

Messer Gases develops a new approach to collections

In partnership with Capgemini, Messer Gases improves the effectiveness of its credit-to-cash collections by updating the Webcollect tool, rewriting existing business practices, and restructuring its collections team

Achieving excellence in financial processes

As part of its mission to supply technical and medical gases to clients and partners across a variety of sectors, Messer Gases has built a reputation for excellence and customer service. In 2019, the company acquired a variety of Linde Gases assets in Brazil and, as part of the transition, examined its own existing processes within the context of its new teams and ways of working.

Prior to the acquisition, Messer Gases' finance teams struggled to balance its payment and sales management. When payments were not completed on time, the associated orders would get blocked, causing widespread delays. This led the company to identify finance as a major opportunity for process improvement and focused on credit-to-cash (C2C) collections as the target of its initial efforts. To clear this hurdle, Messer Gases decided to introduce new technology and ways of working. The organization selected Capgemini to carry out this work based on its previous relationship with Linde Gases and support of the recent acquisitions.

Overview

Client: Messer Gases

Region: Brazil

Sector: Energy and Utilities

Client Challenge: Following its acquisition of Linde Gases assets in Brazil, Messer Gases wanted to improve existing finance processes for its new teams and placed an initial emphasis on credit-to-cash collections

Solution: Messer Gases partnered with Capgemini to reimagine its finance processes by updating the Webcollect tool, redesigning its collections processes, and restructuring its collections team

Benefits:

- 30% cash flow increase
- 40% reduction on past due payments
- 72% decrease in unapplied cash during month-end
- 100% portfolio penetration



Collections transformation through change management and automation

Messer Gases and Capgemini began by speaking with team members and managers of the new business teams. Building on the success of these interactions, the partners set up and managed a series of workshops with business leaders and Webcollect users. These workshops provided the partners with a comprehensive view of the existing ways of working and specific challenges they would need to address. Based on this assessment, the partners then put together a plan to update the organization's C2C processes, thereby ensuring that they were better aligned with Messer Gases' overall vision and goals.

The work started by implementing a new set of tools that introduced automation into the collections process. This included a restructure of the Webcollect tool, which automated customer contact via email and significantly reduced the time required by experienced personnel. This enabled the partners to expand the role of their expert collections personnel and take on the management of invoices to ensure payments and orders were not delayed.

However, the partnership's success wasn't just about transformation and a new set of tools. Messer Gases and Cappemini also undertook a substantial change management initiative to ensure that collections agents and sales managers were prepared for the new tools and rules. Finally, the teams were reorganized so that each collector was assigned to a single sales manager, and each operated within only a single region.

Expanding upon C2C success

Following this extensive transformation project, Messer Gases and Capgemini saw a substantial improvement in the collections teams' effectiveness. Within three months, Messer Gases enjoyed a 30% increase in cash flow, a 40% reduction on past due payments, and a 72% decrease in unapplied cash.

These rapid and impactful results led the partners to expand the transformation to include purchase-to-pay (P2P), record-to-report (R2R), and tax. In each case, the partners are now interested in finding new opportunities to introduce automation and improve efficiency as well as more effective ways of working. In its continuing pursuit of excellence, Messer Gases has emphasized the importance of optimized financial processes and added yet another success to its expansive history of achievements.

I have received several positive feedbacks regarding the performance of the C2C team and would like to extend my thanks to the team from Blumenau. I know how hard it was to do this, considering the situation we were in months ago. I believe it's just the beginning of an even better future."

– **Mario Andrade** CFO, Messer Gases Brazil



Messer uses the Webcollect system in a good partnership with Capgemini. This system gives us a necessary visibility for billing, and we have all reports that helps us to manage the actions made by the collector."

– **Fabio Cara** Contract Manager, Messer Gases Brazil

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About Messer Gases

The name Messer has been associated with expertise in industrial gases for more than 120 years. Messer Gases manufacture and supply oxygen, nitrogen, argon, carbon dioxide, hydrogen, helium, inert welding gases, special gases, gases for medicinal use and a wide variety of gas mixtures.

As broad as the spectrum of gases available is the variety of industries that utilize them and benefit from the application-specific know-how of Messer Gases personnel. These include steel and metals industries, chemicals, food and pharmaceuticals, the automobile and electronics industries, medicine, research and environmental technology.

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