

OTHERS

COLLECTION BACK ON TRACK

- implementation
- management
- continuous improvement

ORGANISATION

Global Engineering PLC (PE-backed) €8b, 50kFTEs
MENA region EUR 400m revenue, 2500 FTEs,



SCOPE

- regain control over collection process
- improve working capital

FINDINGS

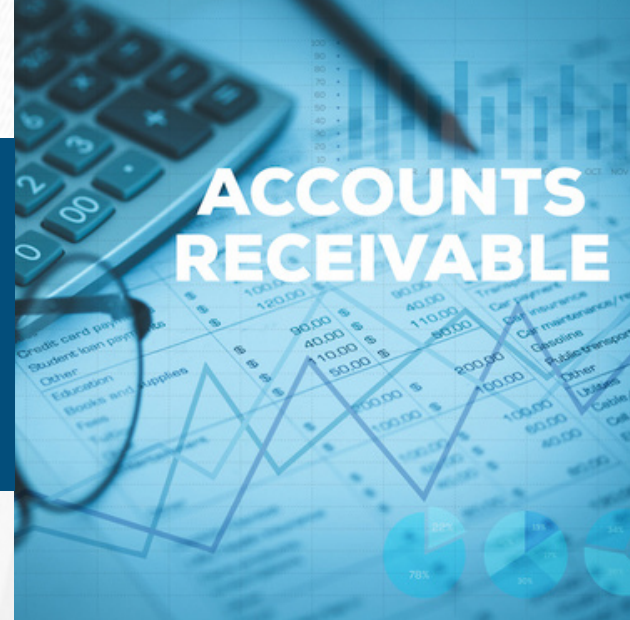
- very poor collection results in whole region
- collection performed only by finance
- poor control over bad debts follow up
- lack of knowledge about the non-payment reasons
- huge bad-debt provisions and write-offs
- unreconciled balances
- poor credit control
- collectors focused on big figures only
- negative Cash Flow

CHALLENGES

- KSA and UAE are one of the most difficult countries for collection
- 8 Legal Entities in different countries
- Resistance for change
- Operations struggling to be involved
- difficulty in data gathering from existing systems (dispersed data)
- Finance staff tired and demotivated after so many efforts without results
- complicated and not coherent processes in each country

ACTIONS

- collection follow up system, enforcing control on overdue receivables tracing,
- engaging operational personnel into collection process
- running weekly collection calls with local FD, MD and Operations, to discuss TOP 10 debtors and further steps
- strict rules for permanent not payers:
 - gradual reduction of services provided
 - till end of service and contract closure
- building regional awareness of the collection importance (through out management and operations)
- building regional collection call center to follow up with debtors.



GEOGRAPHY

Middle East and North Africa - MENA:
UAE, SAUDI ARABIA, QATAR, KUWAIT
EGYPT, BAHRAIN, JORDAN, TUNESIA

DELIVERABLES

1. DSO reduced by avg 25 days
2. collection of €10M already written off debts
3. awareness of collection importance
- 4 New collection/BD procedures
 - all significant bad debts (>1 year) are processed in court
 - IT system of invoice collection tracking
 - involvement of operations into collection
 - strict credit control policy
8. reliable debtors ledger (all invoices are being confirmed before due date)
9. Significantly improved Working Capital

EXPERTISE applied



Finance & accounting

- Strategic Fin. Planning, Execution
- Budgets/Forecasts/Actual P&L/BCF
- FP&A, Statutory, Group Reporting
- Financial and reporting discipline

Change management

- addressing staff concerns,
- facilitating cultural alignment
- operational processes streamlining

Project management

- proper process planning
- roadmaps preparation and execution
- efficient resources allocation

Digital transformation

- BI/Data Mgmt., SAP, CRM & ERP