the gaps occurring in the organization's current commute billing operation. Our team recognized the following issues in the client's processes and operations.

1. PROCESS GAPS IDENTIFIED WHEN SETTING UP AUTOMATION

Lack of Documentation and Ownership: The absence of a signed-off process document and clear ownership identification led to a lack of clarity and accountability in the billing process. Some key factors of billing were only verbally communicated.

Ineffective Contract Management: Failure to share contracts with the billing team hindered their understanding of billing terms and conditions, potentially leading to incorrect calculations.

Inconsistent Billing Methodologies: Using multiple billing methodologies across different regions introduced inconsistencies and complexities. This posed a challenge in maintaining a standardized billing approach.

Incomplete and Inconsistent Contracts: Non-standardized contracts with missing terms across pan India created ambiguities and potential disputes, increasing the risk of financial losses.

2. OPERATIONAL GAPS IDENTIFIED WHEN SETTING UP AUTOMATION

Incomplete Penalty Application: Failure to apply penalties for absent days in all cases resulted in potential revenue loss and inconsistent enforcement of contractual terms.

Formula Mistakes in Cost Working File: Errors in the cost working file led to inaccurate billing calculations, potentially impacting the company and its vendors.

Lack of Standard Template: The absence of a standardized billing template resulted in inconsistent invoice format and content, making it difficult to review and process invoices efficiently.

Missing Maker-Checker Process: The absence of a maker-checker process increased the risk of errors and inconsistencies in billing information, potentially affecting financial accuracy and accountability.

SIMPLIFIED, STANDARDIZED, AUTOMATED BILLING

MoveInSync'c Billing Module simplified the client's billing process by helping them automate and standardize the processes.

Optimized Package Days: We evaluated the existing contract's package days, which ranged between 22-24 days, and reduced them to align with the organization's actual working days.

Automated Missing Day Adjustments: We replaced manual tracking of half days and absences in some offices with a system-driven penalty application. This ensured a consistent penalty application.

Integrated EHS System for Penalty: We implemented the EHS system for penalty calculations, leveraging system-recorded duties to streamline the process and eliminate discrepancies from manual tracking.

Standardized Penalty Terms: We standardized penalty terms across all vendor contracts to ensure consistency and streamline the billing process. We ensured that all contracts included penalty items such as OTA delay.
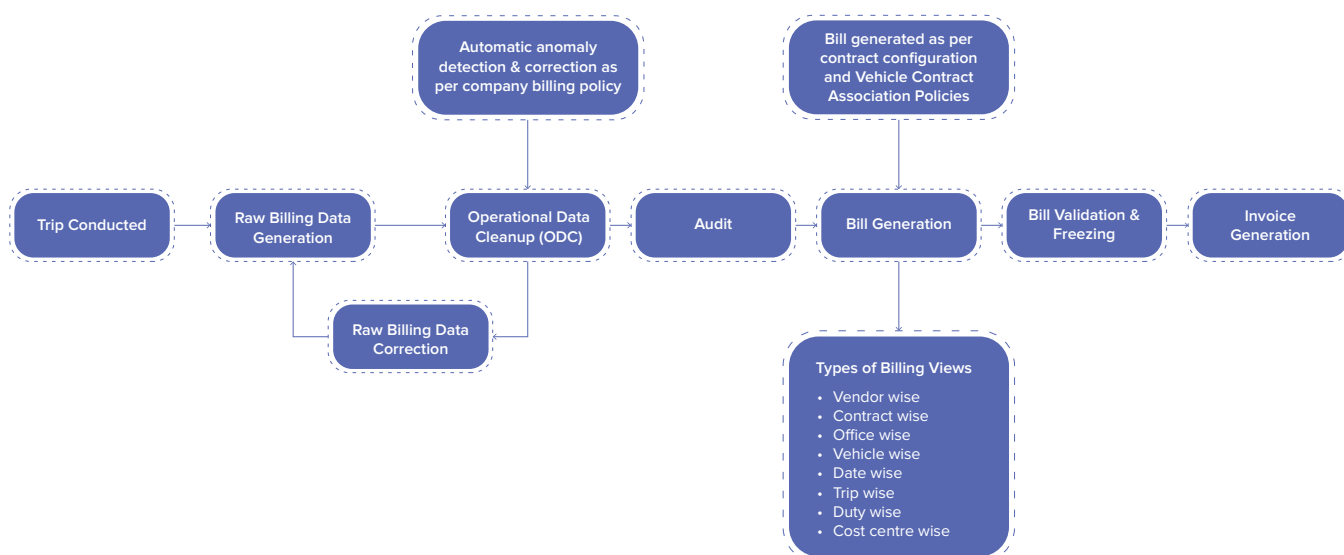
TYPICAL MOVEINSYNC BILLING AUTOMATION WORKFLOW

Fig: Effective Billing Workflow implemented by MoveInSync

Based on the automation, the client established their internal processes to input information like fuel rates, review contracts, and leverage the maker-checker facility. It streamlined the operations, and ensured timely execution of bills. By leveraging this framework, customized billing operations were conducted within the MoveInSync platform, catering specifically to the organization's unique needs.

IMPLEMENTING BEST PRACTICES FROM THE INDUSTRY

After implementing the MoveInSync's Billing Module, the company got the opportunity to follow a well-defined process flow in their Commute Billing Operations. The following best practices were introduced as part of this process:

- Enabled MTOD with a warning for vehicle allocations exceeding 12 hours, reducing the chances of reallocation of the assigned cab.
- Improved vehicle forecast by using historical data and considering future demand.
- Adjusted the penalty for absenteeism to a pro-rata model and penalized vendors for vehicle shortfall.
- Fed standardized package prices across vendors to avoid dependency on a single vendor.
- Automatically captured garage KM issues by providing clear guidelines and prorating rates for staggered operations.
- Calculated extra hours from the first pick-up to the last drop-off for accurate billing.

Automatically prorated vehicles doing less than 6 hours to avoid overcharging.
- Linked fuel price to a reliable source and calculated fuel surcharge based on an average, maximum, or daily price.
- Ensured that a base fuel price lower than the current price was defined to benefit from price decreases.
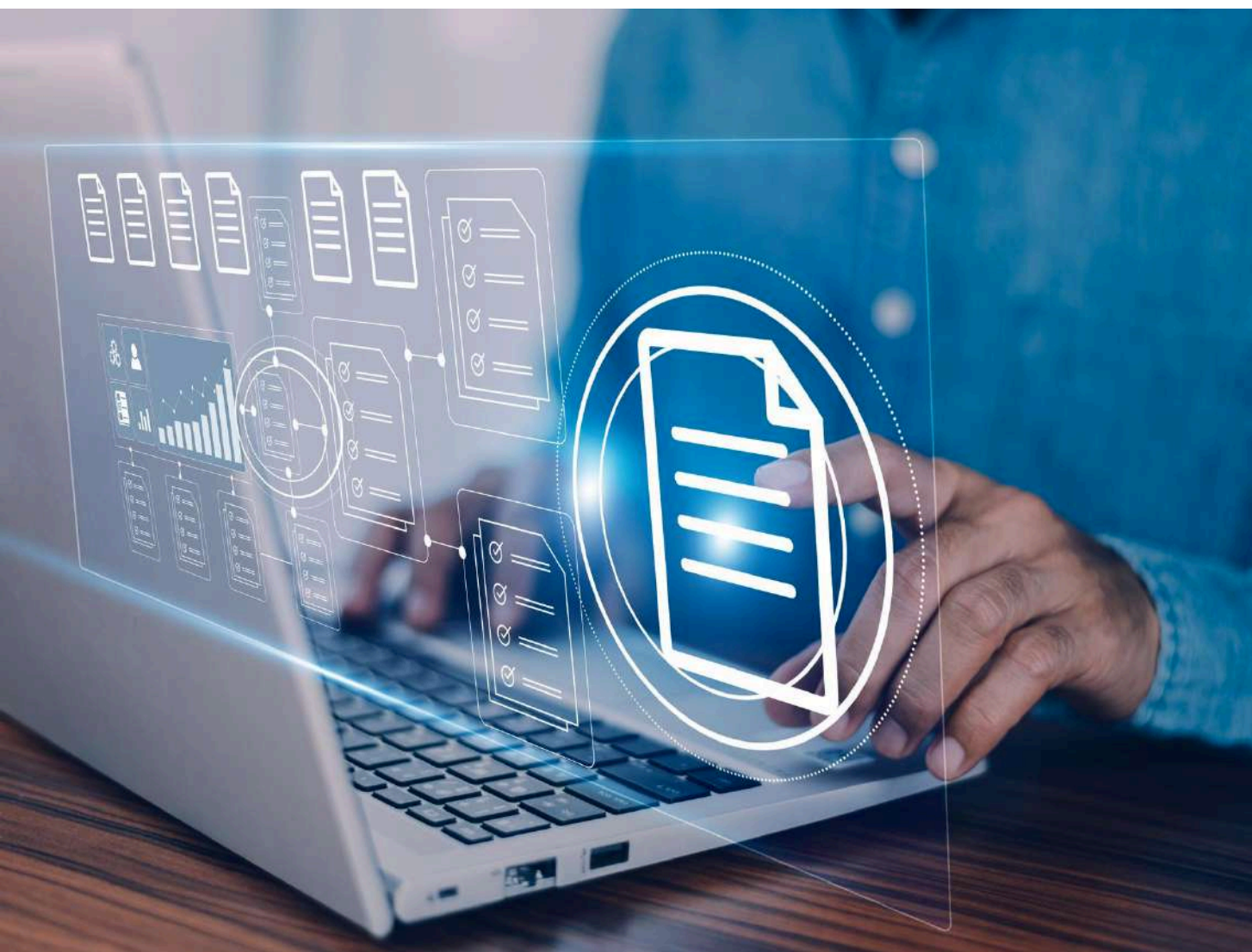
ENABLING THE BILLING TEAM

The automation module is quite sophisticated and needs a bit of hand holding initially to bring the teams up to speed. MoveInSync's product experts took care of this by following a multi-step training and enablement plan.

- People were trained with online/offline workshops and audio-visual aids across all offices.
- Enablement through multiple internal audits.
- We provided support during the standardization process.

IMPACT

With enablement of Billing Automation and overhaul of entire transport billing processes, the client was able to achieve solutions to most of their problems. The impact was direct and significant and helped make the entire process seamless and efficient.

- Drastically reduced invoice closure time from **20-30 business days to less than 3 business days**, leading to faster payments, improved cash flow management, and enhanced vendor relationships.
- Uncovered and rectified billing calculation errors, resulting in a substantial **5.7%** cost saving on transport expenses, directly contributing to the company's bottom line.
- Proactively, identified potential contract loopholes and ambiguities that could have led to costly disputes, empowering the client to negotiate more favourable terms with the vendors and safeguard their interests.
- Implemented a robust **maker-checker process to ensure the accuracy and completeness** of billing information, fostering greater trust, accountability, and data integrity within the billing process.

CONCLUSION

MoveInSync Billing Module Implementation successfully addressed the challenges faced by the client by streamlining the billing process. The implementation significantly improved efficiency, cost savings, and contract management. It reduced errors, and optimized costs, and provided the expected transparency for audits contributing to the overall financial health of the company.