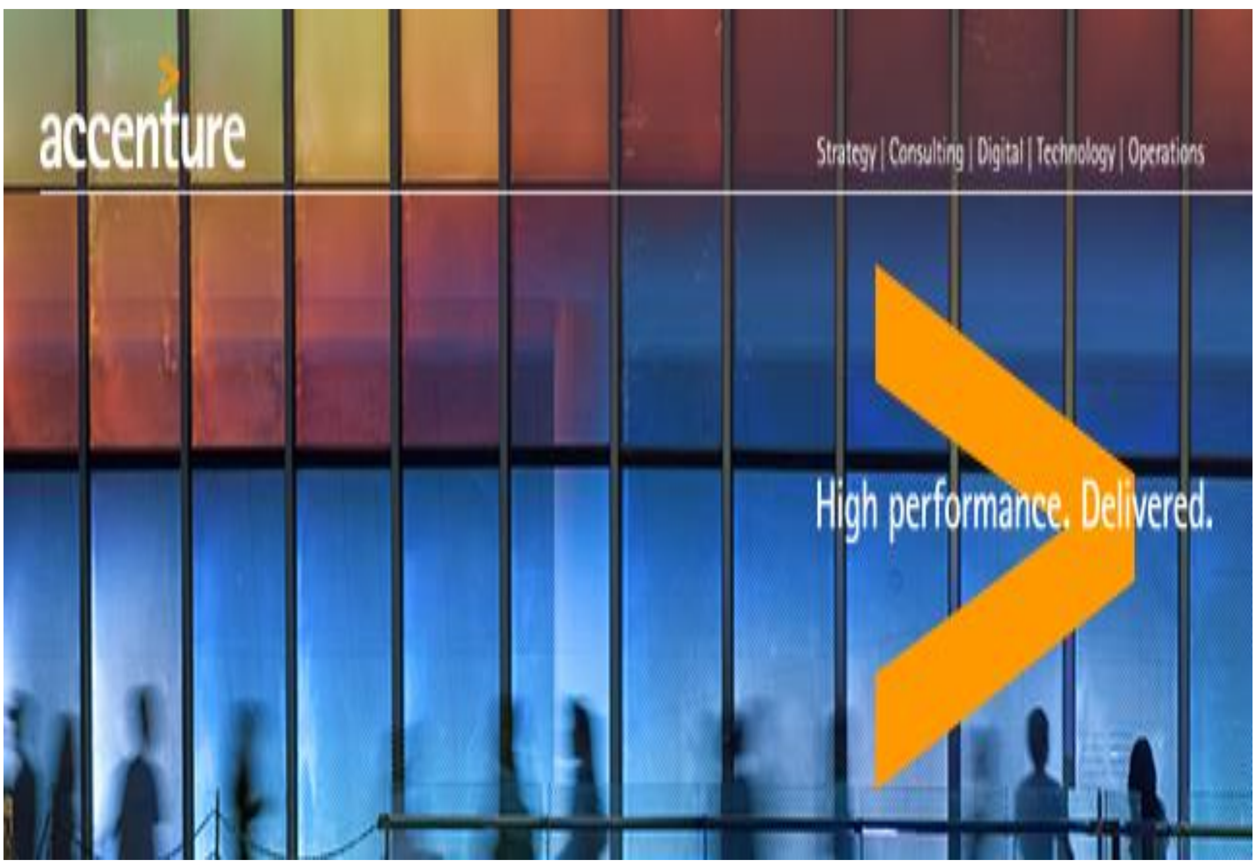
Project Report
On

"Accounts Receivable Outsourcing Process, Challenges and their Mitigation Plan"

In the Context of "Accenture Bangladesh"



PROJECT REPORT

ON

"ACCOUNTS RECEIVABLE OUTSOURCING PROCESS, CHALLENGES AND THEIR MITIGATION PLAN"

IN THE CONTEXT OF "ACCENTURE BANGLADESH"

SUBMITTED TO:

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SUBMITTED BY:

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DEPARTMENT: MBA, SEMESTER: FALL 2016

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LETTER OF TRANSMITTAL

November 29, 2016

To

Dr. Salehuddin Ahmed

Professor

BRAC Business School

BRAC University

Dhaka, Bangladesh

Dear Sir,

I am highly delighted to submit my project report on "Accounts Receivable Outsourcing Process, Challenges and Mitigation Plan." prepared based on my academic knowledge and on the job experience with your supervision and guidance. I have tried my level best to represent all the things accurately that I have learned during the project period.

I have great hope that the project report will meet your expectation and aid you in getting a clear idea about the subject. I will highly encourage if you are kind enough to receive my report. If you need any further assistance in interpreting the analysis, I will be happy to clarify you.

Sincerely yours,

Ainul Kamal

ID-14364042

Dept.: MBA, Semester: FALL 2016

… ACKNOWLEDGEMENT

All praises are due to almighty Allah who enabled me to complete this Project report. On the way of completing this project paper successfully I have got some people in favor of me, without their generous support it would have been difficult for me to complete this report.

First of all I would like to thank Professor Dr. Salehuddin Ahmed, Faculty of BRAC business school for advising & supporting me during Project Period.

As well as I want to give thanks to Mir Hasnat Doha Associate Manager of OTC (Chicago OTC & GP Winter). I would like to extent my gratitude to my all teammates, Sanowar Hossain, Mst.Morzina Khatun, Rafi Uddin Sharik, Firooze Nawer Khandakar, Sharmin Masakin, Shaiful Islam, Anas Ibne Abdul Latif, Gazi Shihab and Al Rafath. I was greatly assisted by my on job supervisor Mohammad Masudur Rahaman for his effective monitoring and also accurate direction without his generous support it would have been difficult for me.

I would like to express my sincere thanks and profound gratitude to the employees in the Accenture who helped me on the way of giving their valuable comments, feedback and suggestions during data collection.

Last not the least, I also express my heartiest thanks and gratefulness to University authority, the member of staff, faculty members for their help and valuable suggestions to complete this project.

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EXECUTIVE SUMMARY

As a part of the MBA program, each and every student has an option for spending a project period of three months in an organization and as an employee of **Accenture CIS** where I observed and learned finance & Accounting practices. Accenture has embarked their business in Bangladesh by taking over GPIT by acquiring 51% of its share. This strategic investment allowed Accenture to tap into a very robust pool of skills and capabilities in the country. Accenture Bangladesh is currently outsourcing BPO- Finance & Accounting and Infrastructure. Accenture Bangladesh's main client is Telenor. They started their outsourcing services in 2013 and their first client was GP Telenor and gradually they expand the client network and providing services to other Telenor around the world. BPO services that Accenture provide are 1. P2P (procure to pay), 2. R2R (Record to Report) & 3.O2C (Order to Cash). In order to provide these services Accenture Bangladesh has two project. They are1.Winter, 2. Chicago. My report has covered "Accounts Receivable Outsourcing process, Challenges and mitigation plan".

The whole report is divided into 4 chapters: 1. Orientation of the Study, 2. Organization Part- Accenture Bangladesh, 3. Project Part: Account Receivable Outsourcing Process. 4. Findings, Recommendations, Conclusions and finally References. The first chapter is the Orientation of the Study contains introduction- origin of the study, objective of the study, scope of the study, methodology of the study and limitation of the study. Second Chapter shows details about Accenture Bangladesh. The third chapter shows business in Bangladesh of Accenture and their client. End to end discussion, evaluation & analysis about AR Outsourcing and its financial process & productivity. The last chapter shows findings of challenges that OTC team faces in AR outsourcing & suggestions which can be used as mitigation plan. Finally, the conclude part of the report and the references that has been used in preparing this report.

CHAPTER: 01

Orientation of the Study

1. INTRODUCTION

Today's business operates in a rival and competitive environment. The exponential growth and advancement in IT (information technology) is a significant factor that influence today's business environment. This of course, has made a rival competition among organizations. Therefore, if organizations wish to remain successful and to be competitive, managers need to employ technologies for the benefit of their organizations. This in turn helps organizations improve information flow, reduce costs and streamline business, offer product variety, establish linkage with suppliers and reduce response time to customer needs and expectations (Yoo, Vonderembse & Ragu-Nathan, 2011; Alavi & Leidner, 2001). Organizations may be composed of different dispersed units that require integration. Therefore, managers can focus on ICT (information and communication technologies) to integrate information and communication across units of an organization. Currently, a popular approach to the development of an integrated enterprise-wide system is the implementation of an enterprise resource planning (ERP) system (Beheshti, 2006). Enterprise resource planning (ERP) is often considered as one of the solutions for organizations to survive (Rao, 2000). ERP systems can successfully integrate the processes of each department, decrease costs, improve effectiveness, increase clients' level of satisfaction and immediately share information with the whole enterprise (Davenport et al, 1998).

Accenture Operations combines technology that digitizes and automates business processes, unlocks actionable insights, and delivers everything-as-a-service with our team's deep industry, functional and technical expertise. So that any organization can confidently chart their course to consuming the core business services on demand, accelerate innovation and speed to market. Welcome to the "as-a-service" business revolution. Based on this context, this project provides an excellent opportunity to understand and resolve some of the important issues associated with the accounts receivable outsourcing process of an organization and generally the challenges they face and their mitigation plan

1.2: OBJECTIVE OF THE STUDY

The main objective of this report is to identify the effectiveness of outsourcing of an organizations core business process along with the following:

1. To have a clear idea about Accounts Receivable Outsourcing Process by **Accenture CIS**.
2. Post-implementation impact of **ERP** usage on **Accounts receivable** Activities of any organization.
3. Management visibility and Cross-functionality, Authority and Decision rights, and Overall impact on organization.
4. The challenges **Accounts Receivable** team face and ways to overcome.
5. To Implement Academic Knowledge in the Real Corporate World.

6. Provide Recommendation and insight for critical challenges and to have a sustainable business growth.

1.3: ORIGIN OF THE STUDY

I am very glad for getting the opportunity to accomplish my project through practical experience in the Accenture CIS. This project report is a partial requirement of MBA Internship Program with major in Finance under the Faculties of School of Business in BRAC University.

1.4: SCOPE OF THE STUDY

The scope of this report is limited to Accenture CIS. The study focuses on the effectiveness of ERP system in financial & accounting process of Business Organization. This report has details of the financial & accounting outsourcing procedure by Accenture. This study covers the pieces of jobs done in these sections. It also highlights:

- ✓ An overview of financial & accounting operation support provided by Accenture CIS.
- ✓ Performance of financial & accounting outsourcing.
- ✓ Services offer by Accenture
- ✓ An overview of ERP System.

1.5: METHODOLOGY OF THE STUDY

1.5.1: Data Collection

For achieving the specific objective of this study, data were gathered from both primary and secondary sources.

A. Primary Sources

Primary data is collected through observation of the operational activities with Face to face discussion to my supervisor and colleagues, online conversation with the clients.

B. Secondary Sources

Data that were published before for some other reason can be collected using internal and external sources.

i) **Internal Secondary data:** To furnish the report properly some papers has been collected from the database of Accenture CIS. Information from internal reports, journals, and other published documents have been used. Besides other published information about the organization, depth interview of the line manager associate-manager and the on job supervisor have also taken.

ii) **External Secondary Data:** For better interpretation some data has been collected through Internet Browsing is also one source of external Secondary data.

1.6: LIMITATIONS OF THE STUDY

Secrecy or confidentiality is a crucial matter in BPO sector. As an employee it was not possible to disclose or publish those topics.

- ✓ Not able to collect information from all the teams of Accenture CIS.
- ✓ It was difficult to find out the gap between rules and regulations and real life practice.So, I went under a huge stress to find out those matters.
- ✓ Improper combination among various departments.
- ✓ The employees are too busy to provide me much time for interview.
- ✓ The "Accounts Receivable Outsourcing" does not represent the total business process outsourcing operations of Accenture CIS.
- ✓ Accessibility of the information.

CHAPTER: 02

Organization Part

2.1: AN OVERVIEW OF ACCENTURE BANGLADESH:

Accenture is one of the world's leading professional services companies, with capabilities in consulting, strategy, digital, technology and operations and one of the fortune global 500 companies in world. Accenture, with more than 319,500 people is serving clients more than 200 cities in 120 countries. Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture help organizations to maximize their performance and achieve their vision. Accenture collaborates with clients to help them become high-performance businesses and governments.

Accenture has embarked their business in Bangladesh by taking over GPIT (Grameenphone IT) by acquiring 51% of its share. This strategic investment allowed Accenture to tap into a very robust pool of skills and capabilities in the country. Currently, they are outsourcing technology and BPO-Finance & Accounting

2.2: Accenture Hierarchy:

Accenture has designed their hierarchy in level of 1-13.

Level (1-5) – They are called Accenture leadership position; they do not disclose the designation who are of those level.

Level 06- Senior Manager

Level 07- Manager

Level 08- Associate Manager

Level 09- Specialist/Team Lead

Level 10-Senior Analyst

Level 11- Analyst

Level 12- Associate

Level 13- New Associate

2.3: Core Values of Accenture CIS:

Accenture’s core values shape the culture and define the character and define the character of the company; these core values serve as a foundation in how Accenture act and make decisions. Accenture people live the core values through individual behaviors

- ✓ **Stewardship**

Stewardship means building a better company for future generations, acting with an owner mentality, developing their people and helping improve communities and the global environment.

- ✓ **Best people**

Best people mean attracting, developing and retaining the best talent for their business, challenging their people, demonstrating a can-do attitude and fostering a collaborative environment.

- ✓ **Client Value Creation**

Client value creation means enabling clients to become high performance business and creating long term relationships by being responsive and relevant and by consistently delivering value.

- ✓ **One Global Network**

One global network means leveraging the power of global insight, relationships, collaboration and learning to deliver exceptional service to clients wherever they do Business.

- ✓ **Respect for the Individual**

Respect for the Individual means valuing diversity and unique contributions, fostering a trusting, open and inclusive environment and treating each person in a manner that reflects Accenture’s values.

- ✓ **Integrity**

Integrity means being ethically unyielding and honest and inspiring trust by saying what Accenture mean, matching their behaviors to their words and taking responsibility for their actions.

2.4: ACCENTURE BUSINESS INCLUDES:

ACCENTURE STRATEGY

Accenture strategy is where they shape their client's future, combining deep business insight with the understanding of how technology will impact industry and business models. Accenture operates at the intersection of business and technology, bringing together their capabilities in business, technology, operations and function strategy to help their clients envision and execute industry-specific strategies that support enterprise-wide transformation.

ACCENTURE CONSULTING

Accenture consulting comprises the people who work in five operating groups: Communications, Media & Technology, Financial Services, Health & Public Service, Products and Resources. They are industry experts with the insights and capabilities to help transform the world's leading companies. Accenture Consulting orchestrates and brings together the best of Accenture from across the organization, and has primary responsibility for building and sustaining long-term client relationships.

ACCENTURE DIGITAL

It combines their capabilities in digital marketing, analytics and mobility to help clients unleash the power of digital to transform their businesses. They help clients use digital technologies to deliver more meaningful and relevant customer experiences across all channels and customer segments, as well as to create new products and business models and to optimize the efficiency and effectiveness of their internal operations.

ACCENTURE TECHNOLOGY

This harnesses the power of technology to drive innovation, deliver cutting-edge solutions and increase productivity. It comprises two primary areas: Technology Delivery, which includes global delivery capabilities as well as application services—spanning systems integration and application outsourcing—and our portfolio of software solutions; and Technology Innovation & Ecosystem, which includes the R&D activities in our Technology Labs and the management of our alliance relationships across the ecosystem.

ACCENTURE OPERATIONS:

This provides business process outsourcing, infrastructure consulting, infrastructure outsourcing, securities and cloud services, including the Accenture Cloud Platform. Accenture transform, build and operate IT infrastructure and business processes on behalf of clients to help improve their productivity and performance.

CHAPTER: 03

Project Part

3.1 Introduction:

My project basically focuses on the Accounts Receivable Outsourcing service provided by Accenture CIS. For which I have gone through the end to end operations of account receivable outsourcing process.

Order to Cash (OTC) normally refers to the business process for receiving and processing customer sales.

Order to Cash, Accenture-Dhaka team is delivering the following Accounts Receivable (AR) services to its customers:

1. AR Invoice Processing/Billing (Manual/Import)
2. Credit Memo Processing
3. Generation and Distribution of Dunning Letters to End Customers
4. Cash Applications and booking of Incoming Payments in GL
5. AR Invoice Write-Off
6. Refund to Customer
7. Period AR Module Closure
8. Period AR-GL Reconciliation

3.2 Objective:

The Objective of this document is to describe the actual Order to Cash Process, sub-process including the activity details. The Purpose of this document is to be used for planning, training, on-boarding, identification of improvement etc.

3.3 Scope:

This document covers Account Receivable Services from the following perspective:

3.3.1 AR Invoice Processing/Billing:

AR Invoice Processing/Billing includes manual invoice processing using OEBS AR Module and also AR Invoice import through interfaces. The Invoices are issued by one Telenor group company to another Telenor Group company and to any external company/entity.

3.3.2 Credit Memo Processing:

Credit Memo Processing in Oracle AR Module includes creating Credit Memo (CM) based on customer request.

3.3.3 Generation and Distribution of Dunning Letters to End Customers:

Dunning Letter is a time triggered event and is done as per timelines (14^{th} and 28^{th} day of each month) agreed for customer. Dunning Letter is a program that is run in OEBS to send reminders to customers who need to pay the amounts owed to the company. The reminders are sent twice by Order To Cash team and are generated through a process.

First Dunning Letter (Betalingsvarsel i.e Notification of Payment) Level 1 is set automatically after 5 days since the Invoice is due.

Second Dunning Letter (Inkassovarsel i.e Notification of Debt Collection) Level 2 is set automatically after two weeks since the first letter has been generated.

Order To Cash, Accenture-Dhaka team is only responsible for sending two reminders i.e. Dunning Letters to Customer. In case the Customer does not take any action after reminders, OTC team is not responsible for chasing odd creditors.

3.3.4 Cash Applications and booking of Incoming Payments in GL:

Cash application Process mainly involves process of Incoming Payments from Customers against an Invoice. These receipts are later created in Oracle AR Module manually and apply to the respective Invoices.

Booking of Incoming Payments in GL Module includes booking of collection from Customers through manual Journal Entry.

3.3.5 AR Invoice Write-Off:

AR Invoice Write-off includes adjustment of Invoice amount for deduction of bank charge or withholding tax. Based on the request from respective business unit Accenture-Dhaka team does the necessary adjustment in AR Invoice amount.

3.3.6 Refund to Customer:

Refund to Customer means when Telenor End Customer wrongly paid against a Credit Memo or excess that amount need to be refund. After doing the necessary adjustment in AR, Order to Cash team forwarded the request to Payment team for further processing.

3.3.7 Period AR Module closure:

Period AR Module Closure is a monthly activity and will be done for each month in the year. Period AR Module Closure includes the following activities:

i) Check for any Incomplete Transactions in OEBS

ii) Transfer AR Transactions to GL

iii) Post transactions in GL

iv) Open period, close period and set future periods

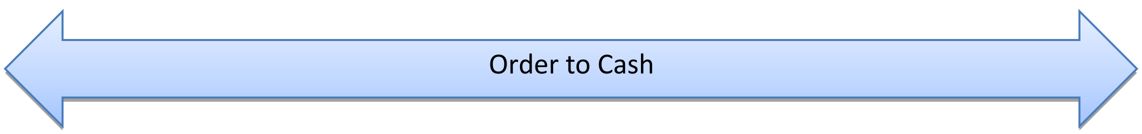
3.3.8 Period AR-GL Reconciliation:

Period AR-GL Reconciliation means reconcile account balances of receivables from two reports, Aging bucket report from AR and Trial balance report from GL.

3.4 Value Chain Model of Order to Cash

Order to Cash:

Order to Cash (OTC) is mainly responsible for AR manual Invoice processing based on the request send by Telenor Business Units to its Customer. It's also includes Invoice Import, Credit Memo Creation, Issuing Dunning Letters, Cash Application, Invoice write-off and Refund to Customer.



3.4.1 The end to end Order to Cash process consists of 7 major sub-processes:

AR Invoice Process	
1. AR Manual Invoice Processing	**Sub-Process Responsible:** Mir Hasnat Doha AR Invoice Processing/Billing includes manual invoice processing using Oracle AR Module and also AR Invoice import through interfaces ✓ **Input: Invoice Template** ✓ **Input: Invoice Booked in AR** ✓ **Timeliness:** Two Business working day
2.Import Invoice	**Sub-Process Responsible:** Mir Hasnat Doha AR invoices are imported in OEBS by AR Unit includes Running a few request in AR to fetch invoice data from the file placed on the server first to "AR Interface" and then to AR Module. ✓ **Input:** File placed in the Server ✓ **Output:** Invoice Processed in Oracle AR Module ✓ **Timeliness:** Event Triggered
3. AR Credit Memo Processing	**Sub-Process Responsible:** Mir Hasnat Doha Credit Memo Processing includes manual and direct credit memo creation in Oracle AR Module. ✓ **Input:** Credit Memo Template/Mail ✓ **Output:** Credit Memo Booked in AR. ✓ **Timeliness:** Two Business working day

4.Generation of Dunning Letters	**Sub Process Responsible: Mohammad Masudur Rahaman** Dunning letters is a program that is run in OEBS to send reminders to customers who need to pay the amounts owed to the company. **Input:** Request Run in Oracle **Output:** Dunning Letters **Timeline:** Twice in a Month
5.AR Invoice Write-Off	**Sub Process Responsible: Mohammad Masudur Rahaman** AR Invoice write-off includes adjustment of AR Invoice based on BU's request for deduction of Bank Charge or withholding Tax. **Input:** Request Received from BU **Output:** Invoice Written off in Oracle **Timeline:** Event Triggered
6.AR Period Closure	**Sub-Process Responsible:** Mir Hasnat Doha **Period AR Module Closure** is a monthly activity and will be done for each month in the year. **Input:** All AR Transaction has been booked in AR Module **Input:** AR Period Closed **Timelines:** Monthly
7.AR-GL Reconciliation	**Sub-Process Responsible:** Mir Hasnat Doha

	Period AR-GL Reconciliation means reconcile account balances of receivables from two reports, Aging bucket report from AR and Trial balance report from GL. **Input:** Aging bucket report from AR and Trial balance report from GL **Output:** AR-GL Reconciliation **Timelines:** Monthly

3.4.2 Roles & Responsibilities

RACI matrix describes the participation by various roles in completing tasks or deliverables for a project or business process. This section can be used to describe the split of responsibility among the parties related to the process. The responsibility will be described using the following definitions:

- **R=Responsible** – Those who do the operational work to ensure documents are maintained and that changes are approved and reflected in official documentation.
- **A =Accountable (Approver)** – The one ultimately answerable for the operational task and the one who delegates the work to those responsible.
- **C= Consulted –** Those whose options are sought, typically subject matter experts; and with whom there is two-way communication.
- **I= Informed –** Those who are kept up-to date on progress on completion of task; and with whom there is just one-way communication.

Responsibility	**Accenture-OTC Team**	**Telenor Business Units**	**Telenor GSS**
AR Manual Invoice Processing	R,A	**C,I**	**C,I**
AR Auto Invoice Processing	R,A	**C,I**	**C,I**
AR Credit Memo Creation	R,A	**C,I**	**C,I**
Cash Application	R,A	**C,I**	**C,I**
Generation of Dunning Letters and Distribution	R,A	**C,I**	**C,I**
AR Invoice Write-Off	R,A	**C,I**	**C,I**
Refund to Customer	R,A	**C,I**	**C,I**
AR Period Closure	R,A	**C,I**	**C,I**
AR-GL Reconciliation	R,A	**C,I**	**C,I**

3.5 Process model

The process model of Order to Cash outlines the major sub-processes as well as end to end activity details. It also identifies the sub-process or activities where any Performance Indicators (PI) have been defined for measurement and control.

S. No	Sub-Process		Activities	Performance Indicator exists [Y/N]
1	AR Manual Invoice			
		1.1	Validate Invoice Template Information	N
		1.2	Enter Invoice in OEBS AR	Y
		1.3	Generate KID Number (Applicable only for TE, FJ, BR)	N
		1.4	Print Invoices (Soft Version)	N
		1.5	Distribution Invoices	N
		1.6	Store Invoice Templates on F-Disk	N
2	AR Auto Invoice Processing			
		2.1	Receiving notification email	N

S. No	Sub-Process		Activities	Performance Indicator exists [Y/N]
		2.2	Importing of Invoice in Oracle	N
		2.3	Run Auto Invoice Master Program	N
		2.4	Creating invoices in OEBS	Y
		2.5	Extract Transaction Register	N
		2.6	Confirmation to Customer	N
3	AR Credit Memo Creation			
		3.1	Validate Credit memo Template Information	N
		3.2	Create Credit memo in OEBS	Y
		3.3	Print Credit Memo (Soft Version)	N
		3.4	Distribution of Credit Memo	N
		3.5	Store Credit Memo Templates on F-Disk	

S. No	Sub-Process		Activities	Performance Indicator exists [Y/N]
4	Generation of Dunning Letters and Distribution			
		4.1	Run report named “IEX: Scoring Engine Harness”	N
		4.2	Run report named “IEX: Send Dunning’s for Delinquent Customers”	N
		4.3	Verification of Reports	N
		4.4	Distribute letters (Soft Version)	N
5	AR Invoice Write-Off			
		5.1	Receiving write off request from BU	N
		5.2	Set Up the user limit for Write off in AR Module	N
		5.3	Perform adjustment in the customer balance	N

S. No	Sub-Process		Activities	Performance Indicator exists [Y/N]
6	AR Period Closure			
		6.1	Check for incomplete invoices	N
		6.2	transfer from AR to GL	N
		6.3	Post Transactions in GL	N
		6.4	Open, Close period and set Future Periods	Y
7	AR-GL Reconciliation			
		7.1	Prepare reconciliation schedule for the month	N
		7.2	Open the Trail balance report	N
		7.3	Open the Ageing 7 bucket report	N
		7.4	Perform AR-GL Reconciliation	Y
		7.5	Save reconciliation schedule F-Disk and in share point of than E3, G3 and	N

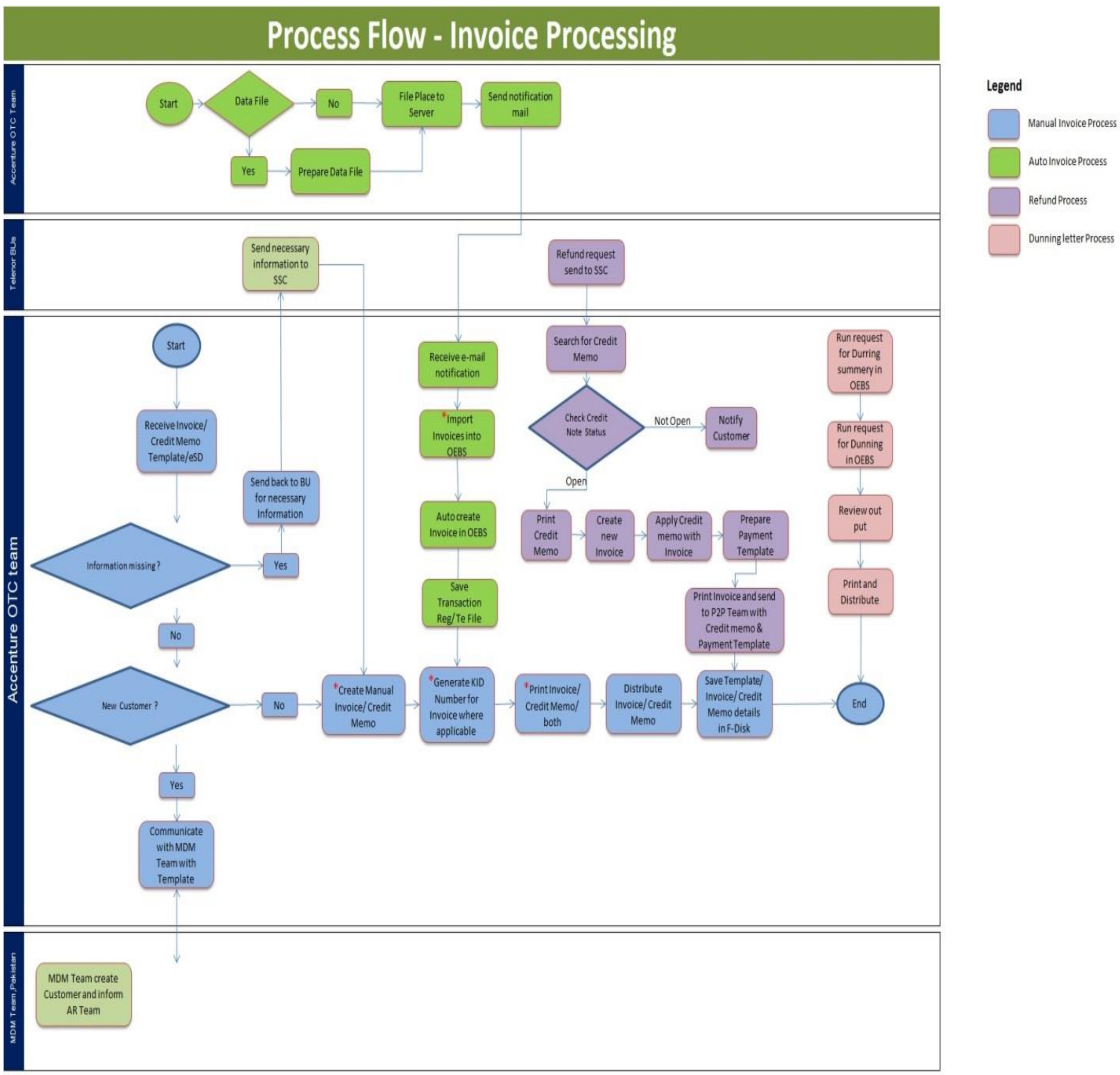
S. No	Sub-Process		Activities	Performance Indicator exists [Y/N]
8	Cash Application			
		8.1	Check and print the Payments received in Bank	N
		8.2	Check the availability of invoices for application of receipts	N
		8.3	Create Receipts	Y
		8.4	Apply Receipts to invoice(s)	Y
		8.5	Booking of Incoming Payments in GL	N

* All Process Indicators (PI) is added to the KPI handbook of Centralized KPI Reporting Team.

3.5.1 AR Invoice Processing

The AR Invoice Processing describes the following basic business functions:

- Manual Invoice Processing
- Auto Invoice Processing
- Refund Process
- Dunning Letters



* For BU specific requirements/exceptions please see the Exception Handling Matrix

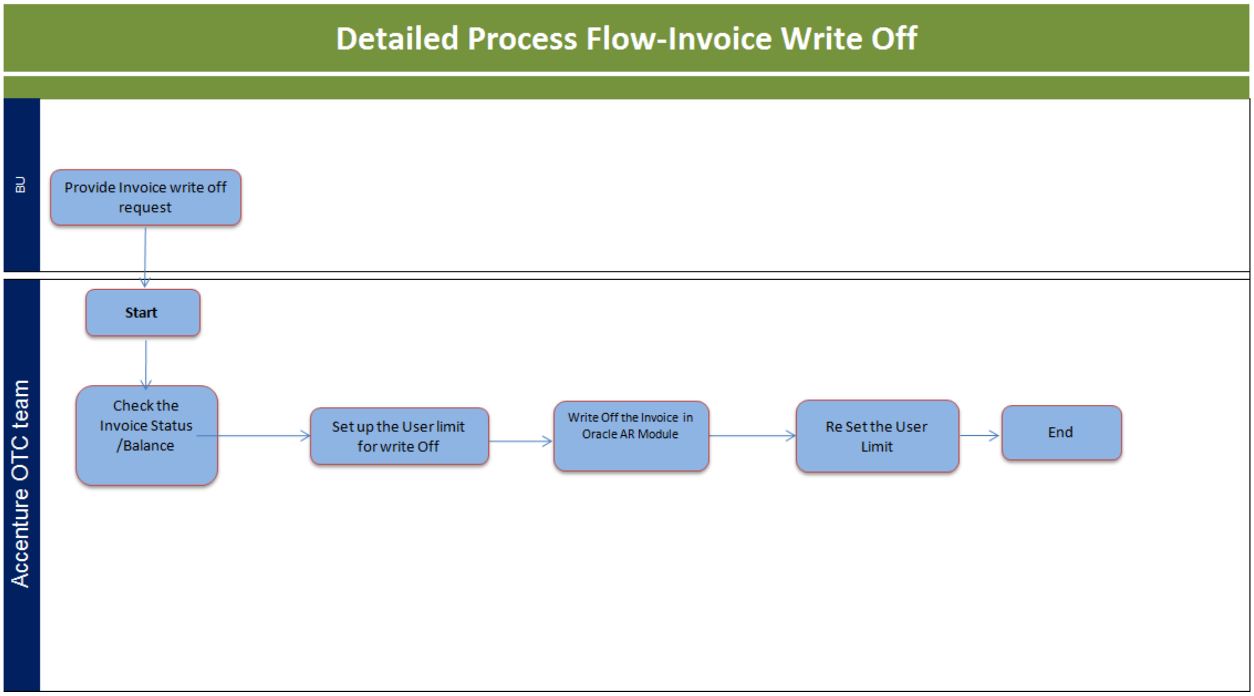
Related SOP/Template/Guideline/Process list:

SOP/Template/Guideline/Process name	Accenture Process Owner	Process Owner
DTP-Manual Invoice Processing	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP-Invoice Import FJ	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP-Invoice Import BR	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP-Invoice Import-TE	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP -Generation of Dunning Letters	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP-Refund to Customer	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg

3.5.2 AR Invoice Write off

AR Invoice Write-off includes adjustment of Invoice amount for deduction of bank charge or withholding tax.

Based on the request from respective business unit Accenture-Dhaka team does the necessary adjustment in AR Invoice amount.



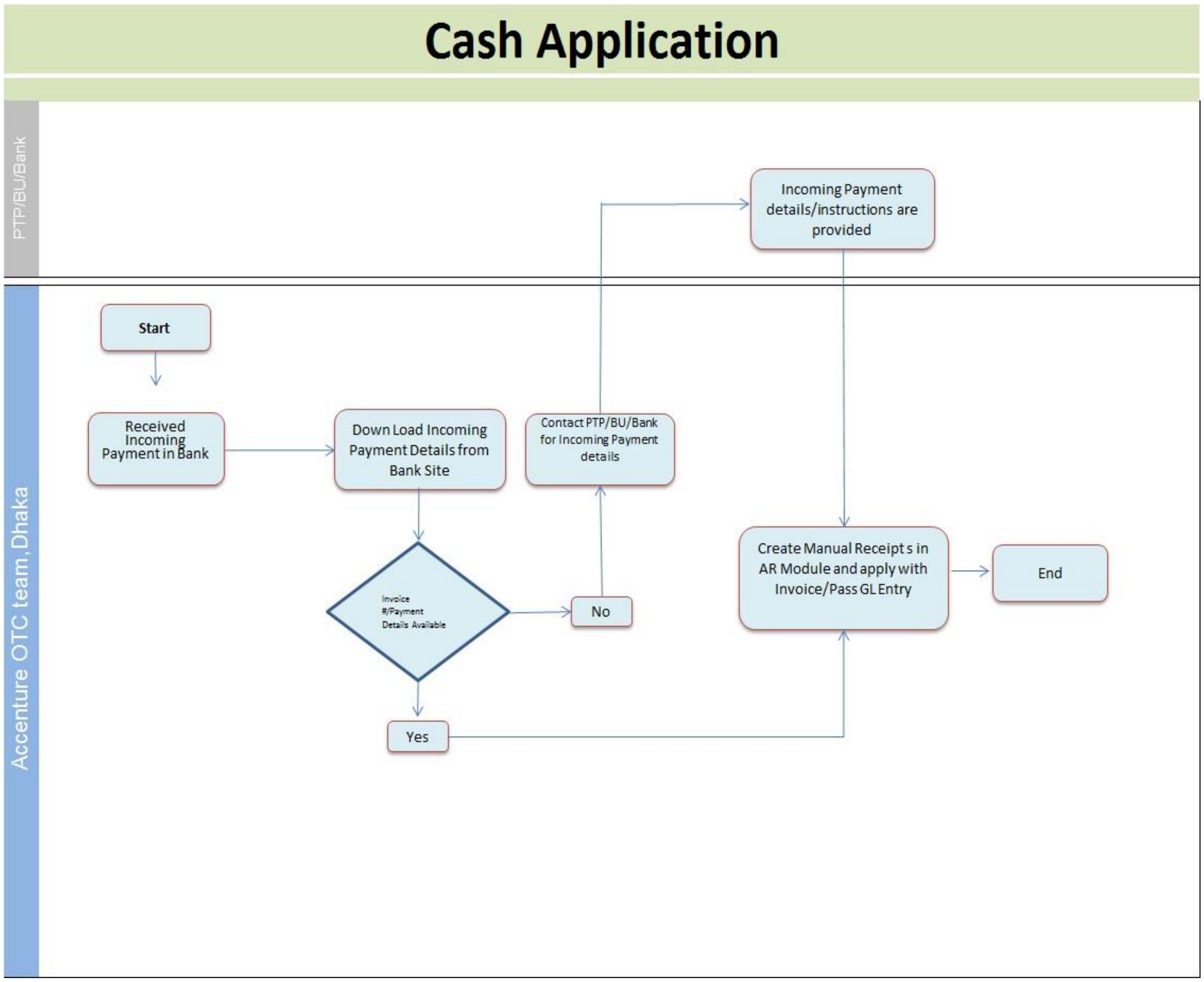
Related SOP/Template/Guideline list:

SOP/Template/Guideline name	Accenture Process Owner	Process Owner
DTP –AR Invoice Write Off	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg

3.5.3 Cash Application

The Cash Application describes the following basic business functions:

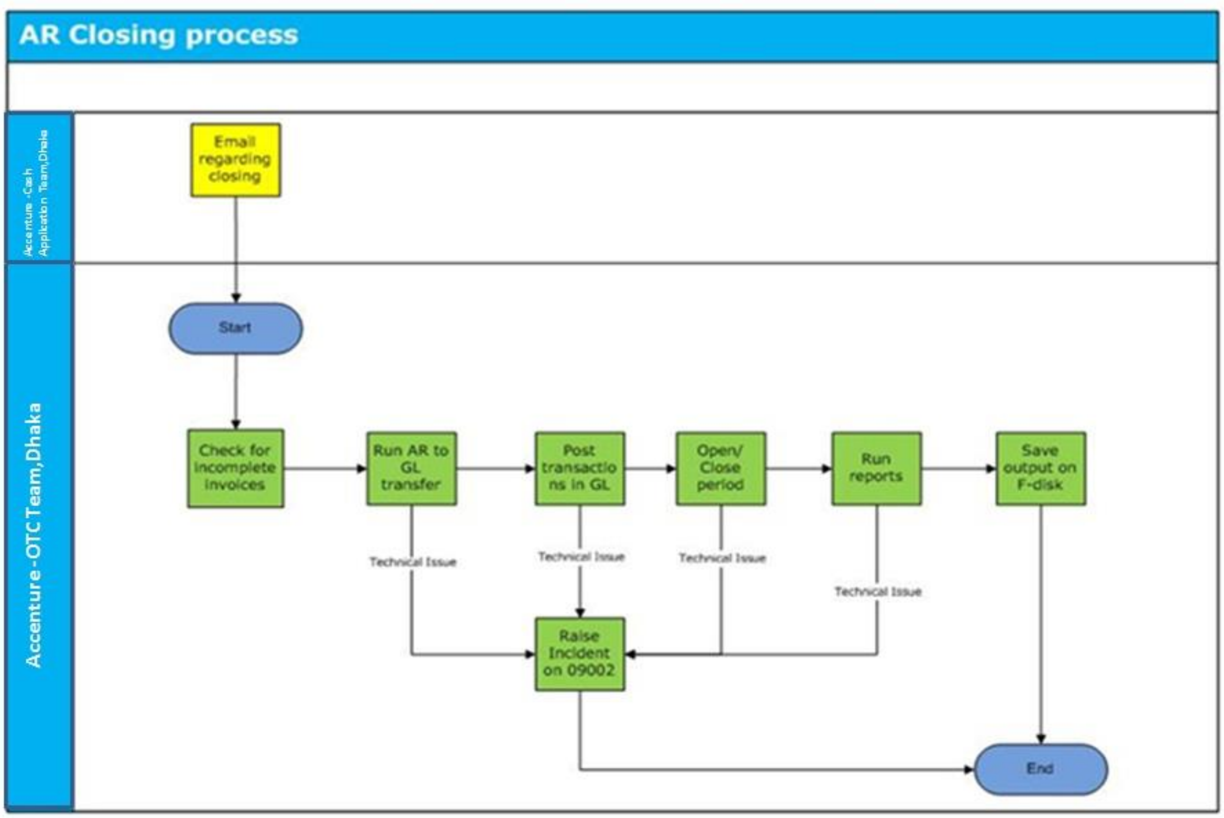
- Booking AR Receipts in AR Module
- Booking Incoming Payments in GL



Related SOP/Template/Guideline list:

SOP/Template/Guideline name	Accenture Process Owner	Process Owner
DTP -Cash Application	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg
DTP-Cash Application	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg

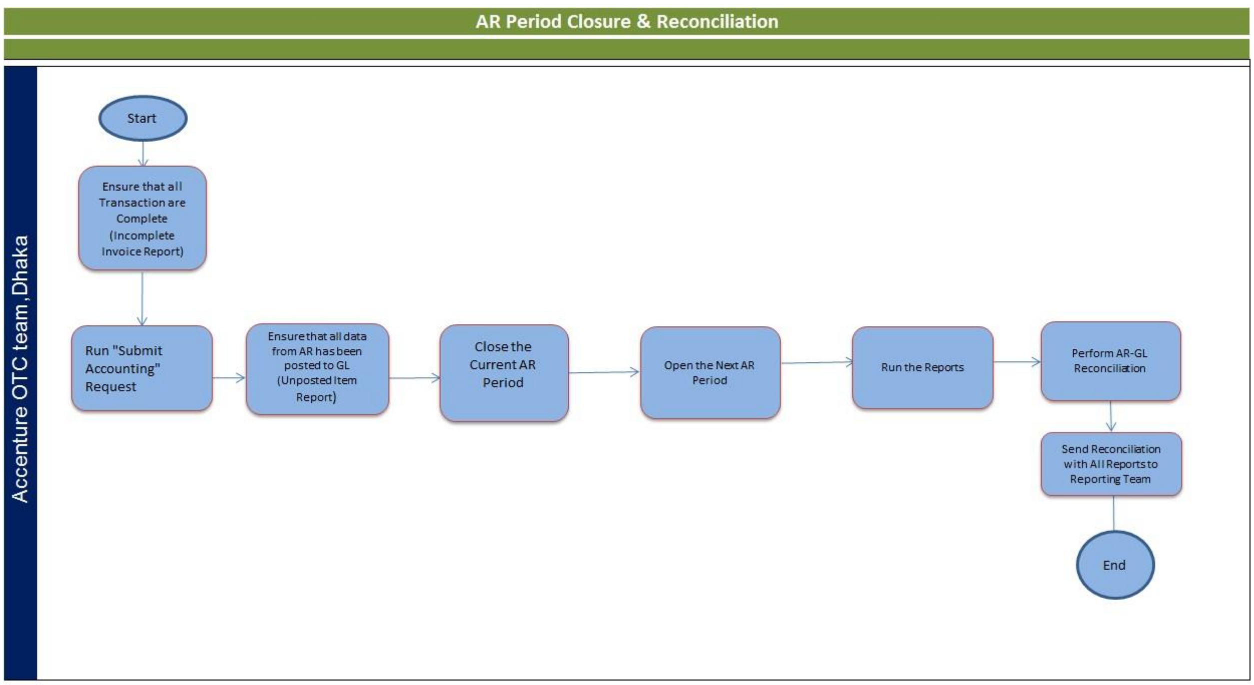
3.5.4 AR Period Closure



Related SOP/Template/Guideline list:

SOP/Template/Guideline name	Accenture Process Owner	Process Owner
DTP-Period Close Process	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg

3.5.5 AR-GL Reconciliation



Related SOP/Template/Guideline list:

SOP/Template/Guideline name	Accenture Process Owner	Process Owner
DTP-AR Reconciliation	Mir Hasnat Doha/Mohammad Masudur Rahaman	Ann-Cathrin Berg

3.6 IT systems

The following IT-systems (internal and external) will be interacting as part of the **Order to Cash Process:**

IT system	System Module	Interaction
Oracle	✓ **Oracle AR Module**	Invoice Processing Cash Application AR Period Closure AR-GL Reconciliation
Oracle	✓ **Oracle GL Module**	AR Period Closure AR-GL Reconciliation
Oracle	✓ **Discoverer**	Invoice Processing AR Period Closure
Share Points	✓ **Share Point for G3, E3 and SN**	AR Period Closure AR-GL Reconciliation
Share Drive	✓ **U-Disk/F-Disk**	Invoice Processing AR Period Closure AR-GL Reconciliation Cash Application
GSS Service Desk	✓ **GSS Service Desk**	Invoice Processing AR Period Closure AR-GL Reconciliation Cash Application
Bank Web Portal	✓ **Nordea Bank Web Portal**	Cash Application

Bank Web Portal	✓ **DNB Bank Web Portal**	Cash Application
Digi I-Supplier Portal	✓ **Digi I-Supplier Portal**	Invoice Processing
Citrix	✓ **Evry Citrix**	Invoice Processing AR Period Closure AR-GL Reconciliation Cash Application
Citrix	✓ **Tieto Citrix**	Invoice Processing AR Period Closure AR-GL Reconciliation Cash Application

CHAPTER: 4

Findings, Recommendations and Conclusion

4.1: FINDINGS

This finding revealed the **challenges** in overall accounts receivable outsourcing process. Information System eventually has some beneficially impact on the organization. Since the introduction of ERP and BPO industry system in Bangladesh, there is always a debate about achieving the desire performance. There are following findings below:

1. Delay in Cash Application may result to send Dunning letters to the end customer for the Invoices which has already been paid.

2. Web mail cannot be configured in Outlook. Possibility of losing data.

3. Failed to Close the AR Period within the time line will affect the Business Unit Group reporting.

4. With regard to the impact of ERP system on “Management Visibility, and Cross-Functionality”, the findings of my report that revealed ERP product performance increases procedural formality and decreases the management visibility.

5. With regard to the impact of ERP system on the organization as a whole, it was found that ERP system product performance has a significant positive effect on the organization.

6. Though implication on ERP system opened up a new dynamic dimension in front of the client, it is still not fully accepted to the client and also all other financial company. The problem is not only prevailing in client, many company is having problem in adopting the new accounting system and still following the traditional paper base system or tally system which is slow and error-prone.

7. There may be due to lack of investment, Knowledge, client attitude and perceived risk towards the service.

8. Time Zone Differences plays a vital role in Finance & Accounts process outsourcing.

9. Client request processing after deadline.

4.2: RECOMMENDATIONS

Although the **Accenture CIS** is performing very well in our country, but as per my observation and understanding, I think they need a little modification in their procedures with regard to my study Accenture CIS may take the following suggestions as their mitigation plan:

1. Before sending Dunning Letters to End Customer ensure that all the Cash has been applied with the respective Invoices.
2. The web-mail size should be increased to 100GB. Also client should be informed so the same might possible to configure from both end. As of 22th Oct 2014, the mail box has occupied 900 MB (1800+ emails received). This is the data for a period of almost a month.
3. As a preparation for smooth AR month closing OTC team starts checking all the AR transaction 1 or 2 days prior to month closing for avoiding any exceptional issues during closing.
4. Procedural Activity can be decreased more through quality checking of the operation by senior and experienced personnel.
5. Implication of ERP and Core Business Process outsourcing might seem to the client costly. Accenture CIS should take operational campaign to make their potential client aware and their long run cost benefits.
6. Accenture Bangladesh often attends manual request after the deadline. That effects the reporting of group accounting of the client. They should set the deadline which can cover the maximum requests and also the reporting will not be hampered.
7. Accenture's process outsourcing clients are currently based in Norway which is covered by (11am-9pm) office. They may introduce 3 shift office so that client based in America can also be served and also they can play a vital role in local employment.
8. Accenture Bangladesh should emphasize on their investment in Bangladesh as it can be the next BPO destination of the world.

4.3: CONCLUSION:

ERP systems represent the latest and most ambitious application of administrative and computer based technologies in Information System and the implementation of an ERP based outsourcing system leads to organizational transformation. However, a few empirical studies have investigated the post-implementation impact of ERP on work and work-life in organizations. The current report investigated the outsourcing solutions for Accounts Receivable of an organization, impact of ERP from managerial-level to end-user's perspective. The main intention of this report was to investigate the ways in which ERP system can increase the smoothness of Accounts Receivable Management through the possible solutions provided by **Accenture CIS**.

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- Sengupta, K. and Zviran, M. (1997), “Measuring user satisfaction in an outsourcing environment”, IEEE Transactions on Engineering Management, Vol. 44, pp. 414-21.
- https://www.accenture.com/bd-en/business-operations-index
- Accenture CIS internal data repository. Bangladesh & India region.
- Permissible on job desktop procedure has been shown.

Appendix: Definitions

Term	Definition
Shared Service Organization	Shared services refers to the provision of a service by one part of an organization or group where that service had previously been found in more than one part of the organization or group.
Business Unit	A logical element or segment of a company (such as accounting, production, marketing) representing a specific business function, and a definite place on the organizational chart, under the domain of a manager. Also called department, division or a functional area.
Shared Service Center	Shared services refers to the provision of a service by one part of an organization or group where that service had previously been found in more than one part of the organization or group.
Oracle E Business Suite (OEBS)	A group of integrated Internet-based applications from Oracle covering the all the supply chain, distribution, Financial and Manufacturing activities for example.
Operating Company's	A business that engages in transactions with outsiders. The company that is the actual manufacturer of a product or service. The operating company is usually owned by a parent company, whose source of revenue comes from taking percentage of profits from the operating company.
AR	Accounts Receivable. Potential revenue of an organization.
GL	General Ledger where the balance of all account lands.