WÜRTH | BUSINESS SERVICES

WÜRTH BUSINESS SERVICES

JOURNAL

PRODUCTIVITY BOOST EDITION

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FOREWORD

Dear Colleagues,

At Würth Business Services, we provide a multitude of services in different segments, one of them is Finance Support. In this WBS Journal we'll introduce some Finance Support functions to you.

One of them is the Posting Invoices process. Our Finance Support Team meticulously executes the Posting Invoices process, ensuring precision and efficiency at every step. In 2023, our relentless pursuit of operational excellence yielded remarkable results.

Leveraging our process expertise, we collectively **saved nearly 13,974 hours** for our customers. With a **monthly average of over 19,000 invoices posted,** our team's dedication has significantly enhanced speed and accuracy over time, facilitating streamlined accounting processes and efficient operations. WBS...we make it easy!

Best regards,
NORMAN DENTEL
CEO
Wuerth Industrial Services India Pvt. Ltd.

INDUSTRY INSIGHTS: IMPROVED CASH FLOW MANAGEMENT WITH INVOICING

Cash flow acts as a fuel to your business. It ensures that operational expenses are met, investments are made and growth opportunities are seized. An effective cash flow management is the lifeblood of any successful business. Even though there are IT resources, skilled workforce and all the expertise, without cash flow, they are pointless. The regular cash flow helps in strategic planning and decision-making. It allows businesses to anticipate cash needs, identify potential cash shortfalls and implement measures to mitigate risks. This foresight enables proactive management rather than reactive crisis management.

For proactive cash flow management, companies need to implement the best financial practices. One of the effective and efficient practices is the regular and timely posting of invoices. From reducing delays in payments to improving customer relationships, invoicing is the best way to regulate cash flow. Let us look at how invoicing improves the cash flow management.

Small businesses utilizing professional invoicing methods receive payments faster than those relying on manual processes.

By sending invoices promptly to customers following the delivery of articles, the likelihood of receiving payments faster than average increases considerably. The cash flow improves once you begin receiving payments sooner than expected. Posting invoices in the Enterprise Resource Planning (ERP) system regularly can lead to huge benefits in terms of cash flow management and planning for the future. As you begin receiving payments regularly, you can gain the cash flow predictability, which, in turn, helps you make informed business decisions and carry out more accurate financial planning & budgeting.

Another essential part of the business is customer relationship. An accurate and professional invoicing process contributes to positive customer relationships. Because, accuracy and professionalism build trust, confidence and loyalty among customers. As there are almost no or few discrepancies, there is no point on putting a strain on relationships with customer. With happy customer comes the prompt payment. Prompt payment lead to improved cash flow.

The inefficiencies in the invoicing process can lead to losses in annual revenue of businesses.

Transferring the process of invoicing enables companies to focus on core operations such as financial planning and budgeting with cash flow management. The Finance Support Department of Würth Business Services carries out various invoicing related processes. It aims to prioritize timely invoicing to not only enable efficient cash flow management but also improve financial stability for businesses. To know more about the invoicing-related processes we handle, kindly refer to the next articles.

Leverage our experience and expertise in executing various invoicing processes and ensure smooth financial operations. Kindly get in touch with us.

Hetal Gangani
Senior Team Lead – Finance, Würth Business Services
hetal.gangani@wuerth-industrie.com

FINANCE: POSTING INVOICES

Invoices are the core of any financial operations. Without them, a financial transaction will not begin. Without them, an article will not move an inch from vendor's facility to the warehouse of customer. Without them, there is no legit proof of business. This is why booking accurate Purchase Order (PO) invoices is essential. This essential and informative commodity must be accurate as per the transactional terms. Determining the accuracy and posting the accurate invoices in the Enterprise Resource Planning (ERP) system becomes important. The Finance Support Team at Würth Business Services executes the process known as Posting Invoices.

Let us explain how we help you. Once you receive the goods in warehouse, our team compares the goods receipt with the invoice receipt. We compare the details, such as invoice number, article number, quantity, price, line number and others. What do we do if the details match? We post invoices in the ERP system. What if there are any discrepancies? Our team will let you know immediately. You can discuss the discrepancies with the vendor and solve them in time. This way, you can regulate your financial transactions and carry out efficient cash flow management.

In 2023, utilizing our process knowledge and striving to enhance operational efficiency, the Finance Support Team achieved a collective saving of nearly 13,974 hours.

With a monthly average of more than 19,000 invoices posted, our team has been instrumental in surging the speed and accuracy with time. This way, it is possible to implement smooth accounting processes. Our process execution strategy leads to smooth financial transactions and efficient operations. Well, if you want to know if there are any other benefits, let us tell you, yes, there are. We will help you keep the accurate track of inventory. Not to mention, our execution will also help you save the time and enable you to focus on core operations.

Leverage our experience in implementing smooth financial operations by verifying and posting correct invoices. Kindly get in touch with our representative.

Hetal Gangani
Senior Team Lead – Finance, Würth Business Services
hetal.gangani@wuerth-industrie.com

FINANCE: CUSTOMER INVOICE CLEARANCE

Receiving payments on time regulates the cash flow. This cash flow is essential to keep business operations up and running. Suppose you have fulfilled a massive amount of customer orders, you are also receiving payments simultaneously from some of the customers. You do not know which customers have paid and which need to be followed up for payments. In this case, what will you do? You have the invoices of the customer orders in your Enterprise Resource Planning (ERP) system. On the other hand, you have your company's bank statement. All you need to do is compare the entries in the bank statement with the invoices in the ERP system. This way, you will know which customers have paid their due payments.

Needless to say, this process is time consuming, and distracts you from the core operations. This is where the Finance Support Team at Würth Business Services comes in. The team executes a process known as Customer Invoice Clearance. In this process, our team members compare the payment received in the bank with the payment amount mentioned in invoices in the ERP system.

If the payment amount in the invoice matches with the payment received in the bank, it implies that the customer already transferred the payment. Then, we clear off those invoices in the ERP system. What will remain? Only the invoices for the pending payments will remain. You can know the customer details from those invoices and take follow-ups.

In 2023, adhering to specific requirements of our customers, the Finance Support Team achieved a collective saving of nearly 3,540 hours.

Through this process, we save a lot of your time in determining the customers who paid their overdue amount and those who have not paid yet. You can utilize this time in executing the core operations. Furthermore, our financial excellence, standard operating procedure and accuracy in clearing invoices will help you accelerate your financial operations as well.

Leverage our experience in implementing smooth financial operations with our support in clearing customer invoices. Kindly get in touch with our representative.

Hetal Gangani
Senior Team Lead – Finance, Würth Business Services
hetal.gangani@wuerth-industrie.com

FREQUENTLY ASKED QUESTIONS

Q. What are the checkpoints in the Posting Invoices process?

A. The checkpoints for the Posting Invoices process are vendor name, document type, invoice date, invoice number, amount, currency, purchase order number, quantity, bank details, article number and article description.

Q. What are the checkpoints in the Customer Invoice Clearance process?

A. The checkpoints in the Customer Invoice Clearance process are company code, document type, payment received date, bank or General Ledger (GL) account number, payment details, currency, customer number and invoice number.

Q. Owing to security concerns of financial data, will WBS Team execute the invoicing processes through remote access on our own systems?

A. Yes, we execute the processes on your own systems through the remote access. With the requirement of basic training from your side, our competent finance professionals will execute the processes successfully.

EXTRA MILE: CLEARING BACKLOG OF POSTING INVOICES

Timely posting of invoices ensures that financial statements reflect the most current and accurate picture of the financial transactions. Delayed posting can lead to discrepancies between actual and reported revenue, affecting decision-making and operations. Furthermore, promptly posting invoices allows for timely billing and collection of payments, improving cash flow management. Delayed invoicing can result in delayed payments from customers, impacting the company's ability to meet its financial obligations and invest in growth opportunities. To avoid such circumstances, our Finance Support Team helped the customer in clearing backlog of invoices with an efficient approach.

Our customer, **Würth Industrial US, Inc.,** entrusted us with the task of posting invoices in the Enterprise Resource Planning (ERP) system regularly. Our team received the invoices for posting through a shared drive. However, the process upgraded with time to improve efficiency. The customer decided to give an access to the generic mailbox and the team members needed to download those invoices from there directly. We found that there was a massive backlog in the mailbox. The responsibility on our shoulders was to clear the backlog as soon as possible.

We discussed the challenges with the customer and made necessary adjustments in the process execution strategy for achieving the turnaround time (TAT) given by the customer. Along with the improvisation in the strategy, the team collaborated effectively and put in a great effort to clear the backlogs in a short span of time. The team also achieved the required accuracy and pace in posting invoices and clearing backlogs.

Another major change in strategy implemented by the team was the frequency of the review meetings. Initially, the meetings to resolve queries with customers were held on a monthly basis. Instead, we carried out these meetings on a fortnight basis. With increased frequency of resolving queries, we were able to help customer in a better manner by identifying the challenges and presenting the effective solutions on a timely basis. Another advantage of this shift in strategy proved to be the minimization of email communication and time saving. To post the invoice within TAT, the team took continuous follow-ups with the customer to resolve discrepancies.

With few months of hard work, improvisation in strategy and commitment, we cleared all the backlogs for posting invoices. Now, with our improvised strategy, we are executing the task within the given TAT with zero backlogs.

Our approach proved to be more fruitful than expected. We were posting net PO invoices of the customer. Now, the customer trusted us with the task of posting discounted PO invoices also. Knowing our ability, accuracy and steadfastness, we have been posting discounted PO invoices as well. With our efficient system, we do not miss TAT and execute the process for both types of PO invoices smoothly. In recognition to this, Würth Business Services awarded the Finance Team with the "Team of the Month for October 2023" award. We remain committed to add value to the customers' businesses by going an extra mile and aim to achieve customer satisfaction.

Since the foundation of Würth Business Services, going an extra mile for customers has always been the mantra. Kindly get in touch with our representative for assistance in different Finance processes.

Hetal Gangani
Senior Team Lead – Finance, Würth Business Services
hetal.gangani@wuerth-industrie.com

ROBOTIC PROCESS AUTOMATION: AUTOMATIC SUPPLIER SELECTION BOT FOR STEEL SCREWS 8.8

Choosing the correct supplier is essential for the success and sustainability of a business. Choosing a supplier known for delivering high-quality products within the required timeline ensures customer satisfaction and helps maintain the business's reputation. Finding the appropriate suppliers can be particularly challenging. The manual process of evaluating supplier criteria and matching them with Würth-approved suppliers was time-consuming and daunting.

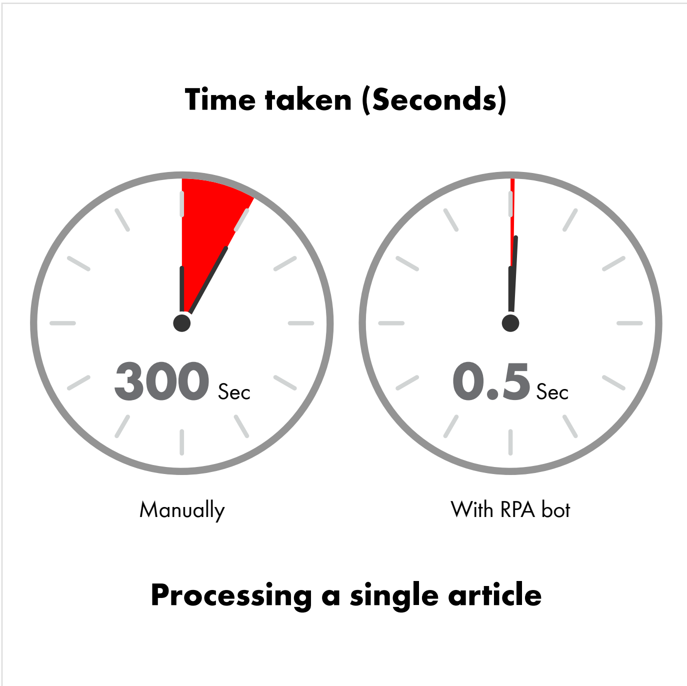
We are here to tell you that there is a way to execute it easily. The Robotic Process Automation (RPA) Team at Würth Business Services executes the process known as Automatic Supplier Selection Bot for Steel Screws 8.8 with the help of a bot. Usually this process consists of multiple steps and takes a lot of time for successful execution manually. However, the bot can do this in milliseconds. The bot will not only list down the appropriate Würth-approved suppliers but also send them inquiries on your behalf. Let us look into how it does.

The bot compares the data between an Enterprise Resource Planning (ERP) system and Access Database (DB). Once you put an enquiry for finding the appropriate suppliers for steel screws 8.8 in the ERP system, the bot extracts the list of all the articles from Access DB. All the Würth-approved suppliers are listed down in the Access DB. The bot then compares the criteria you put in the ERP system with all the suppliers from Access DB that fulfill your criteria. Once it finds all the appropriate suppliers, it sends the inquiry mails to these suppliers.

For a single article, the bot chooses appropriate suppliers and sends them mails in nearly half a second.

This way, you can save a lot time involved in finding and choosing the appropriate suppliers manually. Along with saving significant number of hours every month, the bot improves accuracy in supplier selection. With bot implementation, you can pocket benefits in terms of efficiency, reliability and accuracy. The comparison in execution time of manual process and bot says it all below.

Results:



Leverage our experience and expertise in selecting the appropriate suppliers for steel screws 8.8. Kindly get in touch with our representatives.

Markus Fay
Head – IT, Würth Industrie Service GmbH & Co. KG
markus.fay@wuerth-industrie.com

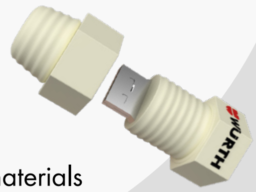
RPA BA Segment
RPA-BA@wuerth-industrie.com

WBS PRODUCT E-SHOP

WBS Product E-Shop is a collection of assorted, daily-use and Würth-branded products. These products are epitome of high quality, well-crafted design and fine workmanship. They can be used as corporate gifts for your companies and are available exclusively for Würth employees.

EXPLORE OUR PRODUCT PORTFOLIO

CUSTOMISABLE USB



Features:

- Storage capacity of 32GB
- Compatible with USB 2.0 and USB 3.0 ports
- Available in metal and plastic materials
- Suitable for high-speed data transfer

MOUSE PAD

Features:

- Made with high-quality rubber material
- Smooth gliding surface for fine mouse control
- Soft and non-slippery bottom
- Available in different shapes and sizes

LAPTOP STAND

Features:

- Made of strong and thick aluminium alloys
- Rubber strip attached for firm grip of laptop
- Adjustable width for different laptop designs
- Suitable for long hours of working
- Supports up to 12 pounds of weight on top

CUSTOMISED COFFEE MUGS

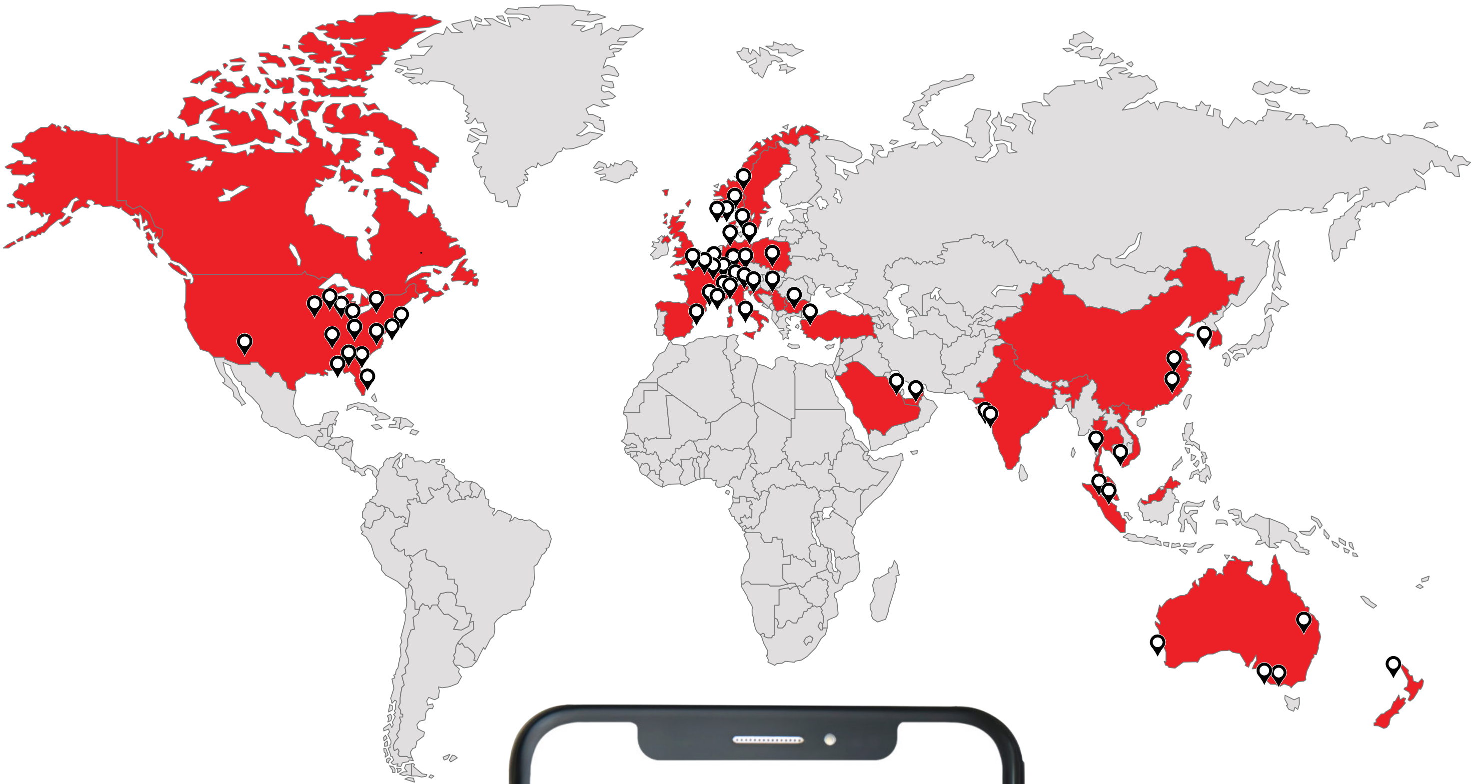
Features:

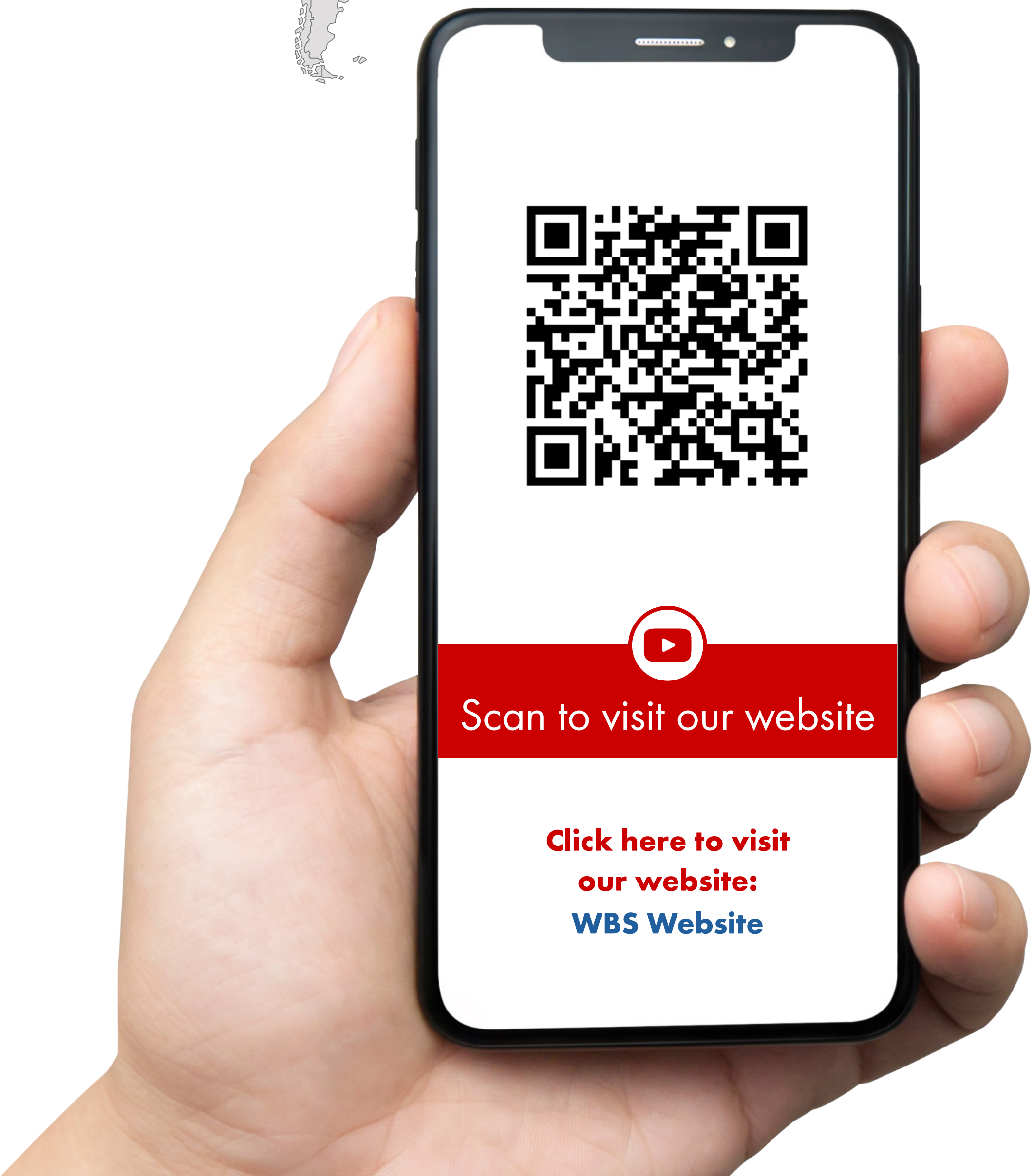
- Manufactured with ceramic material and coated finely
- Available in various colours, shapes, and capacities
- Choose among available design and artwork at no extra cost
- Personalise the cup with any work-related message & artwork
- Extensive testing of each mug before printing
- Fine printing of Würth logo, text, and pictures

To order, kindly get in touch with our representative:

Snigdha Banerjee
Head – Marketing, Würth Business Services
snigdha.banerjee@wuerth-industrie.com

OUR WORLDWIDE CUSTOMERS





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