

# Working Capital Analytics



A proactive approach to optimizing your company's cash

**Capgemini's Working Capital Analytics (WCA)** enables you to unlock working capital tied up in payables and receivables.

**WCA** analyzes your payables and receivables and provides actionable insights to identify opportunities for working capital improvements.

## Unlock your working capital

Many businesses suffer from a common problem: they have too much money tied up in working capital because of:

- Limited access to information and minimal or no access to real-time data necessary to evaluate working capital processes
- Insufficient time, analytical resources and expertise for focusing on optimizing working capital
- A lack of defined drilldown methodology and tools for investigating early payments, inconsistent payment terms and root causes of delayed collections

## What's the fix?

WCA is the most effective way to address each of these challenges. It eliminates waste and improves cycle time for receivables, payables and inventory to reduce working capital and unlock cash.



*Capgemini's analysis helped reduce DSO by 12 days."*

***WCA forms part of Capgemini's CFO Analytics – a suite of business process offerings to add value to your business by improving your company's top-line growth, working capital and reputation.***



*We were able to improve DPO from 29 to 34 days."*

## **Capgemini's Working Capital Analytics in action**

### **WCA improves DSO by 12 days and enhances cash flow by \$102 million**

One of our clients, a global beverage company, needed to release additional cash flow. Through concentrating on its top late-paying customers and the root causes of these late payments, Capgemini's analysis helped reduce DSO by 12 days. This also included the credit term normalization we carried out for 43 client end customers and reduced DSO by four days.

### **Benchmarking working capital and optimizing DPO improves cash flow by \$162 million**

In working with a leading agribusiness company, Capgemini identified that DPO was not on par with competitors. Through remedying inconsistent terms data in vendor records, we were able to improve DPO by four days, and also helped the client set up a specific process dealing with prepayments.

### **Inventory optimization releases \$16 million and enhances profitability**

Our client, a consumer packaged goods company, had a highly complex supply chain. By analyzing its DSI and other key KPIs, we were able to grant it an enhanced view of excess stocks and non-performing, slow-moving SKUs. The result was a \$16 million release of working capital through reducing excess stock and rationalizing warehouse space.

## **How do we add business value?**

Capgemini's WCA will help you unlock working capital tied up in payables and receivables. It will analyze the payables and receivables and provide actionable insights to identify opportunities for working capital improvements.

### **WCA enables effective analysis of working capital by:**

- Improving working capital visibility
- Identifying early payment vendors and enabling corrective actions
- Improving payment run process
- Eliminating noncompliance to payment terms
- Cost savings through optimal discount utilization
- Enabling proactive collections
- Identifying frequent default customers and enabling corrective actions
- Optimizing payment and customer terms

## How does Capgemini help the CFO reduce costs?

The backbone of CFO Analytics is Insights 360° – a platform for actionable intelligence that delivers visibility, insights, actions and impact to unlock working capital tied up in payables and receivables, and that provides insights to identify opportunities for working capital improvements.

### Capgemini's Working Capital Analytics concentrates on:

- A CXO-level Summary 360° Visualization Dashboard including prebuilt reports and benefits estimators
- Drilling down into each KPI to lowest transaction level to enable root-cause analysis
- Outlining crucial insights to help executives focus on outlying data

## Capgemini's methodology

Capgemini's Working Capital Analytics is based on Capgemini IP: robust, best-in-class tools and technology that place us at the forefront of our industry.

**Insights 360°.** Part of our Client Intelligence Center, Insights 360° is our platform for actionable intelligence that encompasses our spend, receivables and payables capabilities.

**Global Enterprise Model (GEM).** GEM is the foundation of our BPO offering and represents our proprietary industrialized methodology for helping you achieve business transformation.

**Data Model.** This represents our predefined mapping of all KPIs to ERP data to enable easy implementation.

**Insights Center.** Our Insights Center is an add-on to the Capgemini Command Center that enables you to easily access these modules.

## Why Capgemini?

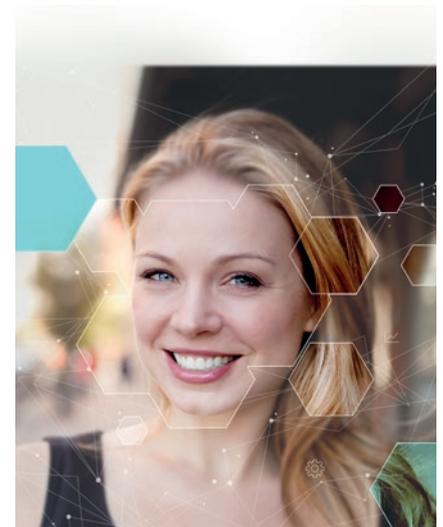
Our teams led by senior practitioners are recognized as specialists in their respective fields. The Working Capital Analytics team has a strong analytical background comprising of MBAs, Finance Graduates and Masters in Statistics who all have experience in Strategy, Consulting and Finance.

We have over 17,000 staff providing Finance & Accounting BPO services, for more than 40 clients, including many global, household names. Another 7,000 consultants work on business analytics across the globe.

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*All key Capgemini clients attest real value from the GEM methodology.”*

**HfS Blueprint Report**





## About Capgemini

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With almost 145,000 people in over 40 countries, Capgemini is one of the world's foremost providers of consulting, technology and outsourcing services. The Group reported 2014 global revenues of EUR 10.573 billion. Together with its clients, Capgemini creates and delivers business and technology solutions that fit their needs and drive the results they want. A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

Learn more about us at

[www.capgemini.com](http://www.capgemini.com)

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