

Case Study

Billing and Finance Automation



Business Challenge

A Fortune 50 healthcare company managed annual billing and accruals of over \$500M entirely using spreadsheets. This process formed a core component of the company's revenue model, despite having exceedingly high error rates, scalability issues and significant compliance risks. Their IT group lacked a viable solution and development costs proved too steep.

As is often the case, data was stored within disparate silos rather than in a shared environment. In this instance, contract data was stored on a desktop computer and file server, invoices were generated using SAP and master data was processed on an antiquated mainframe. The entire accrual and billing process was therefore very resource intensive and exceptionally fragile. Other obstacles included existing staff's resistance to change, a lack of project leadership and requirements that perpetually changed.

Advanced Solution

Organon used its data and business expertise to develop a unified data model to manage contracts, accruals and billings in an automated fashion. This required reengineering the client's workflow process and developing a rich user interface to support contract maintenance activities. Organon also created a suite of customized management reports using Microsoft SQL Server Reporting Services to provide manage, monitor and audit the accuracy and validity of the billing and accrual process.

Organon built tools to allow users to administer the automation of the entire billing and accrual process. Organon's Sarbanes-Oxley (SOX) compliant solution brought contracts and supplier invoices, along with master data into a common environment. The project required data to be transferred from a number of environments, including SAP-BI to SQL server to be used in calculation of complex fees.

Results

The billing and finance automation system designed and implemented by Organon resulted in over \$3.1 million in annual savings from error reductions. The easy-to-use interface effectively maintains the billing and accrual process and has been used as a model for subsequent applications. By assuming a key leadership role and bringing key stakeholders together, Organon delivered a comprehensive solution with a payback period of less than a year. Organon used its business and technical knowledge to reduce error costs and improve manageability.

Technologies:

- MS SQL Server 2005
 - Database Engine
 - Reporting Services
 - Integration Services
- Oracle 10g
- SAP-BI, ECC

Results:

- \$3.1 million annual reduction error-related costs
- Improved Manageability



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