



RESPONDING WITH 'AGILITY' – LIVE ENTERPRISE FOR A MULTINATIONAL MANUFACTURING COMPANY

Abstract

A multinational manufacturing giant faced a media outcry due to demands from small and medium enterprises for changes in payment terms, which impacted supplier payments and materials delivery in the midst of the COVID-19 outbreak. It partnered with Infosys BPM to develop an agile solution that helped gain all-round benefits, while creating substantial impact.

The client is a multinational giant with presence across 35 countries; it is among the largest manufacturing corporations in the world, and works with 50,000 suppliers across 120 locations globally.



Paying for the payment terms

The client faced a major setback due to the COVID-19 outbreak, with small and medium enterprises demanding for amendments on the payment terms clause. There was a delay in making payments to suppliers, which led to a media outcry. Because of the low

payment on time (POT), there was an impact on material deliveries with a 35% spike in overdue orders, with ~12k order lines getting overdue on a weekly basis.

The client had to rethink on the agreed payment terms due to Government

support for the demands, and the need to extend support to the community. They thus needed a robust solution that could provide the speed and agility to manage the media outcry, and sort out the issues regarding payment terms.

Agile organization

For organizations on the digital transformation journey, agility is key in responding to a rapidly changing technology and business landscape. Now more than ever, it is crucial to deliver and exceed on organizational expectations with a robust digital mindset backed by innovation. Enabling businesses to sense, learn, respond, and evolve like a living organism, will be imperative for business excellence going forward. A comprehensive, yet modular suite of services is doing exactly that. Equipping organizations with intuitive decision-making automatically at scale, actionable insights based on real-time solutions, anytime/anywhere experience, and in-depth data visibility across functions leading to hyper-productivity, Live Enterprise is building connected organizations that are innovating collaboratively for the future.

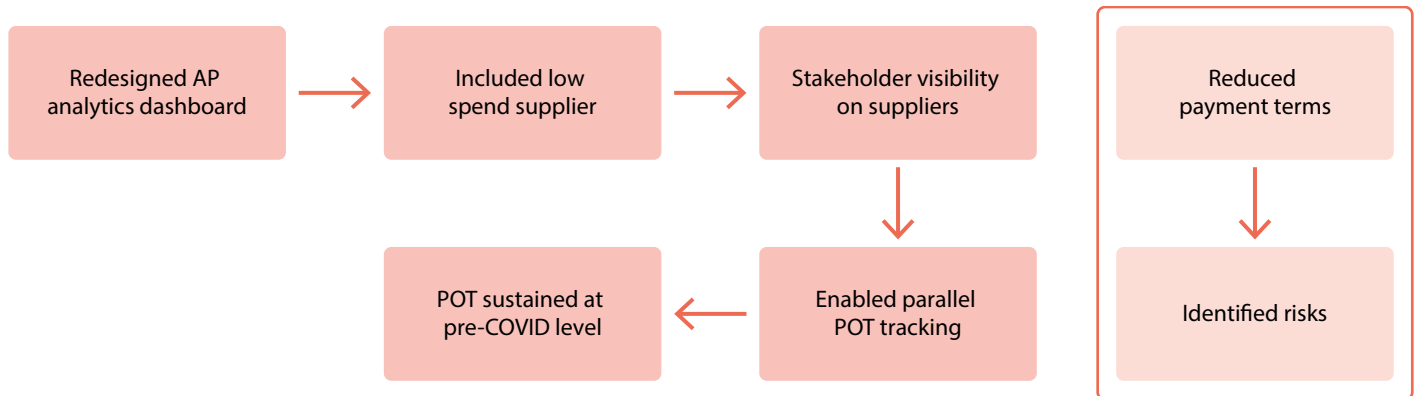


The road to agility

Infosys BPM leveraged its deep domain expertise to help redesign the client's accounts payable (AP) analytics dashboard

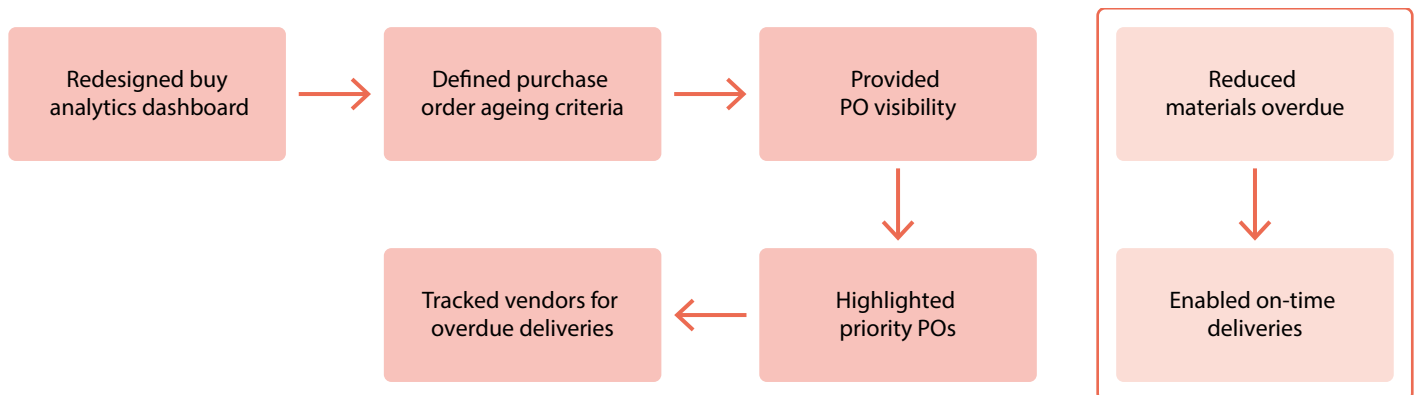
to include low-spend suppliers, that included small and medium enterprises. The team also identified the risks of not

meeting the industry benchmark of 90% POT with reduced payment terms.



Process Flow: SME Dashboard

The dashboard provided deep insights on low-spend suppliers to the stakeholders, with parallel tracking of POT. The team also added overdue orders and lead time analysis to the data insights dashboard, which helped ensure smooth operations for the client.



Process Flow: Material Overdue Analysis

Infosys BPM's Live Enterprise-centric approach enabled the client to be agile, providing them with the requisite speed to respond to the media outcry rapidly.

Quick and flexible ecosystem

The Infosys BPM solution provided the client with data-driven analytics at their fingertips, that helped identify multiple key parameters such as top default suppliers, regions, materials, and aged items, and also enabled

faster order processing. It also helped with insights-based decision making on payment terms, which further enabled the client to:

- Manage the media outcry with a rapid response

- Maintain POT at 90%
- Reduce materials overdue by 30%

Infosys BPM thus helped provide an extremely agile solution for the client, in a time of crisis.

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