Case Study: Leveraging iReceivables and Approvals Management Engine (AME) for Customer Disputes

Business Intelligent Application Solutions

ORACLE Platinum Partner

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Next one hour…

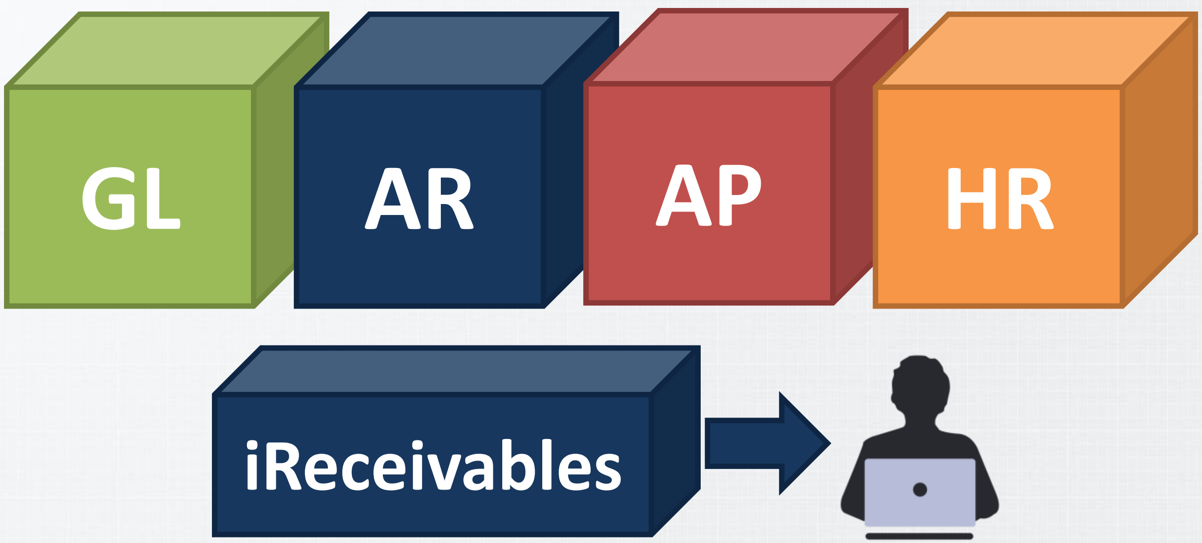
- Introduction
- iReceivables Overview
- Dispute Requirements
- Dispute Solution and Setups
- Walkthrough – Dispute Process Flow
- Additional Dispute Features
- Conclusion

Introduction

- Background
- The Case for Dispute
- Statistics and Facts

Background

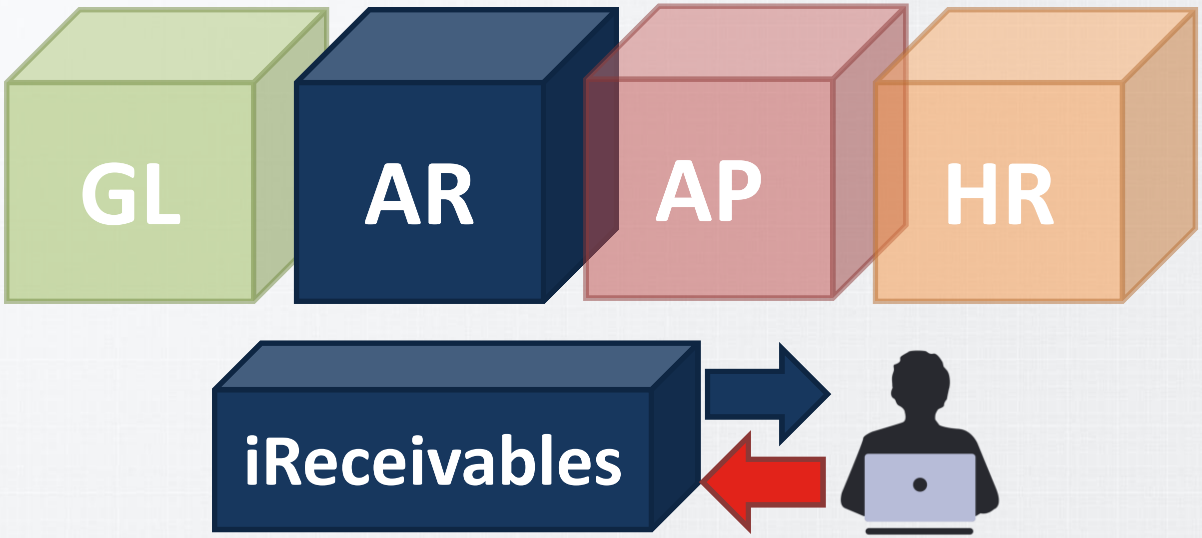
- Client: Premium Wine and Spirits Distributor
- Oracle Applications Footprint:



- View Account Information
- View Transactions & Payments

The Case for Dispute

- Problem: Customer Disputes were offline
- Solution: Implement Customer Disputes



- View Account Information
- View Transactions & Payments
- **Dispute Transactions**

Statistics and Facts

Number of Invoices – 20,000 per month

% of Invoices Disputed – 10%

$ of disputed amount – Over $1 million (20%)

Credit Requests Successful – 80%

Audit Trail – end to end

- For Customer
- For Internal AR Team
- For Internal Marketing Team

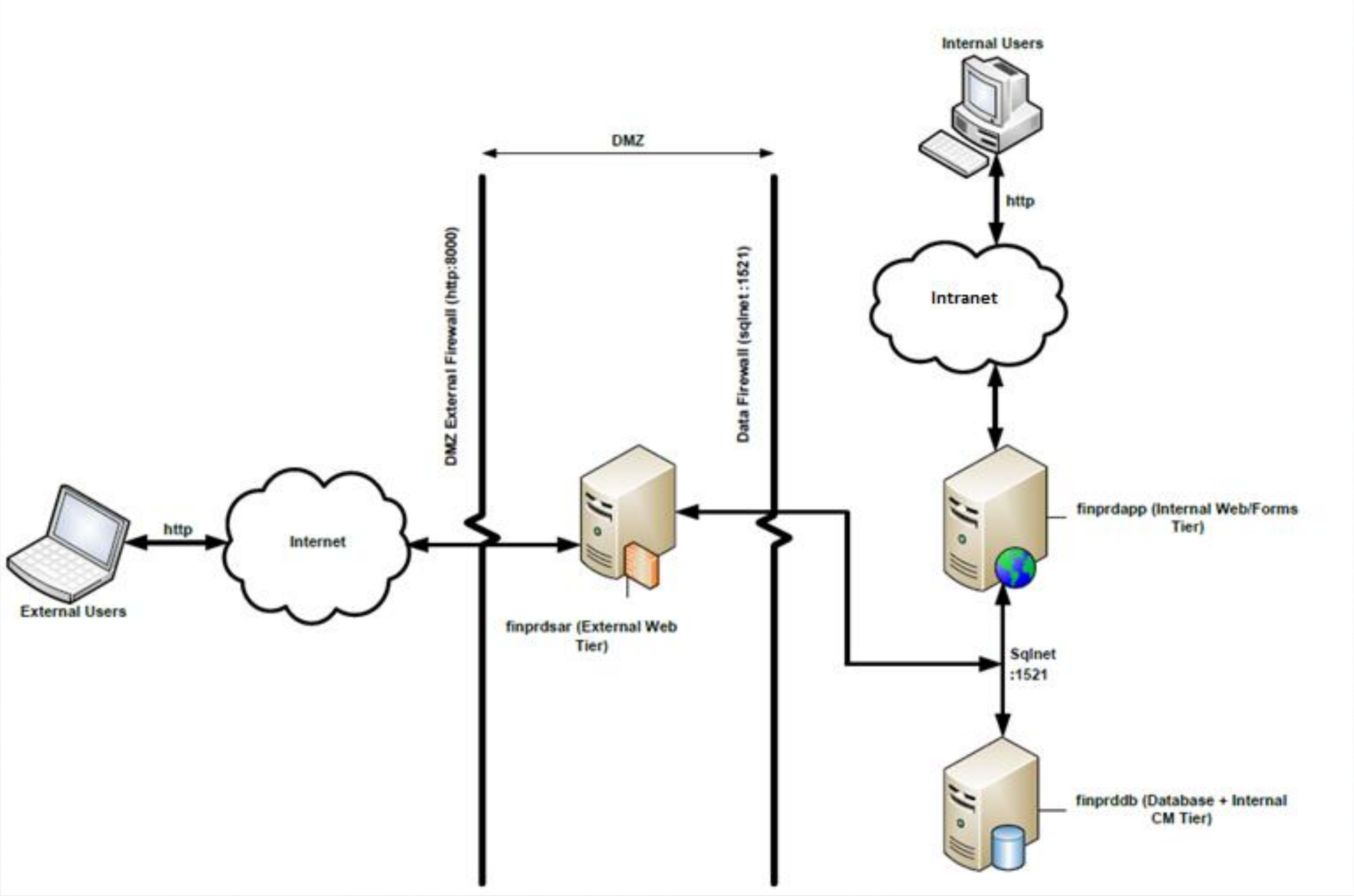
iReceivables Overview

- What is iReceivables?
- System Architecture
- What is a Dispute?

What is iReceivables?

- An Internet-based, self-service application used to access Receivables data

System Architecture

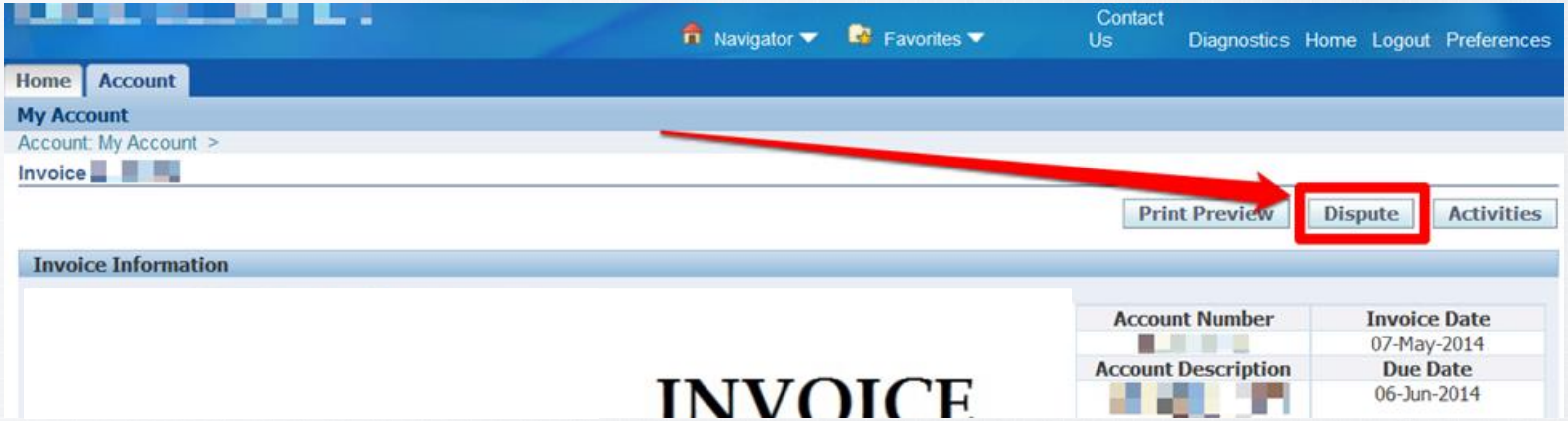


What is a Dispute?

(AP Photo/Atlanta Journal-Constitution, Curtis Compton)

What is a Dispute?

- Simple: When the customer disagrees about the balance of a transaction
- Submitted disputes become Credit Memo Requests, which are routed for approval
- Successful disputes (approved Credit Memo Requests) result in the creation and application of a credit memo



Dispute Requirements

- Business Process Analysis
- Requirements

Business Process Analysis

- **Two Approvers Types for Customer Disputes**
  - AR Reps
  - Marketing Managers
- **One AR Rep, One Marketing Manager per Account**
  - Not maintained in Oracle

Business Process Analysis

- **High-Level Dispute Process**
  - Customer calls or emails AR Rep
  - AR Rep reviews and forwards to Marketing Manager
  - Marketing Manager approves
  - AR Rep adjusts disputed transaction
- **Structure**
  - 12 Locations (OUs); 89 Approvers; 4200+ Accounts

Business Process Analysis

- "Dispute Mapping Master Excel File"
- Two Sheets per Location
  - Approvers: Oracle User Approvers List
  - Mapping: Account / AR Rep / Marketing Manager List

Approver Type	Employee Name	User
AR Rep	Sims, Amy	ASIMS
AR Rep	Green, Bo	BGREEN
Mktg Mgr	Smith, Bill	BSMITH
Mktg Mgr	Jones, Sue	SJONES

ATL - Approvers

Account Number	AR Rep	Mktg Manager
451122-ATL	ASIMS	BSMITH
404612-ATL	BGREEN	BSMITH
421699-ATL	ASIMS	SJONES
417416-ATL	BGREEN	SJONES

ATL - Mapping

Requirements

- Enable End Customers to Dispute via iReceivables
- Maintain the Approvers in Oracle
    - AR Reps and Marketing Mangers
- Systematic Approval Flow
    - AR Rep → Marketing Manager → AR Rep
- Accommodate for Business-Specific Elements
    - Dispute Reasons… Messages … Dispute on Total Amount
- Conditional Disputes Scenario Handling
    - By Account… By Transaction Type… By Location…
- Automatic Dispute Generation
- Ability to Report on and Audit Dispute Activities

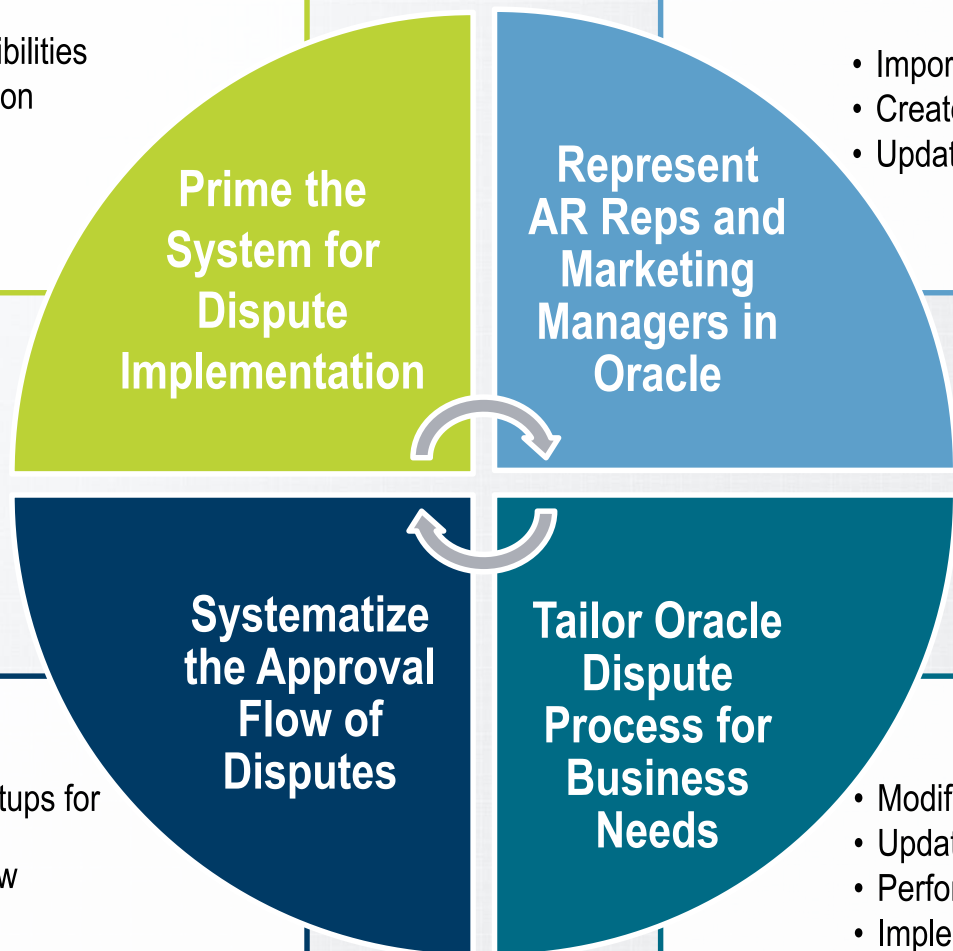
Dispute Solution and Setups

- Solution Approach
- Core Setups
- AME Setups
- Additional Setups for Dispute
- Conditional Dispute Logic

Solution Approach

- Update Responsibilities
- Update Transaction Types

- Import Resources
- Create Collectors
- Update Customers



- Perform AME Setups for the Credit Memo Request Workflow

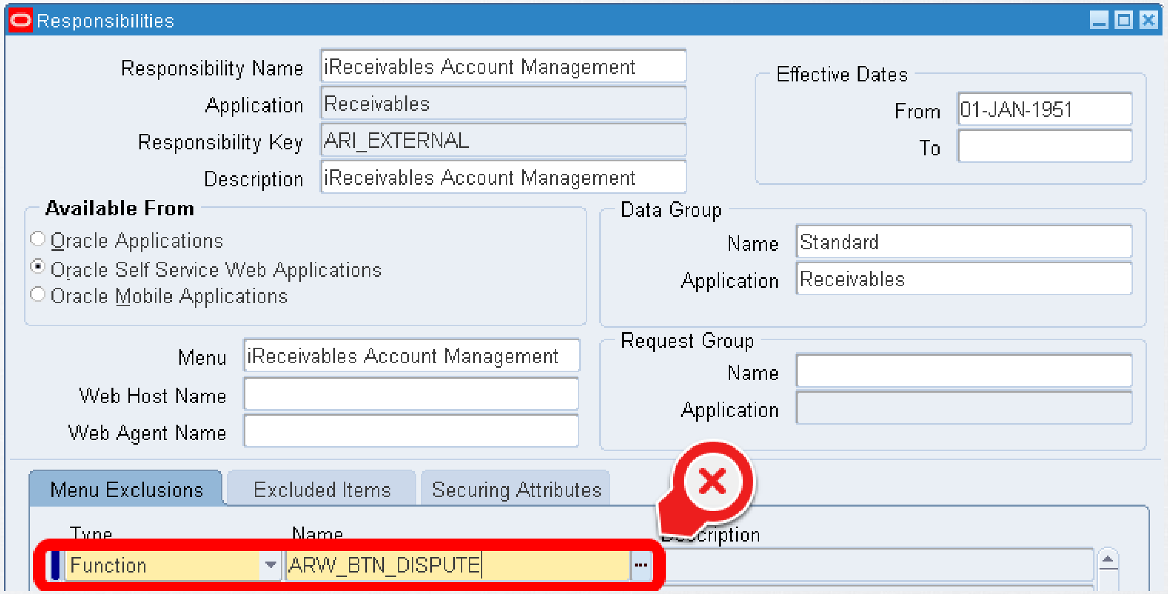
- Modify Lookups
- Update Messages
- Perform Personalizations
- Implement Hook

Core Setups – Update Responsibilities

Prime the System for Dispute Implementation

- **Purpose:**
  - Enable Dispute Functionality for iReceivables Responsibilities

- **Menu Path:**
  - *System Administrator → Security → Responsibility → Define*

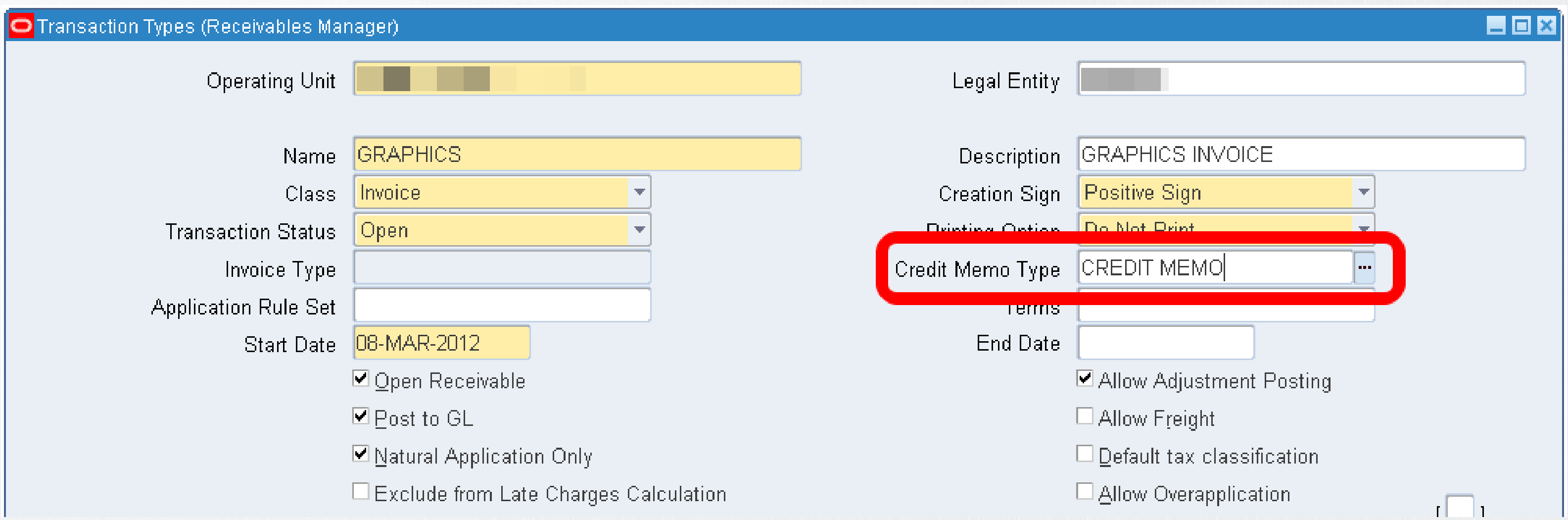


Core Setups – Update Transaction Types

Prime the System for Dispute Implementation

- **Purpose:**
  - Setup Credit Memo Types for Transaction Types

- **Menu Path:**
  - *Receivables Manager → Setup → Transactions → Transaction Types*



Core Setups – Import Resources

Represent AR Reps and Marketing Managers in Oracle

- **Purpose:**
  - Setup Approver Employees (AR Reps and Marketing Managers) as Collector and Salesperson Resources

- **Menu Path:**
  - *CRM Resource Manager → Maintain Resources → Import Resources*

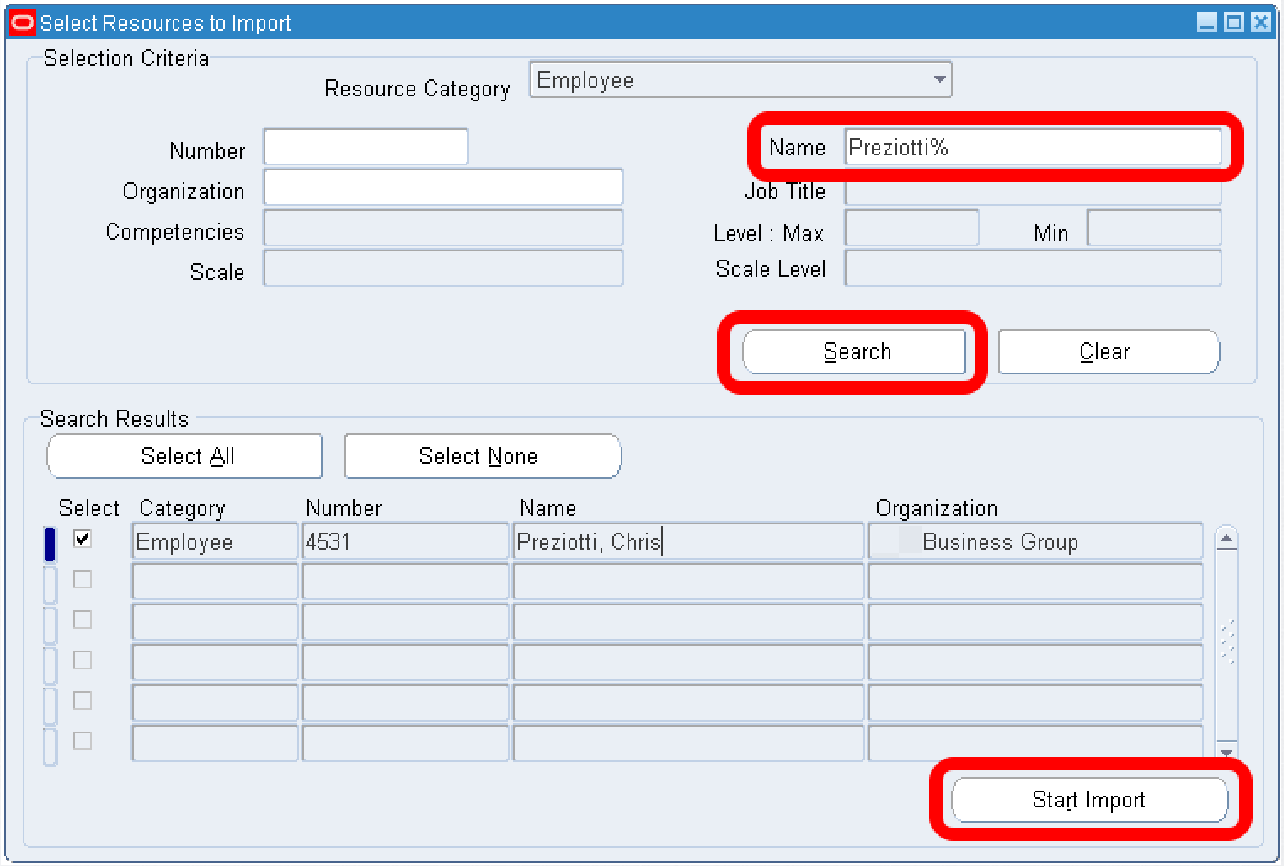
- **Steps*:**
  1. Select Resources to Import
  2. Set Resource Attributes
     - Collectors (AR Reps)
     - Salespersons (Marketing Managers)
  3. Review and Import Selected Resources

* Performed via DataLoad

Core Setups – Import Resources

Represent AR Reps and Marketing Managers in Oracle

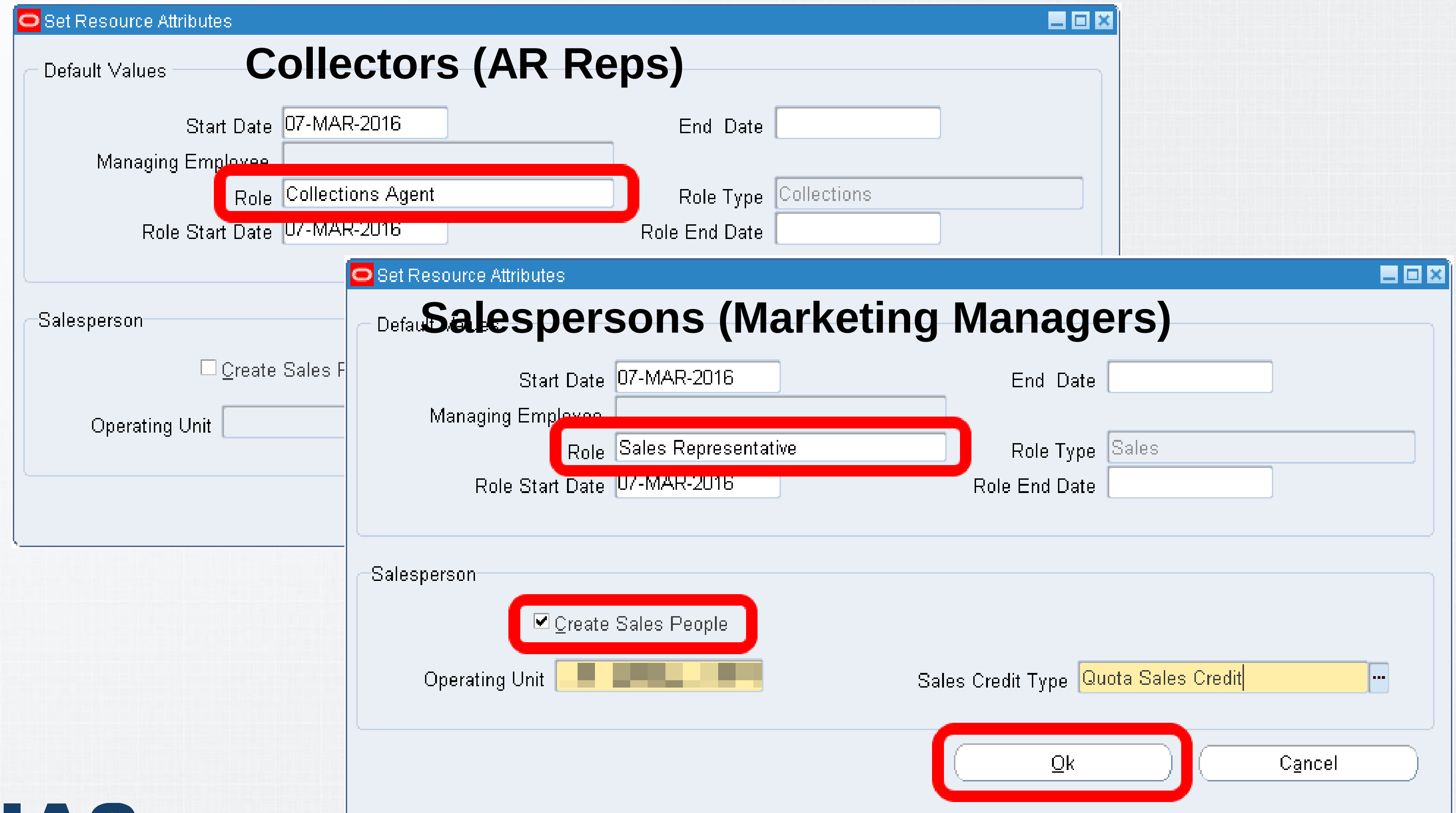
- **Step 1:** Select Resources to Import



Core Setups – Import Resources

Represent AR Reps and Marketing Managers in Oracle

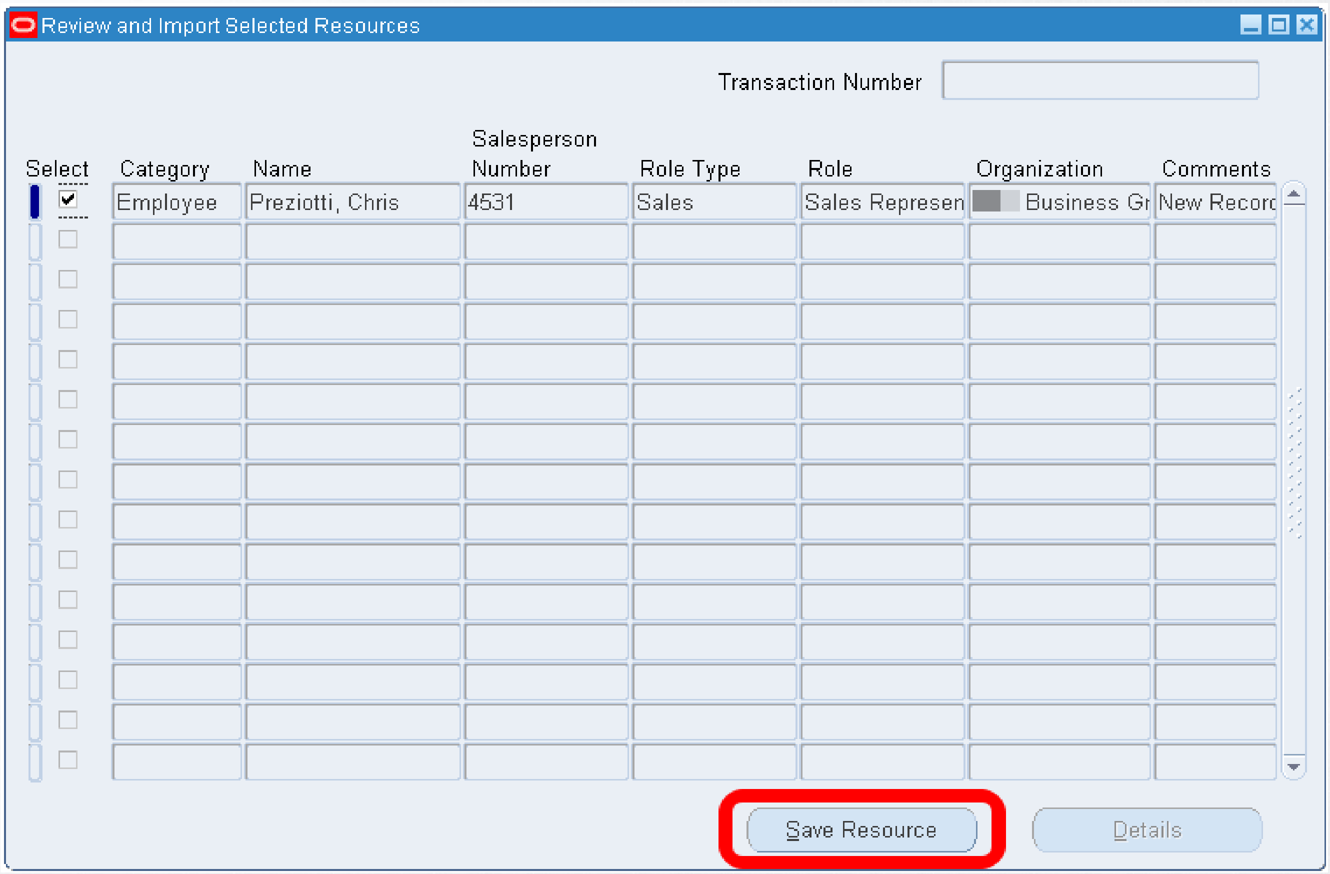
- **Step 2:** Set Resource Attributes



Core Setups – Import Resources

Represent AR Reps and Marketing Managers in Oracle

- **Step 3:** Review and Import Selected Resources

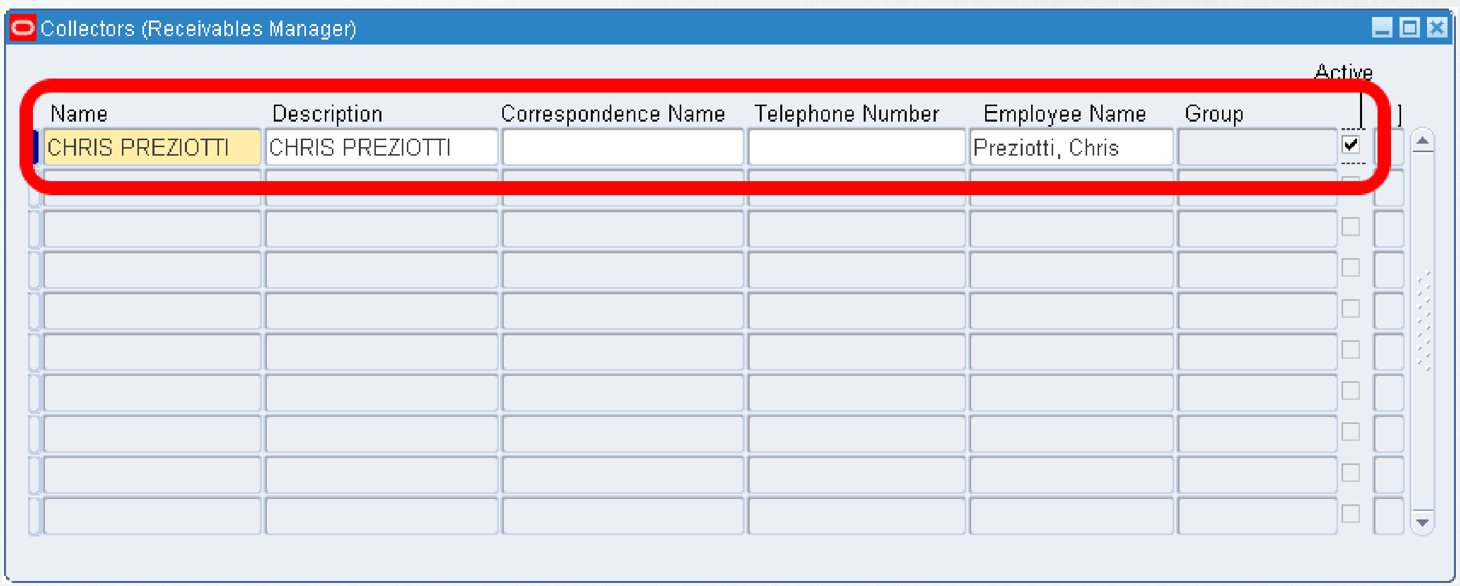


Core Setups – Create Collectors

Represent AR Reps and Marketing Managers in Oracle

- **Purpose:**
  - Setup Approvers (AR Reps) as Collectors

- **Menu Path:**
  - *Receivables Manager → Setup → Collections → Collectors*



Core Setups – Update Customers

Represent AR Reps and Marketing Managers in Oracle

- **Purpose:**
  - Setup Approvers (AR Reps and Marketing Managers) as Collectors and Salespersons in Customers

- **Menu Path:**
  - *Receivables Manager → Customers → Standard*

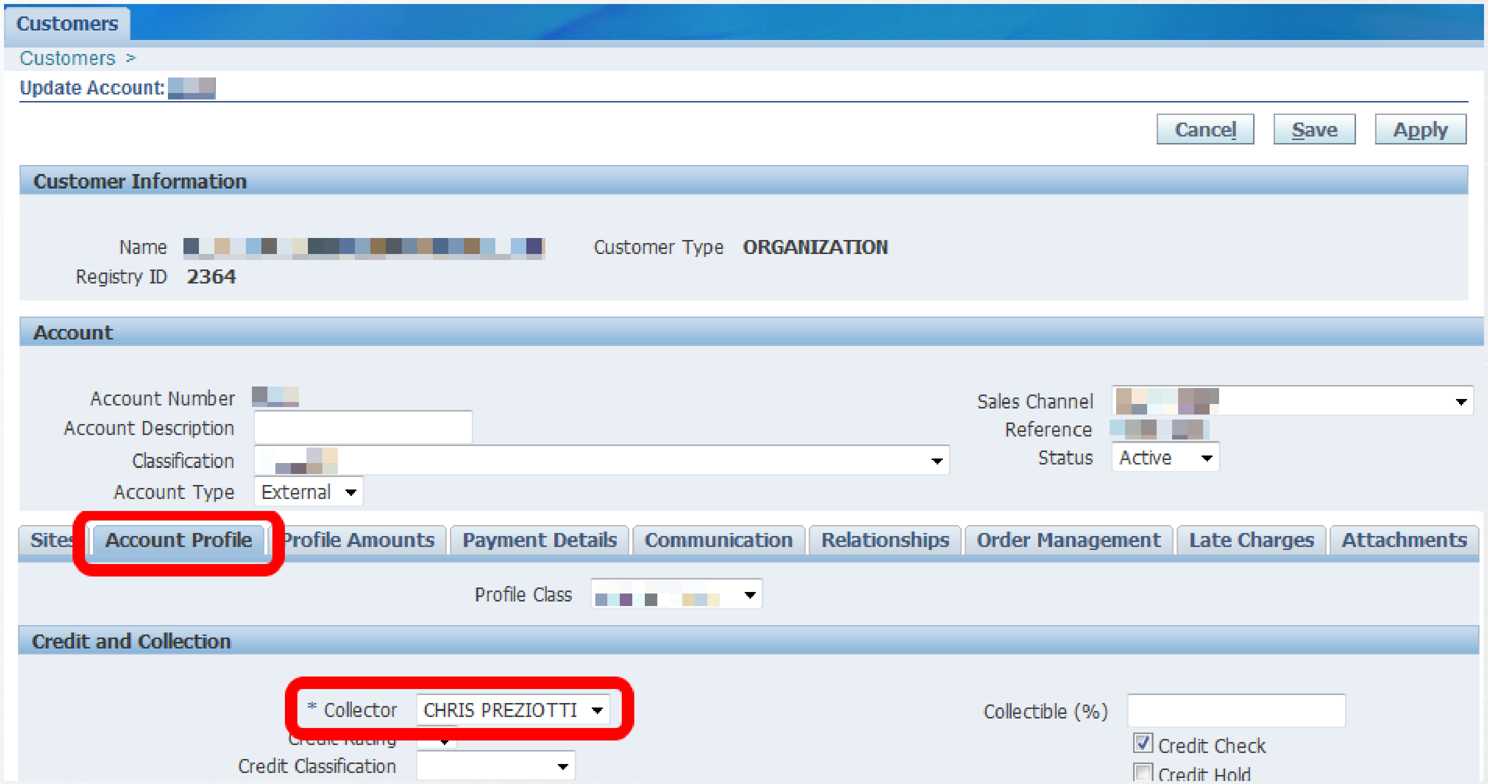
- **Steps*:**
  1. Set Collector (AR Rep) at Customer Account
  2. Set Salesperson (Marketing Manager) at Customer Account Site Business Purpose (Bill To)

* Performed programmatically

Core Setups – Update Customers

Represent AR Reps and Marketing Managers in Oracle

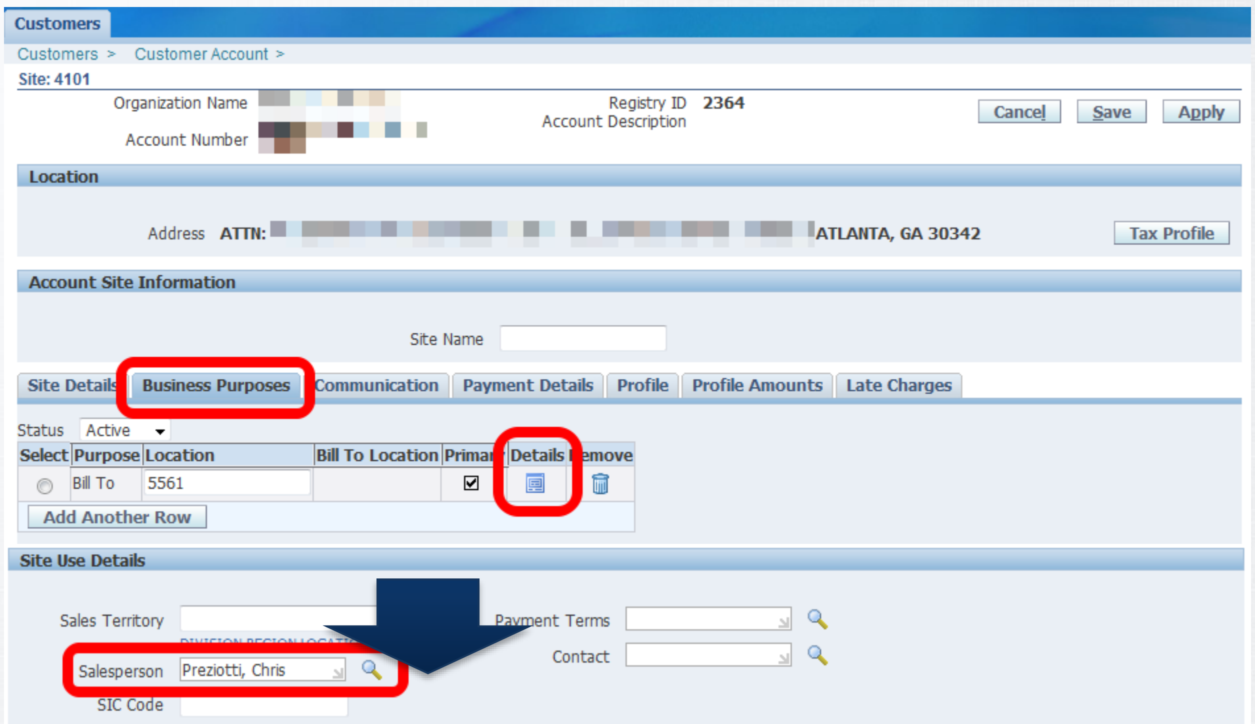
- **Step 1:** Set Collector (AR Rep) at Customer Account



Core Setups – Update Customers

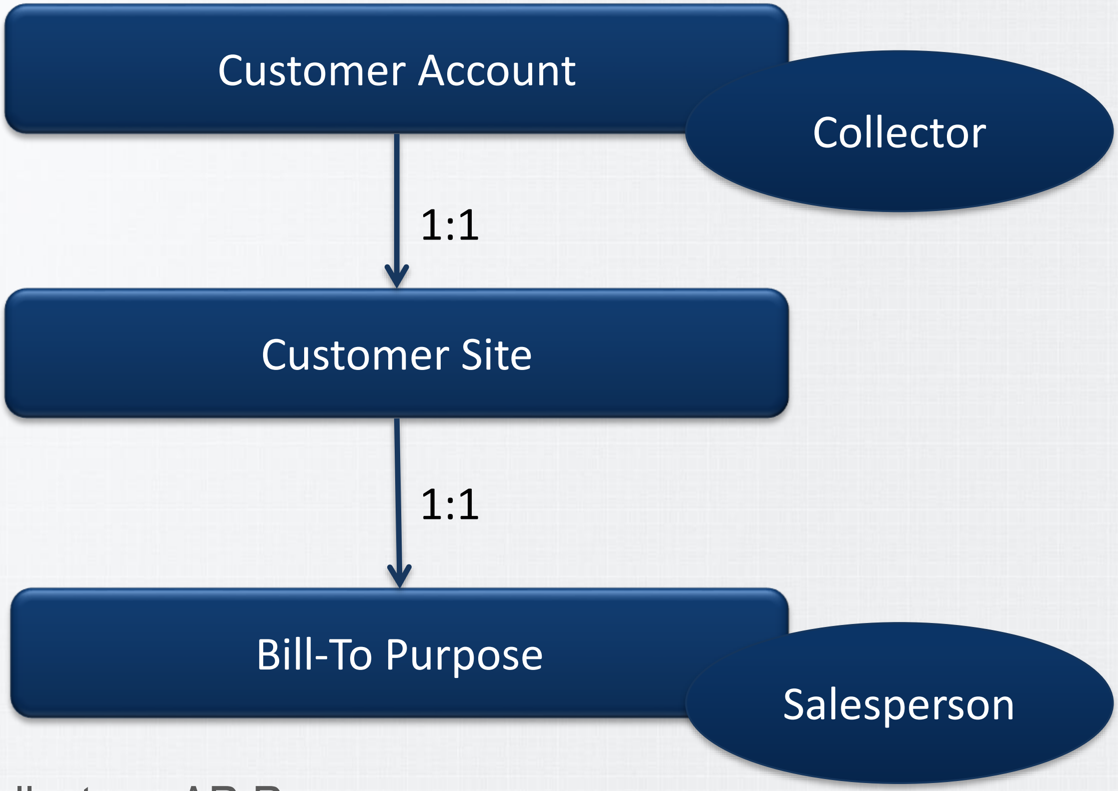
Represent AR Reps and Marketing Managers in Oracle

- **Step 2:** Set Salesperson (Marketing Manager) at Customer Account Site Business Purpose (Bill To)



TCA Setup

Systematize the Approval Flow of Disputes

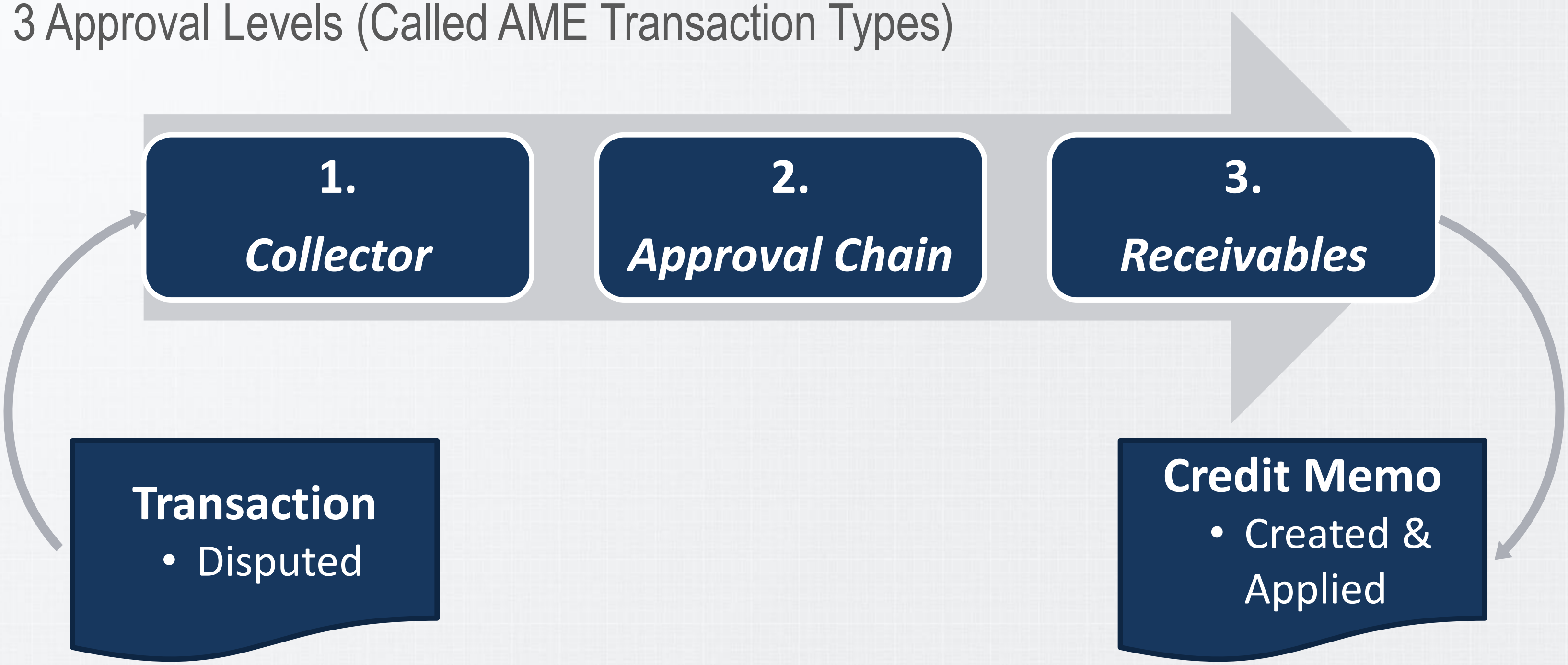


- Oracle's Collector = AR Reps
- Oracle's Salesperson = Marketing Managers

AME Setups – Credit Memo Request Flow

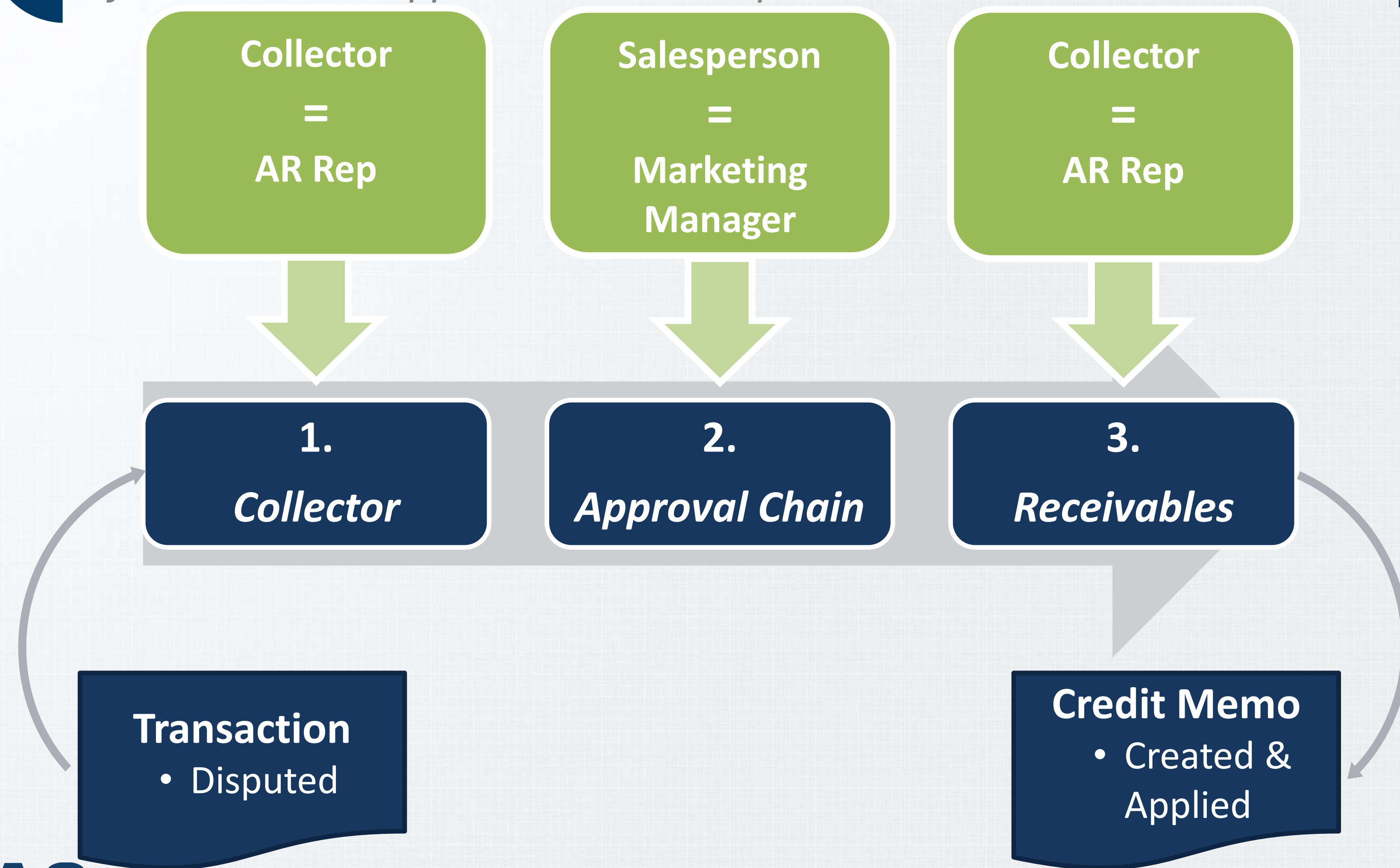
Systematize the Approval Flow of Disputes

- Two Approval Paths
  - HR Hierarchy Limits
  - **Limits Only**
- 3 Approval Levels (Called AME Transaction Types)



AME Setups – Configuration

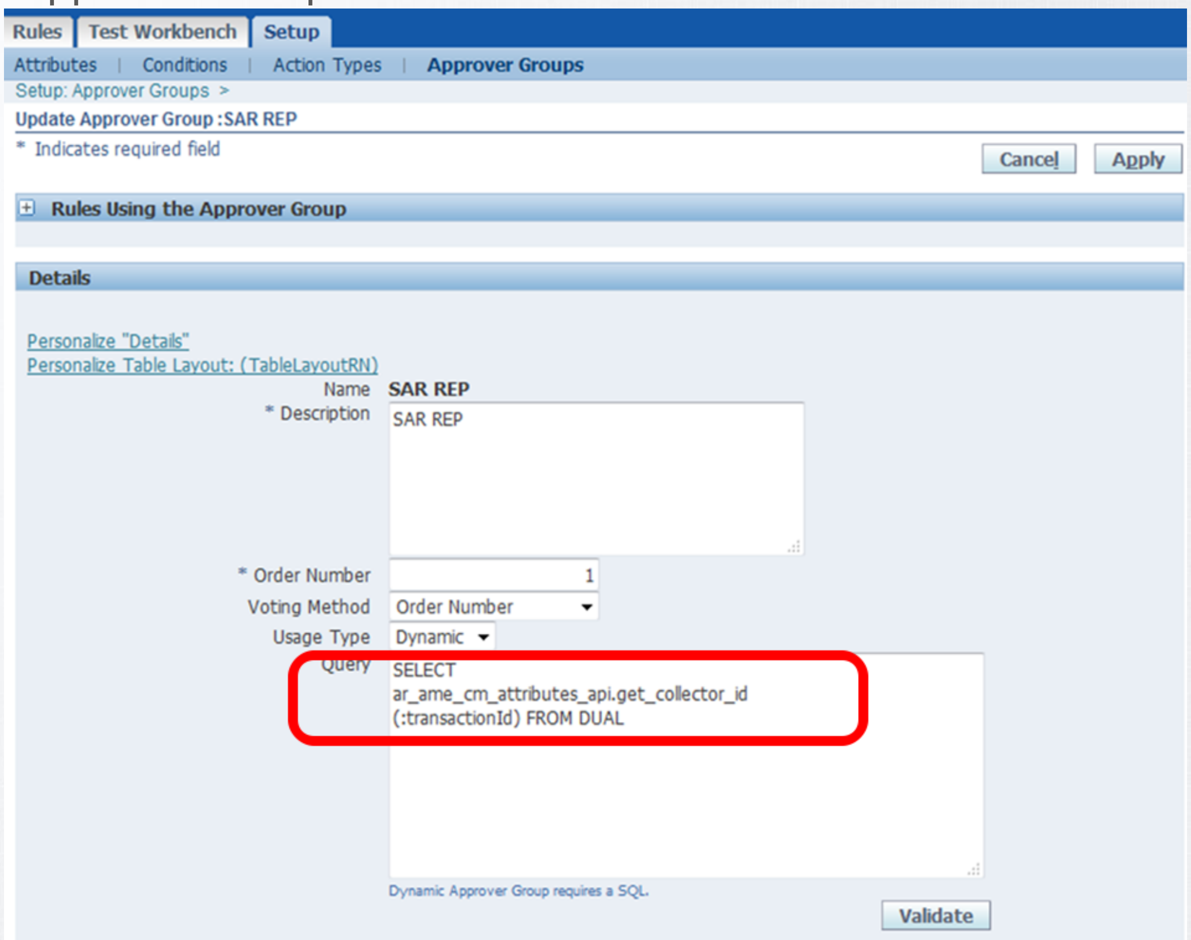
Systematize the Approval Flow of Disputes



AME Setups – 1. *Collector*

Systematize the Approval Flow of Disputes

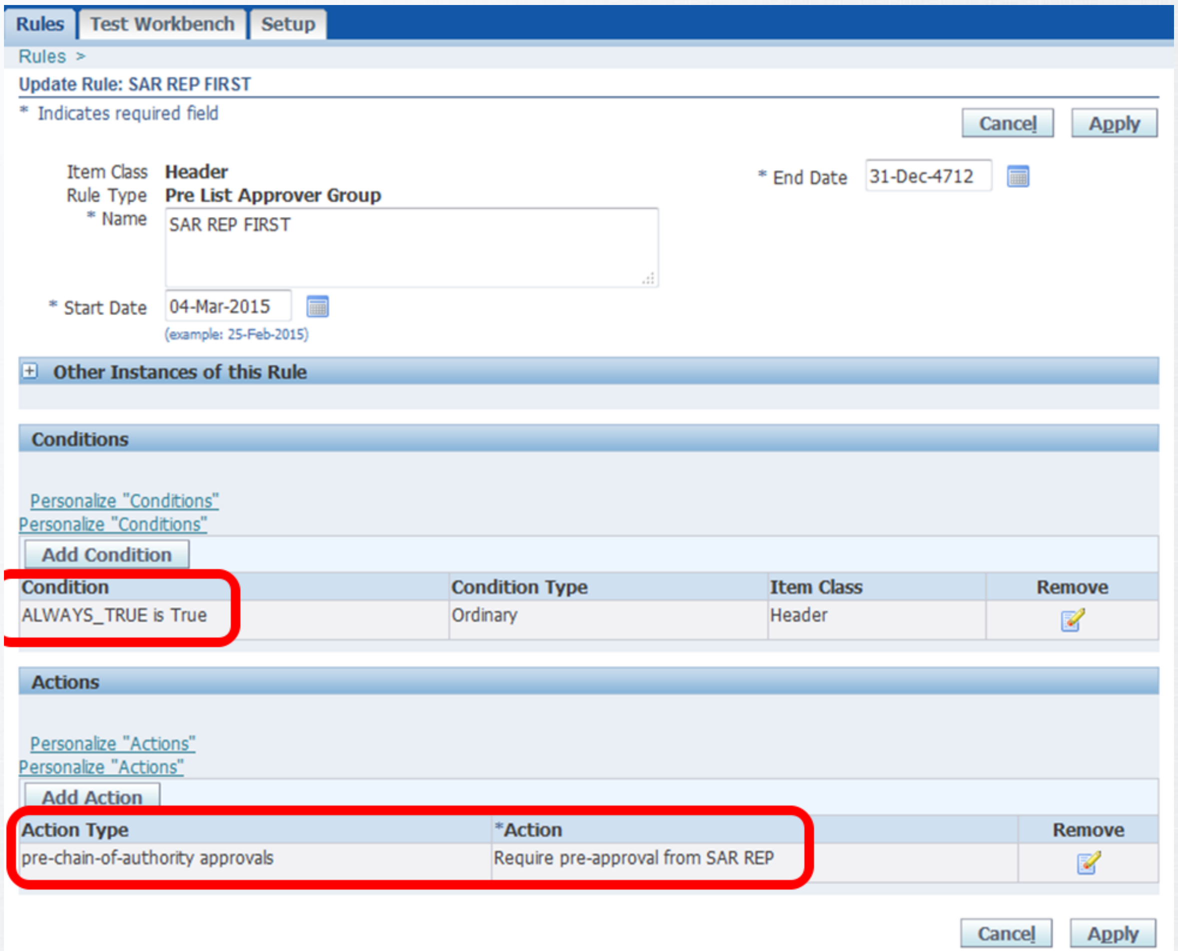
- Create Approver Group



AME Setups – 1. *Collector*

Systematize the Approval Flow of Disputes

- Create Action Type and Rule



AME Setups – 2. *Approval Chain*

Systematize the Approval Flow of Disputes

- Create Approver Group

Query	SELECT xx[redacted]_ar_dispute_util_pkg.get_mm_salesrep_person_id (:transactionId) FROM DUAL

- Create Action Type and Rule

Condition	Condition Type	Item Class
APPROVAL_PATH in (LIMITS)	Ordinary	Header

Action Type	*Action
pre-chain-of-authority approvals	Require pre-approval from MARKETING MANAGER

AME Setups – 3. *Receivables*

Systematize the Approval Flow of Disputes

- Create Approver Group

Query	SELECT ar_ame_cm_attributes_api.get_collector_id (:transactionId) FROM DUAL

- Create Action Type and Rule

Condition	Condition Type	Item Class
ALWAYS_TRUE is True	Ordinary	Header

Action Type	*Action
post-chain-of-authority approvals	Require post-approval from SAR REP

Conditional Dispute Logic

Tailor Oracle Dispute Process for Business Needs

- Allow Custom Validation To Display Buttons In Invoice, Credit Memo And Payment Details Page (Doc ID 1566003.1)
- Oracle Hook Stub: ARI_DEF_HOOKS_PVT
- Profile - OIR: Custom Validate Dispute
  - PACKAGE_NAME.VALIDATE_DISPUTE
- Custom Logic Implemented - Exclusions at 4 levels
  - Market (Region) Level – via Custom Value Set
  - Account Level (DFF Exclude from Dispute)
  - Transaction Class
  - Transaction Type (DFF Exclude from Dispute)
- Only controls Dispute button on Transaction Details page
- Personalization to remove Dispute from Account Details

Walkthrough – Dispute Process Flow

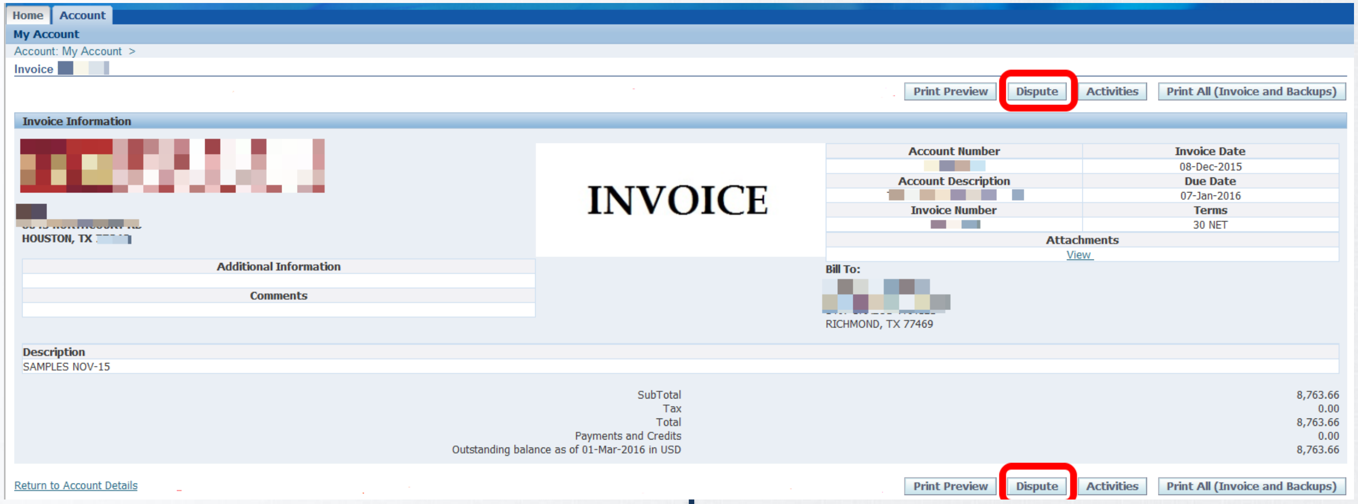
- Screen Walkthrough

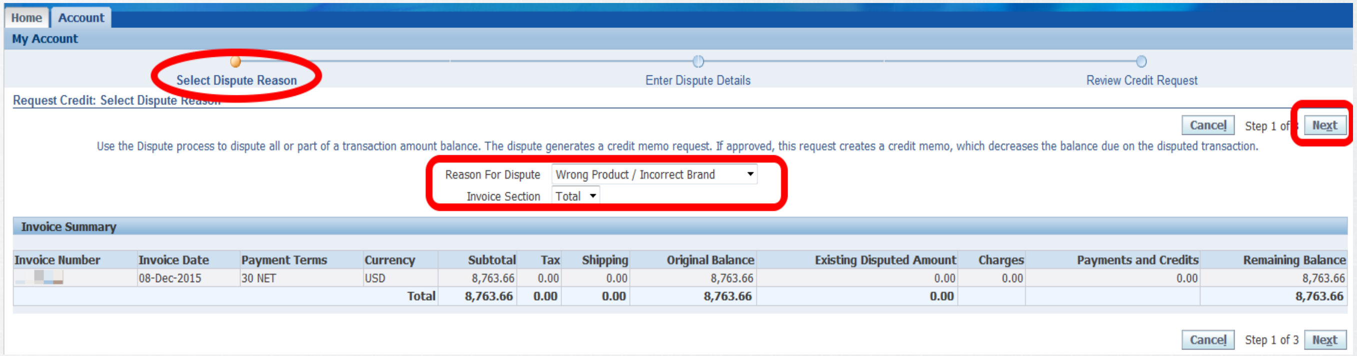
Process Flow

3 major steps

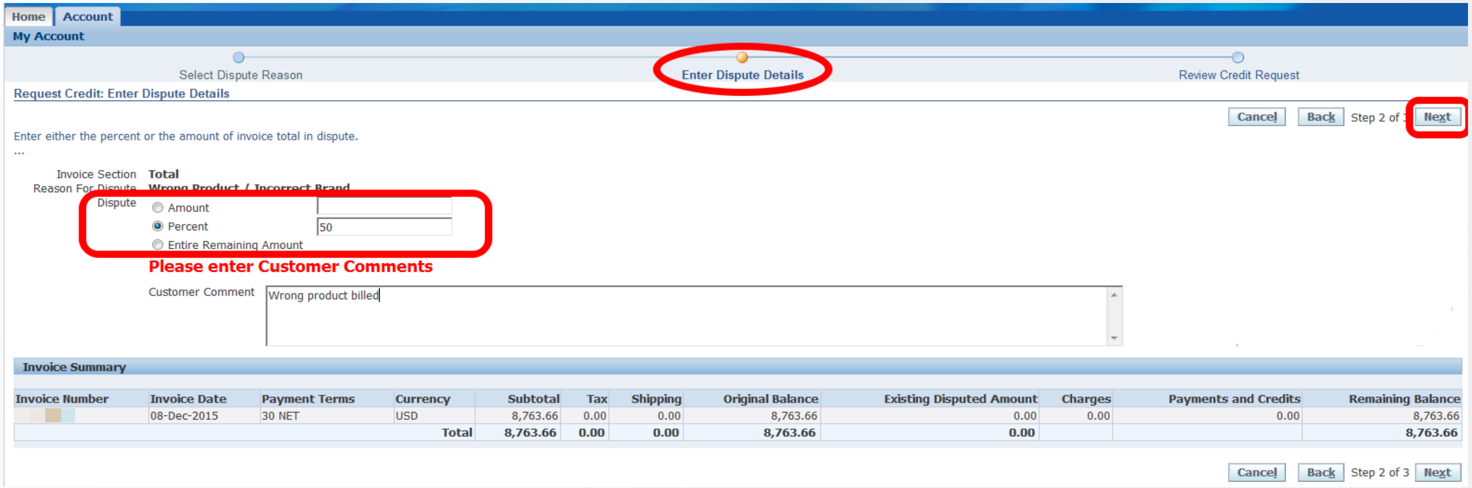
- Dispute Initiation
  - Internal User
  - External Customers
- Approval Process – Utilizes AME
- Credit Memo Created and Applied

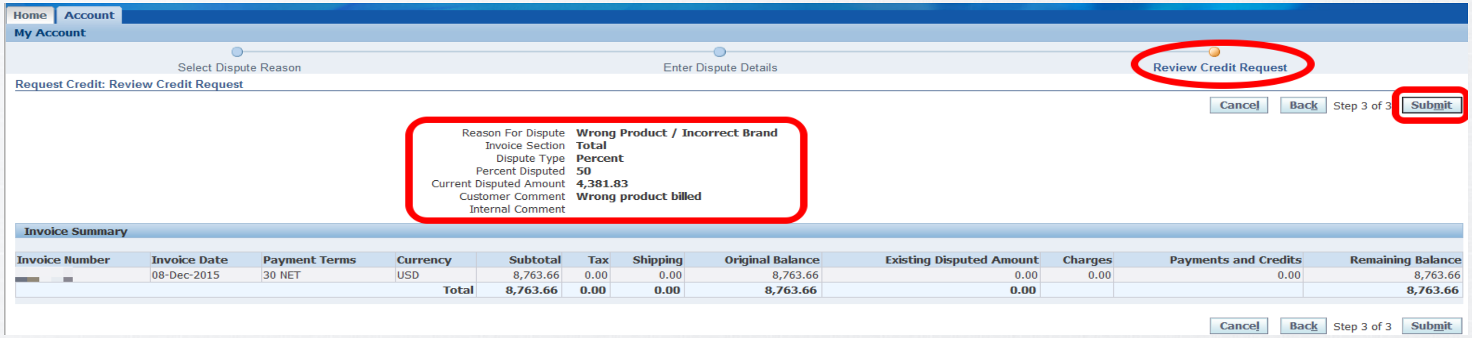
Dispute Initiation



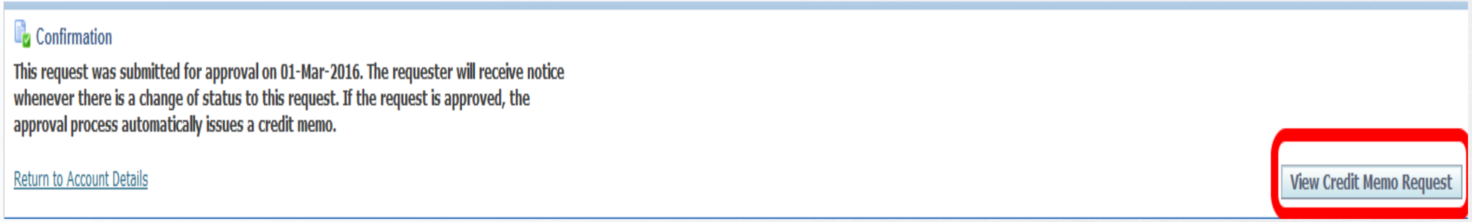


Dispute Initiation





Dispute Initiation

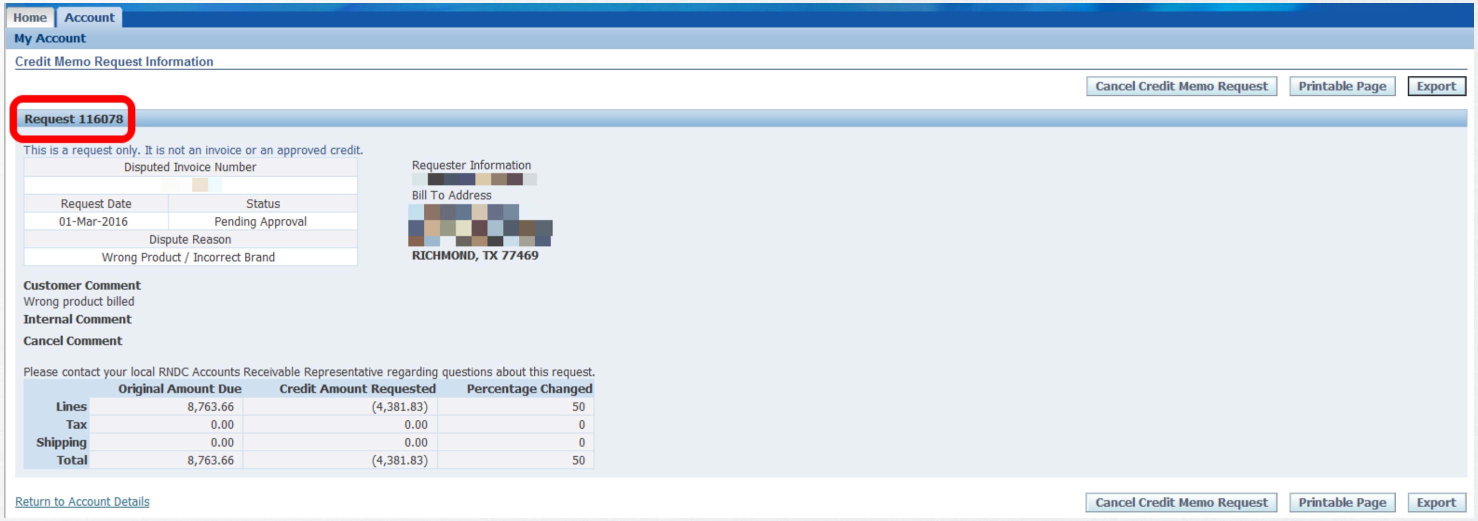


Confirmation

This request was submitted for approval on 01-Mar-2016. The requester will receive notice whenever there is a change of status to this request. If the request is approved, the approval process automatically issues a credit memo.

Return to Account Details

View Credit Memo Request



Home | Account

My Account

Credit Memo Request Information

Cancel Credit Memo Request | Printable Page | Export

Request 116078

This is a request only. It is not an invoice or an approved credit.

Disputed Invoice Number

Request Date	Status
01-Mar-2016	Pending Approval

Dispute Reason: Wrong Product / Incorrect Brand

Requester Information

Bill To Address

RICHMOND, TX 77469

Customer Comment
Wrong product billed

Internal Comment

Cancel Comment

Please contact your local RNDC Accounts Receivable Representative regarding questions about this request.

	Original Amount Due	Credit Amount Requested	Percentage Changed
Lines	8,763.66	(4,381.83)	50
Tax	0.00	0.00	0
Shipping	0.00	0.00	0
Total	8,763.66	(4,381.83)	50

Return to Account Details

Cancel Credit Memo Request | Printable Page | Export

Approval Process

- NOTIFICATION SENT TO AR Rep

Select	Status	Activity	Parent Activity	Notification	Performer	Started
	Notified	Collector Approval - Inform Collector	Collector Approval	Open	[illegible]	01-Aug-2014 12:47:01

Select	Status	Activity	Parent Activity	Notification	Performer	Started	Completed
	Deferred	Check First Approver	Collector Approval			01-Aug-2014 12:48:51	
	Complete	Collector Approval - Inform Collector	Collector Approval	Closed	[illegible]	01-Aug-2014 12:47:01	01-Aug-2014 12:48:51

- NOTIFICATION SENT TO MARKETING MANAGER

Select	Status	Activity	Parent Activity	Notification	Performer	Started
	Notified	Request Approval - Inform Approver	Limits Only Approval	Open	[illegible]	01-Aug-2014 12:49:51

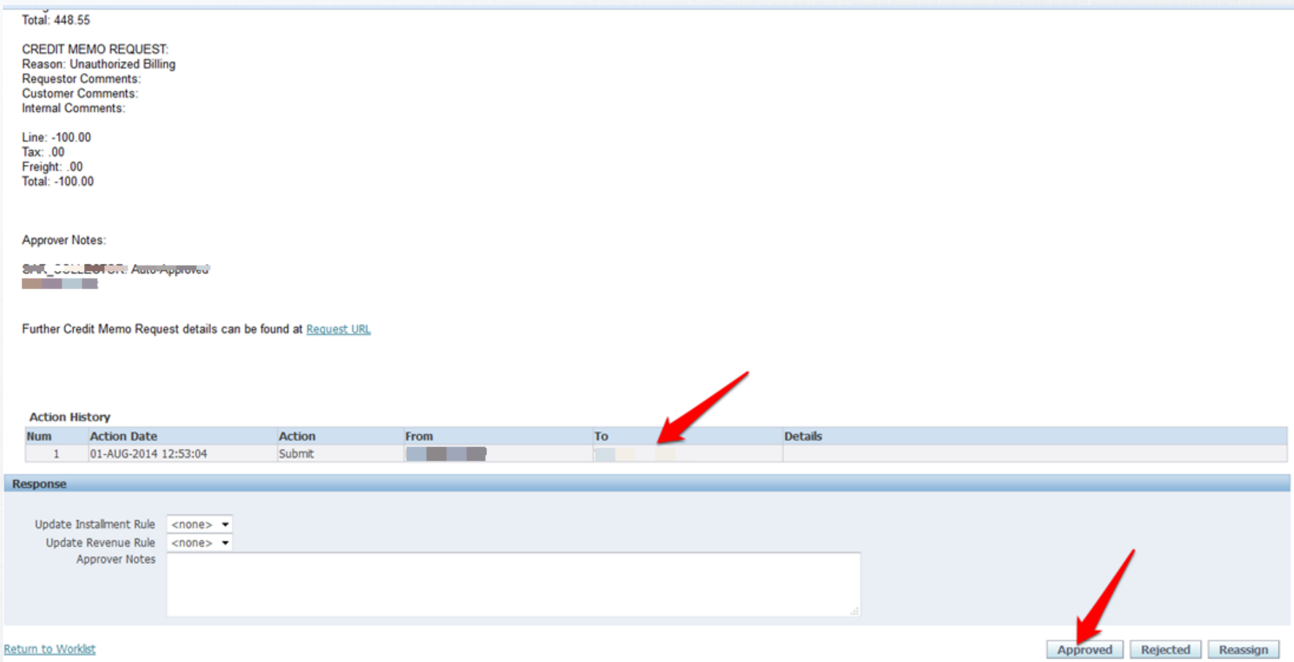
lect	Status	Activity	Parent Activity	Notification	Performer	Started	Completed
	Deferred	Check Credit Methods	Limits Only Approval			01-Aug-2014 12:52:10	
	Complete	Request Approval - Inform Approver	Limits Only Approval	Closed	[illegible]	01-Aug-2014 12:49:51	01-Aug-2014 12:52:10

Approval Process

- NOTIFICATION SENT AR Rep

Select	Status	Activity	Parent Activity	Notification Performer	Started	Completed
	Deferred	Check Credit Methods	Receivable Approval		01-Aug-2014 12:54:22	
	Complete	Request Receivable Approval - Inform Receivable User	Receivable Approval	Closed	01-Aug-2014 12:53:04	01-Aug-2014 12:54:22

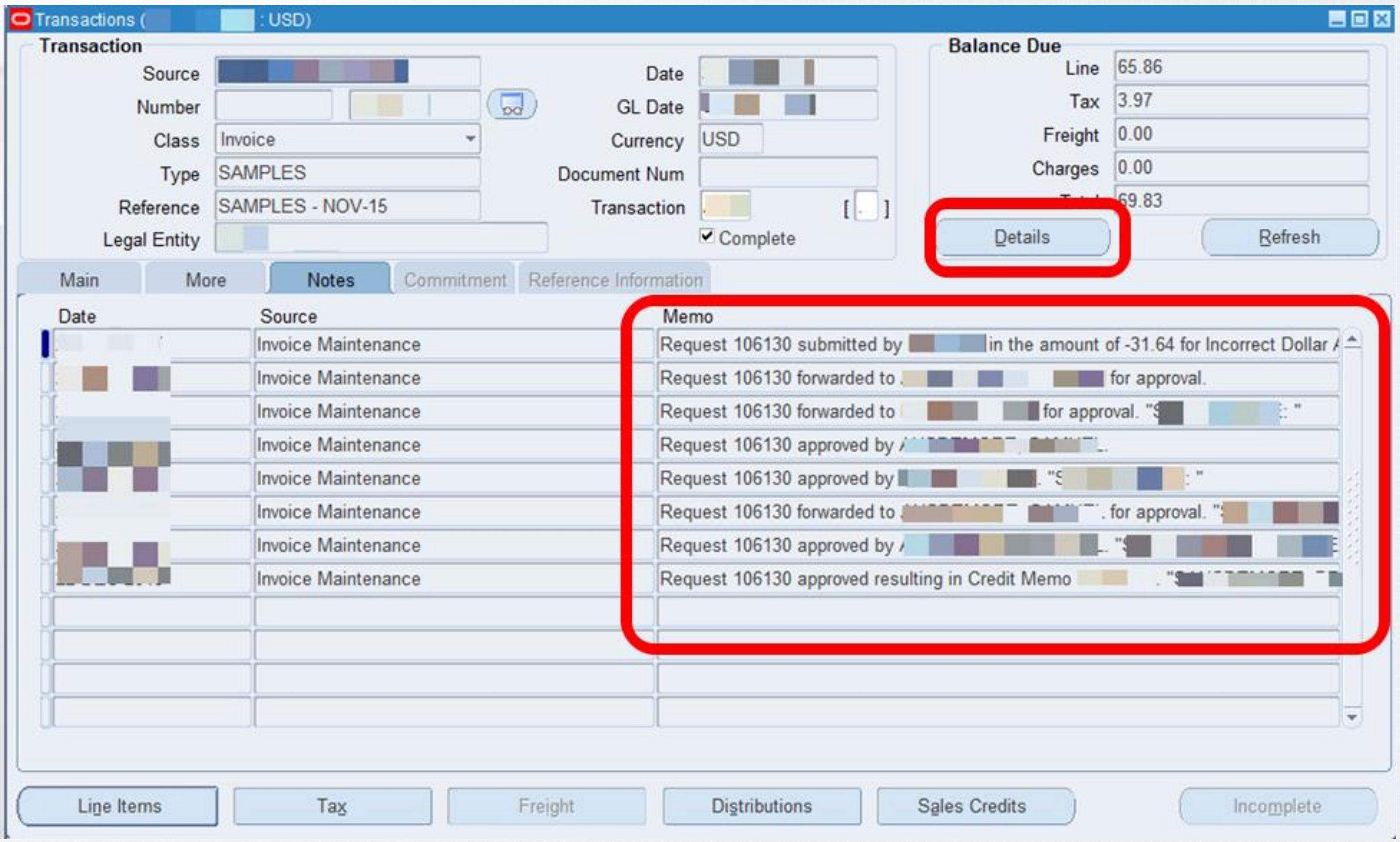
- Sample Email Notification



Credit Memo Creation & Application

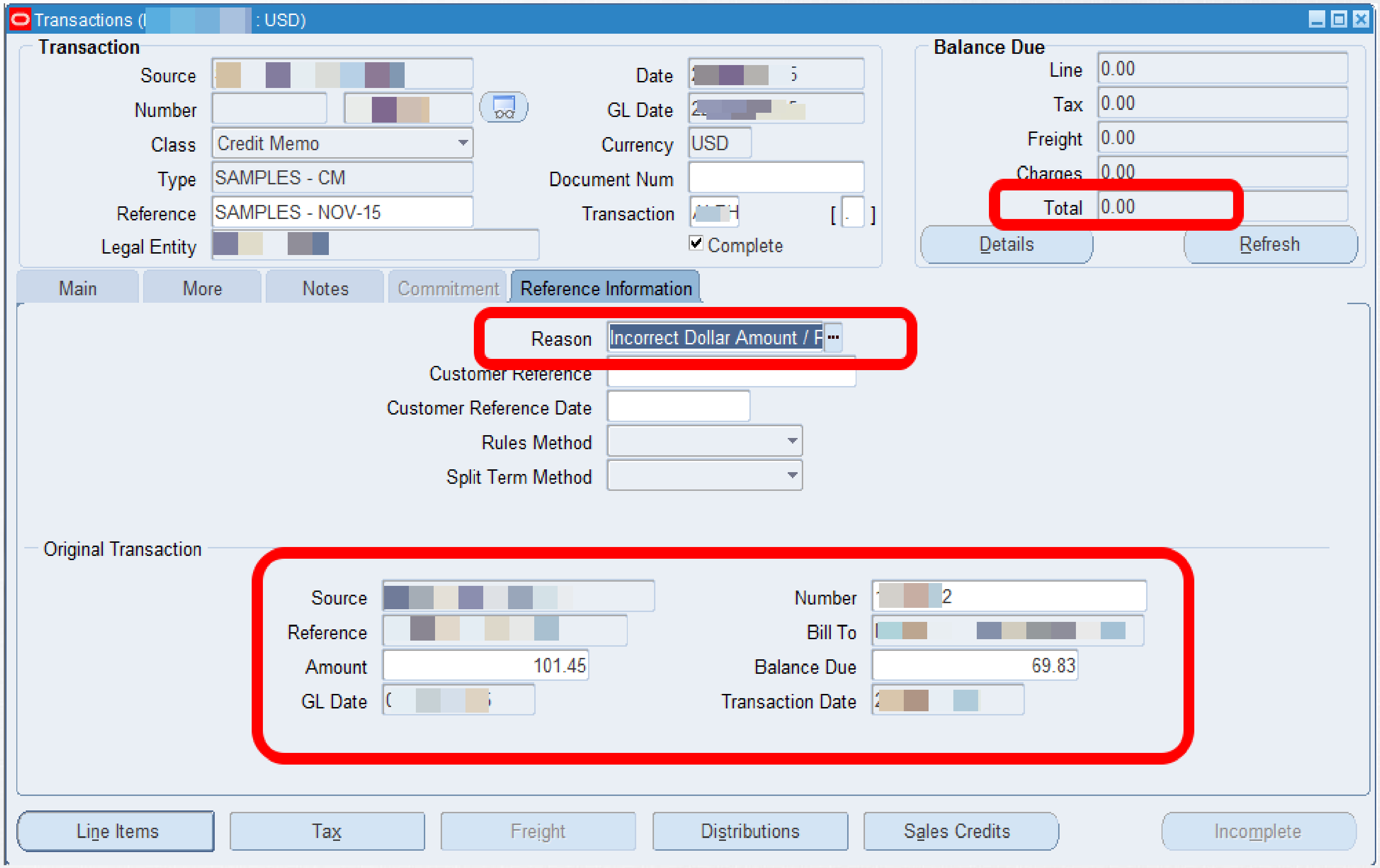
- Credit Memo Created and Applied to Original Transaction

Original Transaction



Credit Memo Creation & Application

Credit Memo Transaction



Additional Dispute Features

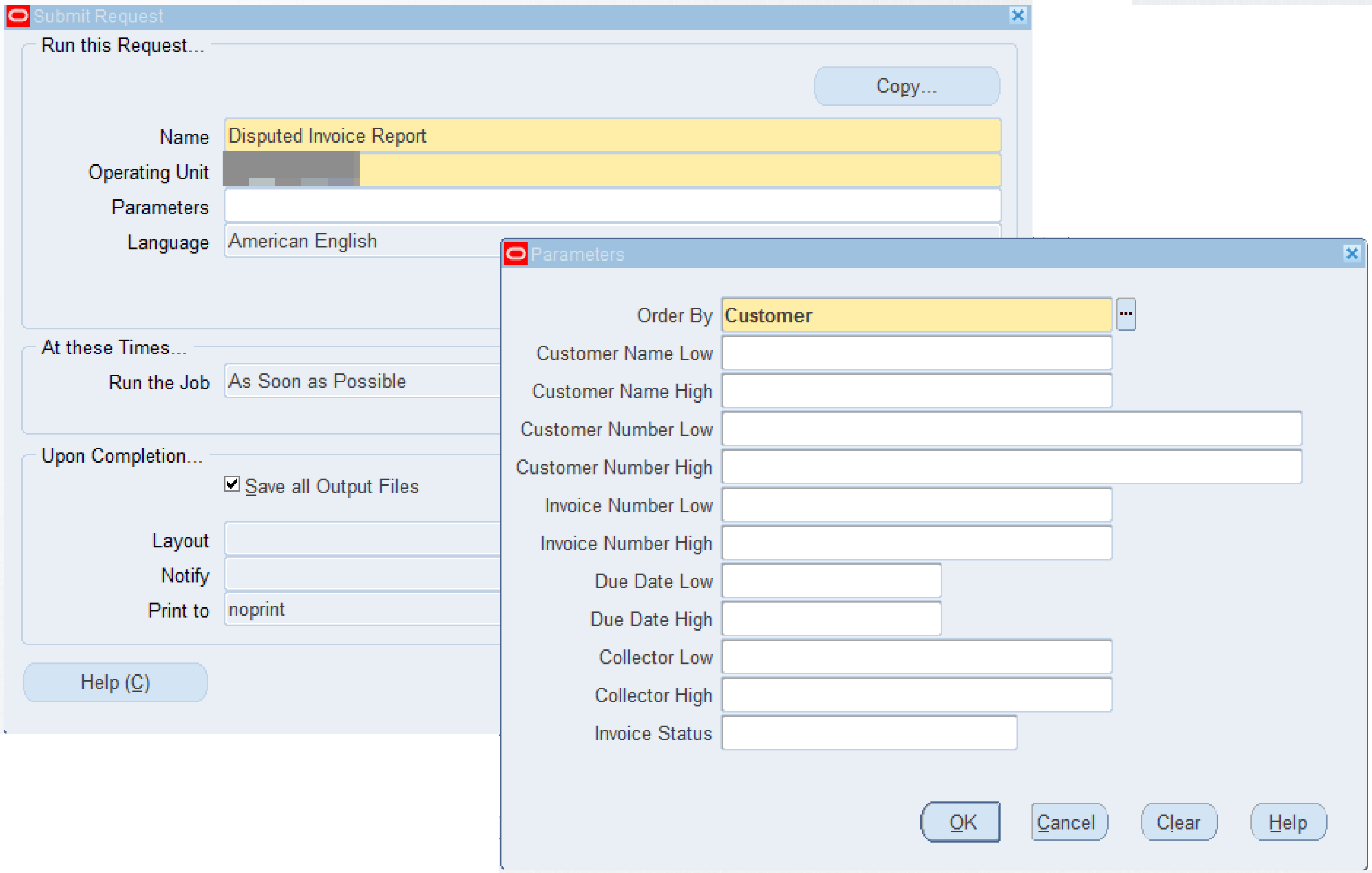
- Automatic Dispute Process
- Email Notification Process
- Dispute Reporting

Automatic Dispute Process

- Custom Process
- Automatically create disputes whenever
  - Cash/Credit Memo applied to a transaction
  - Remaining balance is more than threshold amount
  - Threshold amount set via custom profile
  - No CM Request (dispute) exists
- Honors Conditional Dispute Logic / Setup
- ar_credit_memo_api_pub.create_request
- Once Credit Memo Request is created, follows same approval process
- Provides
  - Greater control on write-offs
  - Awareness for Customer and Marketing team

Disputed Invoice Report (Standard)

- Used to review disputed transactions



Disputed Invoice Report (Standard)

- Prints information for each disputed transaction and displays totals. You can also review the collector name and any comments associated with the dispute.

```
                                         Disputed Invoice Report                          Report Date: 09-MAR-2016 12:28
Order By:  Customer                                                                                   Page:       1 of    105
Currency:  USD


---------------Invoice--------------- -----------Customer-----------
/Billing Number      Type    Due Date  Name                 Number     Collector        Invoice Amount        Balance Due Dispute Amount
------------------ ------- --------- ------------------- ---------- ----------- ----------------- ----------------- --------------

10929207           GRAPHIC 19-DEC-15 A FINE WINERY       451122-ATL AMY SIMS                175.51              0.00          43.51

                Comments:  Request 91081 submitted by JIM@AFINEWINERY.COM in the amount of -43.51 for
                           Incorrect Dollar Amount / Percentage. :Customer Comments:  "Need adjustment as per last agreement"

                           Request 91081 forwarded to SIMS, AMY for approval.

                           Request 91081 approved by SIMS, AMY.

                           Request 91081 forwarded to SMITH, BILL for approval. "ASIMS: Talked to customer - pls approve."

                           Request 91081 approved by SMITH, BILL. "BSMITH: No problem - approved!"

                           Request 91081 forwarded to SIMS, AMY for approval.

                           Request 91081 approved by SIMS, AMY.
                                                                                 ----------------- ----------------- --------------
                                                 Sum For ROUND POND INC Customer:            291.81             56.30          99.81
```

Customer Listing for Dispute Setups

- Developed a custom Excel report to provide insight to dispute-related customer setups
  - Spreadsheet analysis of current account assignments

Customer Listing for Dispute Setups

XXRNDCCOLLSRRWRPT1 || Branch=ATL

Customer Name	Account Number	Account Name	Exclude from Dispute	Collector (AR Rep)	Salesperson (Marketing Manager)
A FINE WINERY	451122-ATL	ATL-A FINE WINERY - NORTH GA	N	AMY SIMS	BILL SMITH
A FINE WINERY	451123-ATL	ATL-A FINE WINERY - CENTRAL GA	N	AMY SIMS	BILL SMITH
ALAN FORT LIQUORS	421699-ATL	ATL-ALAN FORT LIQUORS - ATLANTA	N	BO GREEN	SUE JONES
ALAN FORT LIQUORS	421700-ATL	ATL-ALAN FORT LIQUORS - MACON	N	BO GREEN	SUE JONES
ALAN FORT LIQUORS	421701-ATL	ATL-ALAN FORT LIQUORS - AUGUSTA	N	BO GREEN	SUE JONES
ALAN FORT LIQUORS	421702-ATL	ATL-ALAN FORT LIQUORS - COLUMBUS	N	BO GREEN	SUE JONES
AMERICAN WHISKEY DISTILLERY	417416-ATL	ATL-AMERICAN WHISKEY DISTILLERY	N	AMY SIMS	BILL SMITH

Conclusion

- Takeaways
- Questions
- Contact Us

Takeaways

Effectively Standardized Business Process

Reduction in AR Processing Times

Great feedback from Business and End Customers!

Quick Turnaround
- Implementation
- Training

Flexibility of iReceivables using AME

Improvement in Customer Service

Questions

Contact Us

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BIAS

ORACLE Platinum Partner

GSA Contract Holder
Contract GS-35F-0558U