

Reducing DSO & Increasing Profits

TECHSTONE TECHNOLOGY PARTNERS LLC PROVIDES SOLUTIONS THAT ENABLE FINANCIAL PROCESS EFFICIENCIES IN 09'.

TechStone Technology Partners, LLC provides consulting services that emphasize integrated and scalable solutions to solve the business problems of today. The software that TechStone deploys and customizes embraces the latest movement to service-oriented architectures and solves CFO related issues such as financial system integration and automation.

The DSO Dilemma

A high DSO (Days Sales Outstanding) number shows that a company is selling its product to customers on credit and taking longer to collect money. DSO is usually analyzed quarterly or annually. During tough economic times it's more imperative than ever for companies to collect in a timely manner. Financial Departments are now tasked with greater pressure to close books and bring efficiencies to manual AR processes. Because of the growth of mergers and acquisitions during the last few years it's become increasingly more difficult for companies to improve these processes. Disparate systems and processes create bottle-necks and visibility into these dollars is clouded.

TechStone has developed a system that allows companies to integrate their financial and procurement systems, streamline the order to cash process and gain visibility into the dollars to collect.



"The Hackett Group

– World-class finance executives get customers to pay their bills nearly 30% faster than typical companies."

The typical \$10 billion company can generate more than \$35.8 million in bottom-line savings if they reduce DSO. World-class performance organizations report an average DSO of only 33 days compared to 46 days from their peers, a full 28% differential. Assuming a 10% cost of capital, every day outstanding on a billion dollars of sales represents roughly \$275,000 in working capital finance charges. Using this calculation a company with \$10 billion in annual revenue would generate \$35.8 million in annual savings. Reducing DSO can improve profitability, can be used to fund high priority corporate activities, provide competitive differentiation and simply help survive a sluggish economy.

The TechStone Solution

TechStone provides an automated system that:

- Streamlines planning and reporting cycles, allowing more time for analysis, and deeper visibility into Order to Cash performance.
- Provides real-time monitoring and end-to-end visibility.
- Manages workflows of transactions seamlessly between all systems.
- Alerts reviewers and approvers of action deadlines by automating and monitoring the approval processes.

The 'FastTrak' Approach

This custom designed program for companies planning to reduce their DSO leverages the above attributes into a cost effective solution. In just 5 weeks your company will have the essential foundation to move forward and implement a DSO reduction program.

The program includes the following:

- Business process and technology evaluation
- AS-IS and TO-BE assessment
- DSO plan and project design
- Software and tool selection



TechStone Technology Partners LLC

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