DEATH BY A THOUSAND INVOICES

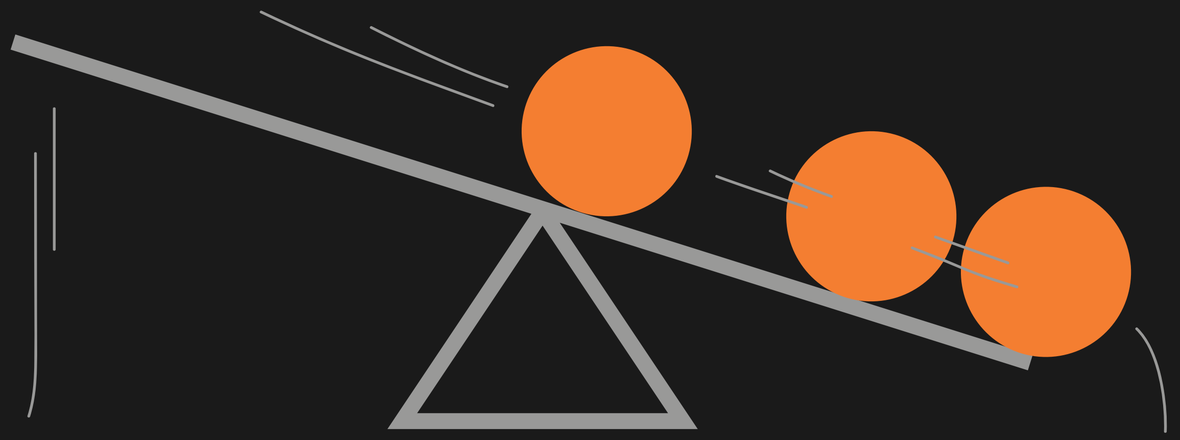
Why growth hurts so many invoice finance businesses

It’s never easy growing an invoice finance business. In fact, sometimes

can even hurt a lender’s long-term prospects.

Here's how
that
HAPPENS.

In invoice finance,
you're always looking for
the right balance between
three central priorities.



In invoice finance,
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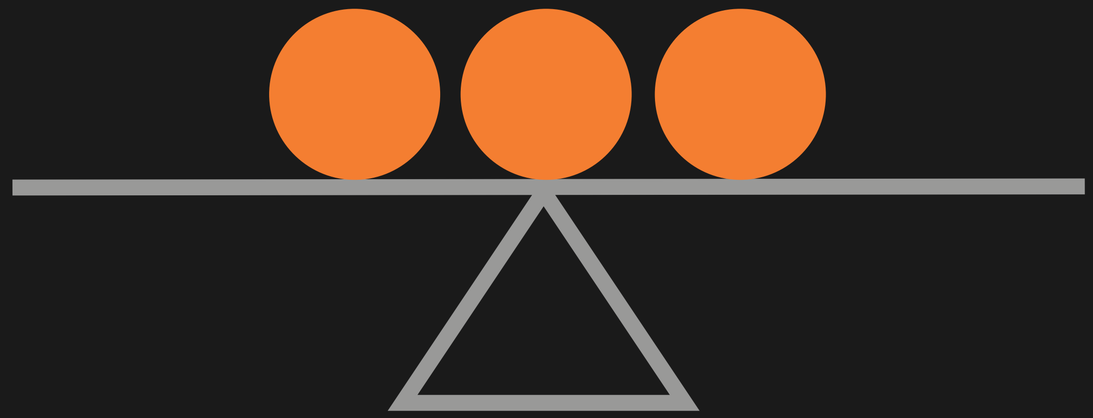
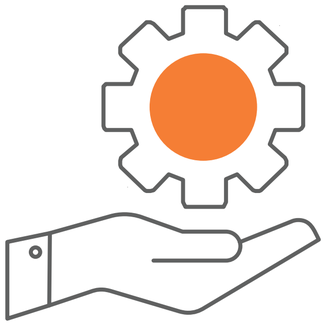
- YOUR SERVICE
- YOUR RISK
- YOUR COSTS



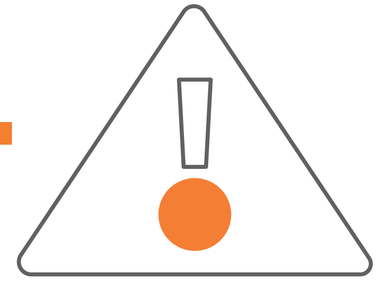
YOUR SERVICE



You want to deliver a great client experience. But you want to service the right clients, at costs you can sustain.

Is it easy for your clients to work with you?	Can you onboard them as quickly and painlessly as possible?	Is your team responsive enough to keep them happy?	Are they happy with your average time-to-cash?

YOUR RISK



You're wrestling with a wide range of risks.

But you don't want to be so focussed on mitigating risk that you're impossible to work with.

How many of your clients are likely to fail?	How long are the credit terms for the majority of your clients?	Are the transactions underlying your clients' invoices straightforward?	How soon can you detect fraudulent invoices?

YOUR COSTS

You want to maintain tight control over your costs. But you've got to make sure your spend is effective.

Do your risk mitigation processes do a good enough job of limiting your exposure?

When trading ramps-up, how much will you need to spend on additional resource?

Can you keep giving your best clients the best service?

How much will you lose to fraud this year?

Invoice finance businesses thrive when they can find the right balance between service, risk and cost.

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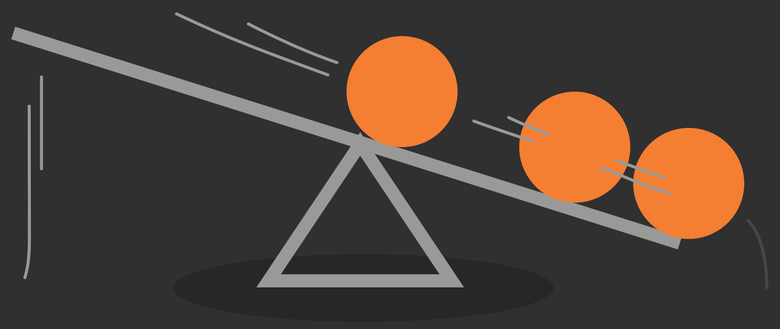
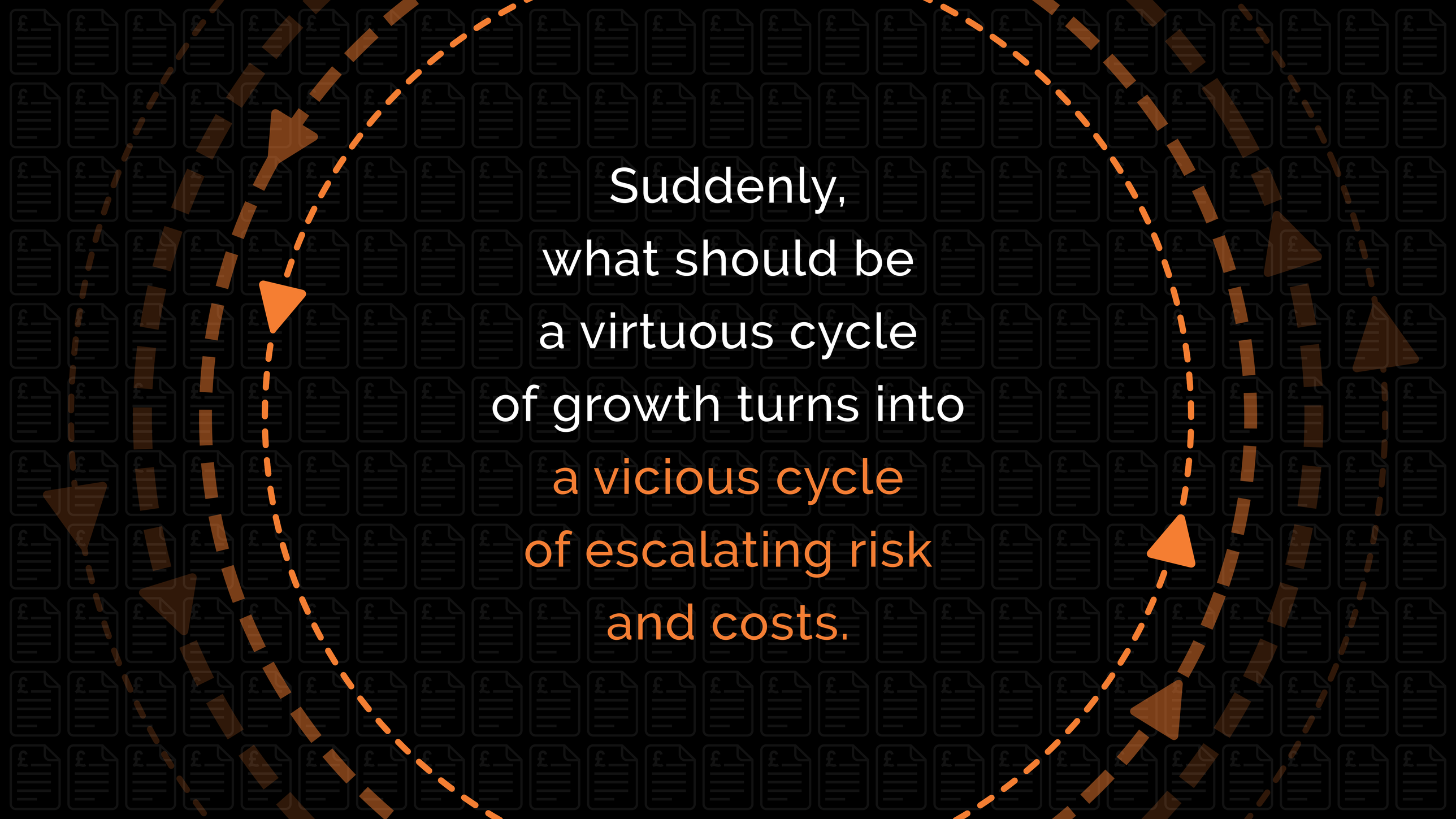
The problem is, when businesses try to grow without resolving these often-conflicting priorities, everything becomes harder to manage.




Suddenly,
what should be
a virtuous cycle
of growth turns into
a vicious cycle
of escalating risk
and costs.

If your people are already stretched too thin working across disparate systems, it's now harder for them to accurately detect risk.

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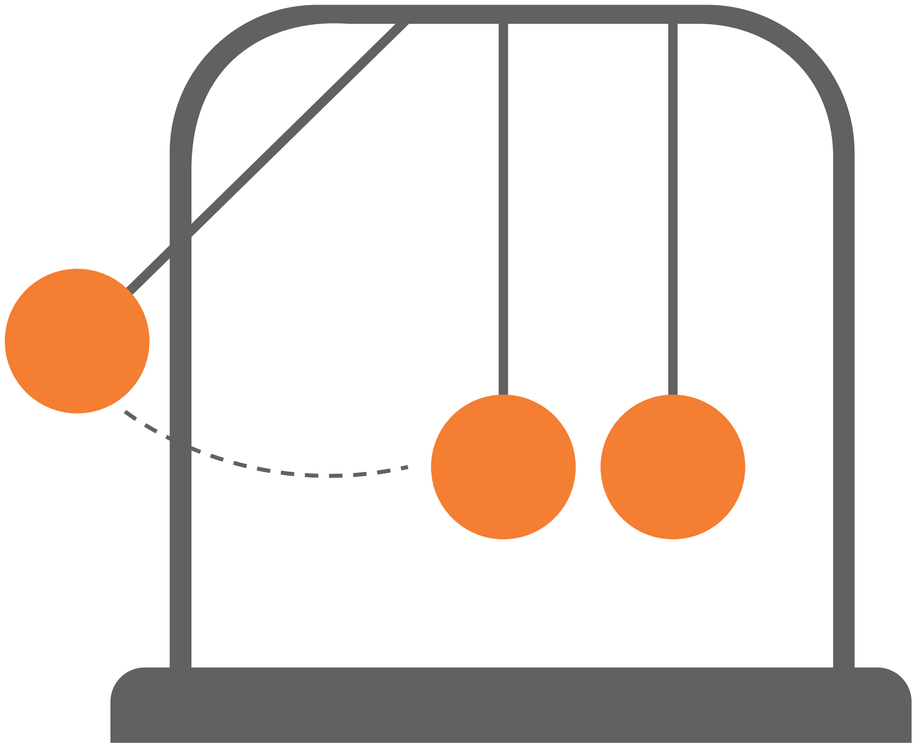
And even if you hire more staff, they'll be just as limited by your technical debt.

So, the more clients you take on,
the more pressure you put on
your operation to effectively verify
and review every transaction.



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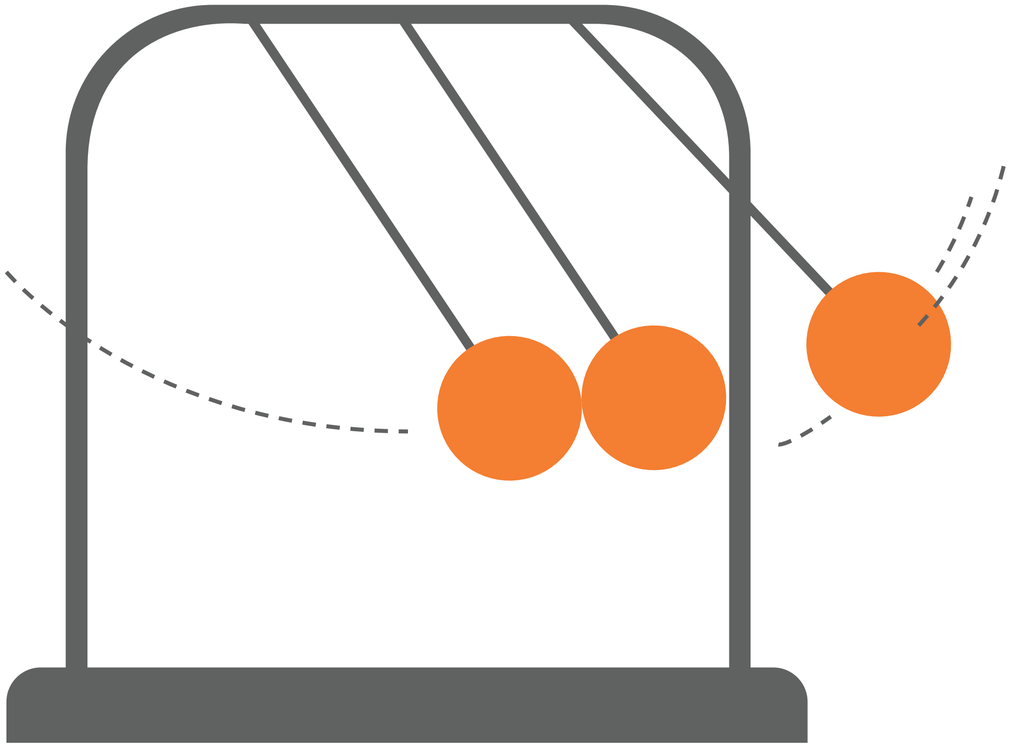
The more pressure you put on your operation, the more risk seeps through.



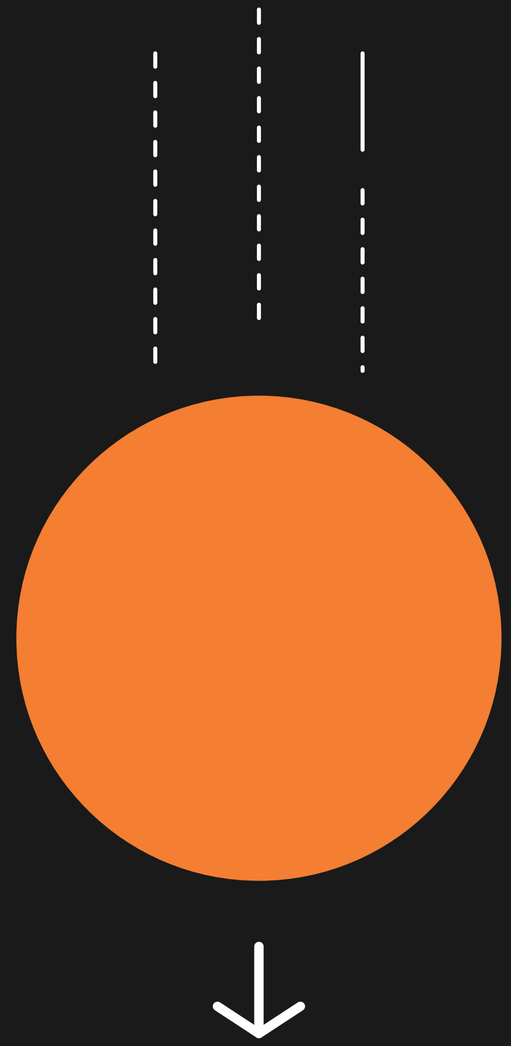
More clients
=
More costs
+
More risks
COSTS
RISKS
CLIENTS

And then gravity kicks in

You take on greater risk in the name of faster onboarding.

You take on bigger costs in the name of greater demand.

And your customer base becomes more fickle the more your team struggles to maintain quality of service.



So what do you

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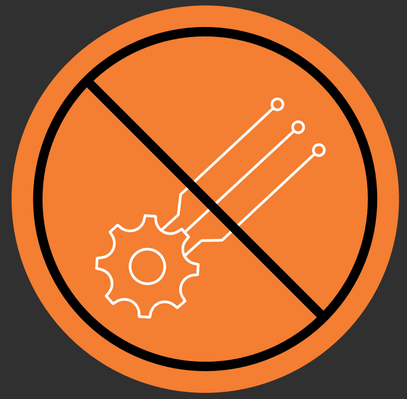
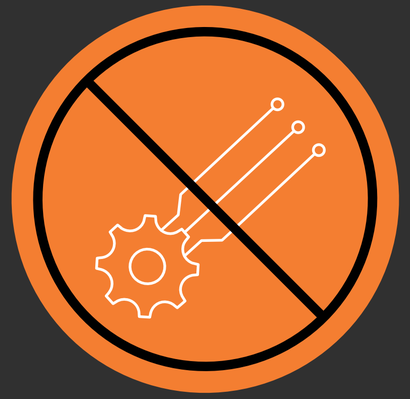
Well, you can’t rip and replace all the technology underpinning your operation in the name of ‘transformation’.



Well, you can't rip and replace all the technology underpinning your operation in the name of 'transformation'.

And there's no wide-eyed AI superbot that can run the business for you.

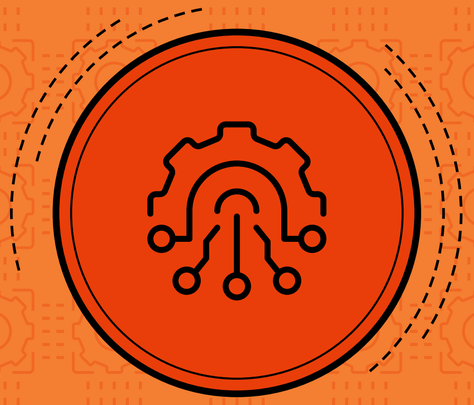
(Not yet, anyway.)



But you can use AUTOMATION to:

- Support your existing IT systems
- Speed your processes up without disrupting IT's workflow

Because automation sits on top of your existing infrastructure, there is:



- No disruption to your existing IT systems
- No IT team involvement required
- No need to stop what you're doing

With automation you can make sure your service, your risk and your costs don't conflict with each other so much.

By intelligently deploying automation at key points in the client lifecycle, you can improve the speed and accuracy of key processes like onboarding, verification and review.

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Automation pulls data from the complex web of disparate systems, simplifies processes and removes manual workarounds.

Automation gives your people the data they need, quickly and in right format - meaning they are more effective at their jobs.

The result is
you can take on

MORE CUSTOMERS

with lower risk,
at lower costs.

CASE STUDY

An invoice finance operation
in one of the UK's largest banks
servicing more than

30,000

transactions a day,

recently undertook this process of
Intelligent Automation.

They reduced risk exposure across activities by 10% **equal to over £130M a year.**

Even though they now take **75% less time to assess risk.**

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They reduced **their cost to serve by 25%.**

Even though they increased **contra-check completion up to 100%** (from 40%).

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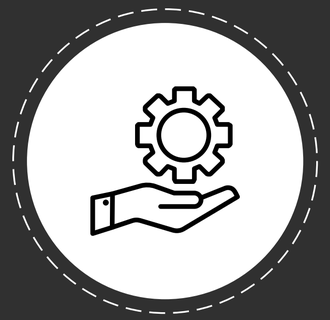

They increased **their cash allocation accuracy up to 99.8%** (from 98%).

Even though allocation **efficiency increased by 20%.**

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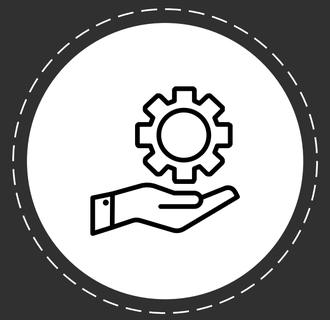


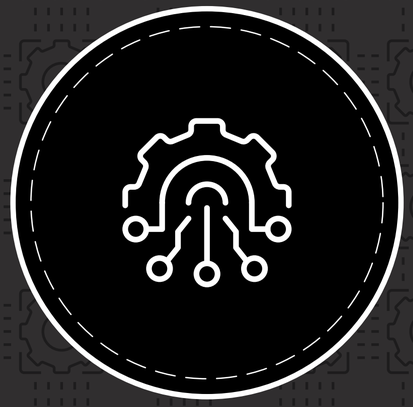
They increased **their cash allocation accuracy up to 99.8%** (from 98%).

Even though allocation **efficiency increased by 20%.**

And they improved the **accuracy of reconciliations up to 92%** (from 74%)

Even though they spend **40% less time on reconciliation.**

When you automate your processes,



When you automate your processes,

you make your operation safer and easier to grow.

You deliver better service at lower costs

Onboarding is quicker and your clients are grateful for it.

Automated customer outreach improves the customer experience at a fraction of the cost.

And standardised processes make it easier for your people to get the right things done.

You have a better view of risk even as you take on more customers

You run automated background checks that are both faster and more thorough on your clients, their companies and their debtors.

You get a better view of the business' true amalgamated exposure at any point in time.

And your people spend less time doing data entry and more time helping customers.

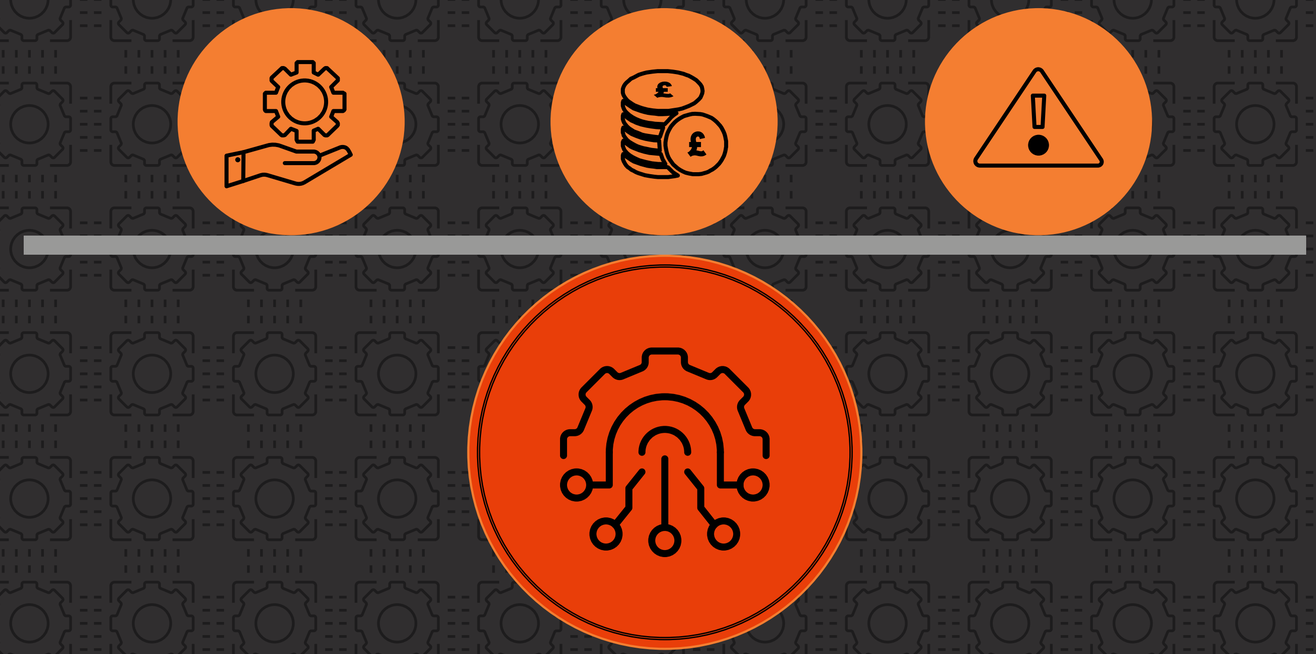
You scale revenue without scaling technical debt

Simple integrations and workflow updates help your people deliver a better client experience.

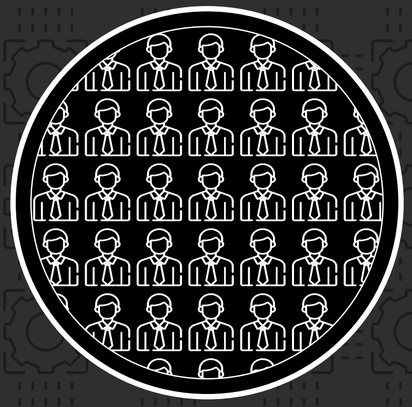
New employee onboarding is more predictable for the business and simpler for recruits.

And automation help you scale to meet new compliance requirements and customer inquiries, across new channels like email and chat.

With Intelligent Automation and simpler workflows, you can deliver a better client experience, with lower costs and a better grip on risk. All while using the IT investments you've already made.



You can make sure the next thousand clients you take on



You can make sure the next thousand clients you take on

don’t break your business’s back.

You can find a better way to

We're Firstsource

We are business process experts who partner with you to understand your systems, process, decision trees and access your data – we fit our automation solution to your needs.

We help invoice finance businesses deploy Intelligent Automation to reduce repetitive, manual tasks so they can grow better, smarter and cost efficiently.

Learn how our Intelligent Automation solution helped one of the UK's largest banks reduce its annual risk exposure by £130M.

To find out what's right for your business, talk to us.

For more insights follow us on social media: