

Duplicate Payment Recovery

Revitalize budgets via duplicate invoice payment recovery



An inconvenient truth

Although difficult to admit, it's likely you've invested considerable time and money on sophisticated IT systems, best-in-class processes, and on the strictest controls possible; however, it's equally likely that your company is losing money due to duplicated payments of supplier invoices. Even the best accounts payable departments cannot escape the most common causes of duplicate payments; these include human error, such as keying mistakes, duplicate vendor listings, and new or temporary staff, in addition to other factors such as IT system changes, mergers & acquisitions, or cross-company invoicing.

Duplicate payments are often discovered through unconventional means like honest suppliers alerting accounts payable of the mistake, or departmental managers discovering double charges that eat into their budgets. According to industry estimates, between 0.1 – 0.5% of total payments are processed twice, which can result in a loss of up to €5 million for a company with a transaction volume of €1 billion. The 'inconvenient truth' is that 70% of duplicate payments cannot be identified using standard measures.

You want your money back

Technological advancements and specialized services have made the process of identifying and recovering duplicate payments faster, easier, and more effective. Capgemini's robust product suite and experienced team of professionals have helped recover more than €100 million in duplicate payments over the past 3 years.

The process begins with a shrewd analysis of your transactional data and supplier statements. Next comes a comprehensive process review to reveal any gaps that may lead to duplicate payments. By examining the invoice data from different perspectives, Capgemini can identify, validate and ultimately recover overpayments, unapplied cash, and missed credits, that have gone undetected by standard approval processes and controls.

Once the analysis is completed, a list of items for recovery is produced and then reviewed with the client, who can subsequently choose whether to reclaim the money using their own resources or hand the collection over to Capgemini. Based on authorization from the client, each (overpaid) vendor identified within the rebate process will receive a letter, supporting documents to substantiate the error, and instructions for making the payment.

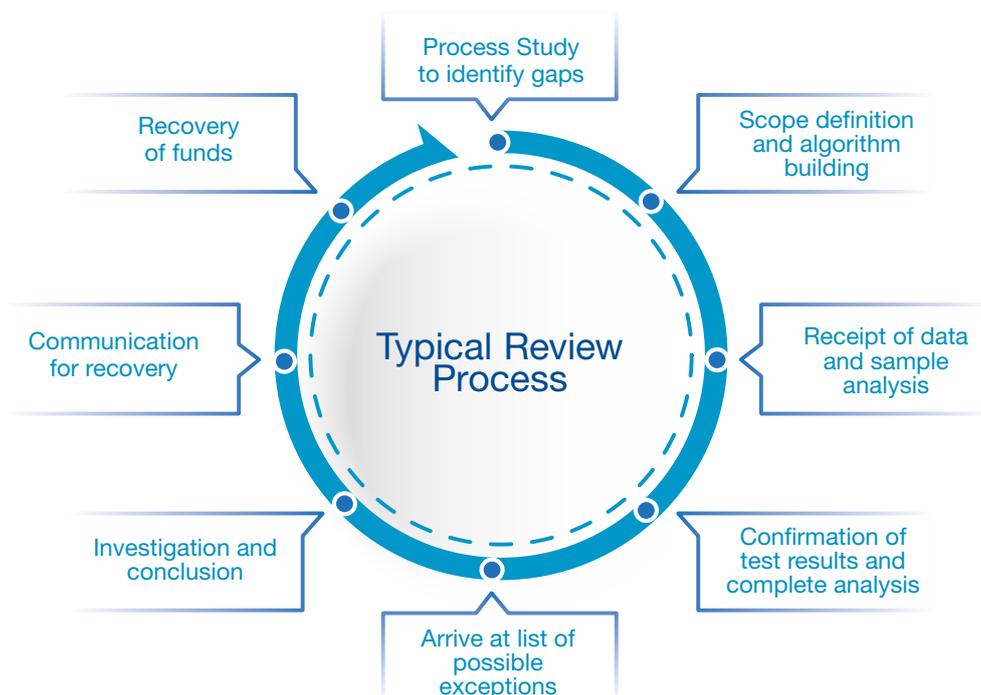
How much time do you have to invest?

Only minimal input is required from your staff. In order to perform the analysis, Capgemini simply requires a standard ERP report to get the project started.

Contingency-based service model

Capgemini's Duplicate Payment Recovery Analytics services are offered, based on three stages:

- Examination of historical data for identifying leakages
- Periodical review – carried out according to an agreed schedule – for regularly identifying and correcting leakages
- Real-time checks embedded into business processes or conducted simultaneously post transaction.



A 'no-win-no-fee' pricing structure is applied to the end-to-end model (Analyze, Identify and Recover), meaning you only pay fees using your 'rebate', benefiting both the bottom-line and your enterprise's cash flow situation. This service also includes root cause analysis - this has proven to bring about significant process improvements.

Why Capgemini?

Automation: We can achieve faster and more effective results through automated processes

- Technology: Our algorithms are in their own class and more complex in comparison to those of other service providers - we have identified duplicated payments from data already cleared by others
- Insight: Root cause analysis for all errors, and suggestions for process improvements.
- Comprehensive approach: We focus on all transactions, irrespective of transaction value
- Risk-free pricing structure: No-win-no-fee model means you only pay fees using your 'rebate' (recovered monies), benefiting both the "bottom-line" and cash flow
- Flexibility: End-to-end (Analyze, Identify and Recover) or piecemeal (Identify-only) services, depending on client requirements
- Seamless implementation: The majority of work is conducted offshore without any disruption to routine operations and the internal finance/accounting teams

Case Story Consumer Products

Initial Situation

- Client operations spread across 150 countries; more than 50 plants around the globe.
- All payments globally made from our shared services center.

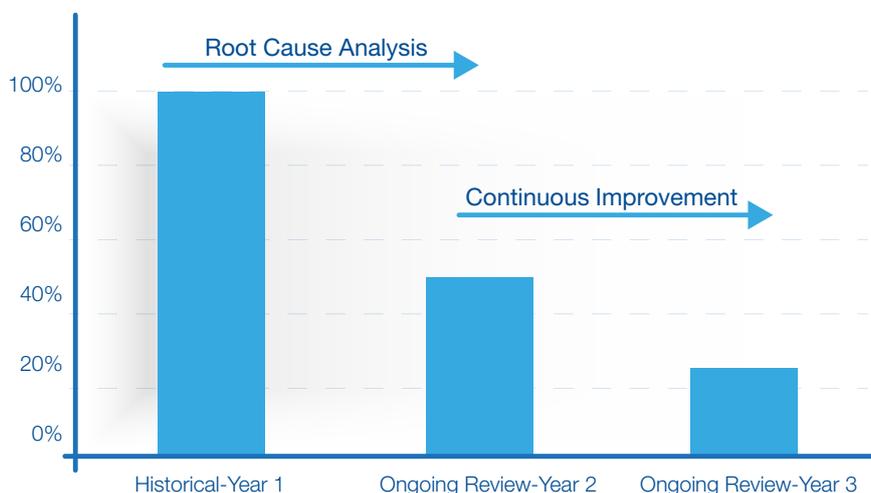
Challenges

- Large scale of operations
- Complexities of geographies and varying processes and payments
- Duplicate payments and systems unable to recognize such cases
- Manual interventions at various stages of the process, causing errors

Solution

- Capgemini designed and implemented a duplicate payment review system using its own tools and procedures
- Payment data analyzed rigorously using thirty different parameters to identify probable combinations of invoices that could represent duplications
- Each combination verified with its supporting documents to confirm whether the payments were actually duplicated or not
- The confirmed cases were then sent to the client for review
- Assisted in recovery of money
- Over \$2 million was recovered, with a continuous review system subsequently put in place to prevent such errors from reoccurring

Duplicate Payment Review



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About Capgemini

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A deeply multicultural organization, Capgemini has developed its own way of working, the Collaborative Business Experience™, and draws on Rightshore®, its worldwide delivery model.

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