

# Integrated Receivables Cloud Platform

## Deductions Cloud

### Improving the Net Recovery Rate and Fast-Tracking Deductions Resolution with Deductions Cloud

With the aid of Deductions Cloud, the organizations are able to resolve disputes faster and proactively identify the invalid deductions to recover from them. Deductions Cloud ensures:

- Faster recovery of working capital trapped in invalid deductions with the help of Artificial Intelligence(AI)-based dispute validity predictor.
- Reduction in overall deduction research time due to auto-aggregation of backup documents from customer A/P portals, carrier portals, emails with inbuilt-Robotic Process Automation(RPA) technology.
- Faster deduction resolution cycle with auto-linking of backup information, such as claims and POD copy with deductions and automated validation of claims

### Impact Achieved with Proactive Deduction Management:



**77,000+**  
Claims  
Automatically  
Attached

**46,000+**  
PODs  
Automatically  
Attached

**20%**  
Reduction in Open Deductions

#### LAND O' LAKES, INC.

**23%**  
Reduction In  
Days Deductions  
Outstanding

**15%**  
Increase in Number  
of Deductions  
Resolved/FTE per day

## Benefits

**40%** Improved Net Recovery Rate for Invalid Deductions

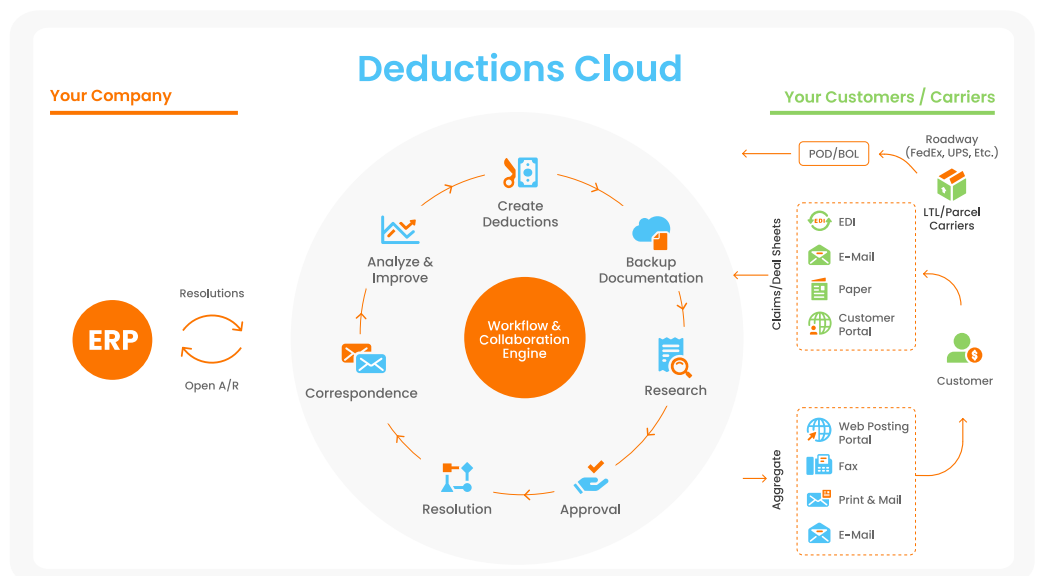
Your deduction teams can leverage the AI capabilities to predict the invalid deductions beforehand using the historical data, so that the collectors can recover faster from those invalids. Deductions Cloud helps your teams to prioritize on the quick recoveries, critical dispute resolution while it identifies the low-priority deductions to be written off.

**68%** Faster Deductions Research and Resolution

Your deduction teams can focus on resolution while Deductions Cloud auto-aggregates backup documentation such as claims, PODs through carrier portals, A/P portals, TPMs and links them to the deduction automatically.

### Improved Internal and External Collaboration through Workflows and Auto-Correspondence

Your deduction teams can seamlessly collaborate with sales, customers, brokers from anywhere, anytime through structured workflows and automated correspondences. This not only reduces the multiple to-and-fros with the customers but also fast-tracks the approval cycle.



# Key Challenges Faced by the Deductions Teams

## Time-Consuming Deductions Research and Validation: Negative Impact on Productivity

Your deduction teams have to go through a goliath task of aggregating backup documents such as claims, PODs from carrier portals, customer's A/P portals, TPMs even before they start researching and validating the deduction. Aggregating backup for 1000+ deductions every day becomes a nightmare and the analysts have to deal with complex big box retailer deductions as well. It delays the overall deduction resolution cycle and hampers analyst productivity.

## Working Capital Trapped in Invalid Deductions Eroding the Bottom-Line

According to an Attain Consulting survey, a \$1bn+ organization can potentially lose out on \$4m annually from invalid disputes which are not recovered yet. The deduction teams manually identify the invalid disputes from a 1000+ deductions every day which is equivalent to finding a needle in the haystack. The deduction validation is time-consuming, unscalable and often leads to more write-offs than recovery, eroding your bottom-line.

## Siloed Cross-Departmental Collaboration: Poor Customer Experience and Longer Approval Cycles

Based on a survey by Attain Consulting, 41% organizations identified cross-departmental collaboration as a major pain point in deductions. Your deduction teams have to collaborate with sales teams, customers, shipping teams and most of these conversations take place through emails or phone calls. Lack of structured collaboration, multiple to-and-fros with customers lead to a dent in customer experience and longer approval cycles for deduction resolution.

# How HighRadius Could Help Your Deduction Teams

## Key Features

**Auto-Aggregation and Linking of Claims and PODs** at a line-item level across emails, customer A/P portals, carrier portals ensure better utilization of the analyst's time. Deductions Cloud auto-links sales invoices, commitments from the TPM, claims, PODs with the deductions to reduce the research time.

**Prioritized Deductions Worklist** helps to prioritize your deductions by aggregating disputes, credit information from the A/R extract. **The AI-Based Dispute Validity Predictor** proactively determines the dispute validity to ensure faster resolution cycles and faster recovery.

**Trade Promotion Research Automation** reduces the research time at an analyst-level by determining the validity of the claims through **Pricing Variance** (through sales invoice, pricing sheet and claim), **Return Variance** (through sales invoice and claim), **Deal-Sheet Variance** (through retail trade documents) and **ePOS Matching** (through integration with third party ePOS data)

**Collaborative E-Workflows for Deduction Status Tracking and Approval** ensures recommended next steps for each deduction and tracking of deduction status. It seamlessly initiates approval workflow across hierarchies to fasttrack resolutions and supports note-taking and task-assignment internally.

**Automated Correspondence** simplifies customer collaboration and integrates customer email responses in a single platform. **Web portal Automation** ensures automated push of credit memo and denial correspondences to customer's A/P portals.

**Recommendations on Deduction Resolution** such as creating write-offs, credits, offsetting the deduction, trade settlement help to fasttrack resolution.

**Deductions Cloud Seamlessly Integrates with Other A/R Processes** to trigger invalid deduction workflows for collectors, creation of pre-deductions in Collections Cloud and the ability to dispute invoices through EIPP portal.

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