

How Zurich Leveraged AI to achieve 85% Straight Through Cash-Posting with 33% Higher Productivity

Zurich had been processing payments via ACH, Wire & checks in-house up until 2007 when they moved their receivables to a SAP-based system. Payments were processed one by one, and needed to be matched with the correct account details. Further, the analyst had to update all the open A/R accounts on SAP while keeping the bank informed. Over the years, Zurich struggled with its Cash Application process due to two core challenges – a 100% manual end-to-end process and a decentralized processing system. Zurich took several initiatives to maintain control and improve the efficiency of the existing cash application process in the past, but continued to face multiple roadblocks to realize business benefits.

“Some of the key things we wanted to improve were reducing the manual keying that my team had to apply to the policy invoice level. We wanted a system that can do that for us and help us reduce the number of customer complaints, delays, errors and internal meetings. ”

Tisha Clausell, Vendor Performance Manager, Zurich

Learn how Zurich achieved 85% straight-through cash-posting with HighRadius Cash Application Solution.



IMPACT ACHIEVED AT ZURICH

85%

Straight-Through
Cash Posting

33%

FTEs Reallocated to
Critical Tasks

100%

Elimination of
Lockbox Fee



Why were the payments not applied when we saw that we received the money a month ago, what happened? I wanted to eliminate that, and we implemented the cash application solution from HighRadius.

Tisha Clausel

Vendor Performance Manager
Zurich

ABOUT ZURICH



\$2.1_B

Total Revenue

54k

Total Employees

128+

Office Locations

Zurich Insurance Group Ltd. is a Swiss insurance company, headquartered in Zurich, commonly known as Zurich. The company is Switzerland's largest insurer and their customer base includes small to mid-sized businesses, brokerage firms and multinationals. With more than 148 years of experience in managing risk and supporting resilience, it provides a wide range of property and casualty, life insurance products and services in more than 210 countries and territories. Zurich is a global insurance company which is organized into three core business segments: General Insurance, Global Life, and Farmers. In the year 2021, the group was ranked 112nd in Forbes' Global 2000s list and in 2011 it ranked 94th in interbrand's top 100 brands.



100% Manual Processing of E-Payments such as ACH/Wire

40% of Zurich’s payment landscape was e-payments such as ACH/Wire. For e-payments, the analysts had to spend a huge amount of time extracting the remittances from emails, EDIs, and web portals. They also had to link the remittance with the e-payment and manually match them with the open invoices extracted from SAP. Once the invoice is matched the cash analysts would post the file in the ERP system. This turned out to be a very tedious and labor intensive process where the analysts had to spend 15% of their time.



Poor CX as a Downstream Impact of Slow Cash Application

Delayed cash application process led to erroneous status reports for accounts/invoices. Even if the customer had paid for an invoice, they might wrongfully receive DNOC or dunning letters resulting in dissatisfied customers and disparate status of accounts.



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Numerous Internal Calls with Several Commercial Teams

In order to resolve the errors in the system, the Credit and A/R team was frequently compelled to have multiple internal calls or meetings with brokers, underwriters, account executives, and Finance Operations managers.

Impact on Resources & Bottom Line due to Lockbox Implementation

Zurich adopted lockbox services of Aries to resolve some of their pain points but paying the bank keying fees and other transmission costs were eating up their bottom line and resources.

How did HighRadius Help?

85% Automated Cash Application for all Payments, Freeing up 6 (33%) Employees in Cash Application

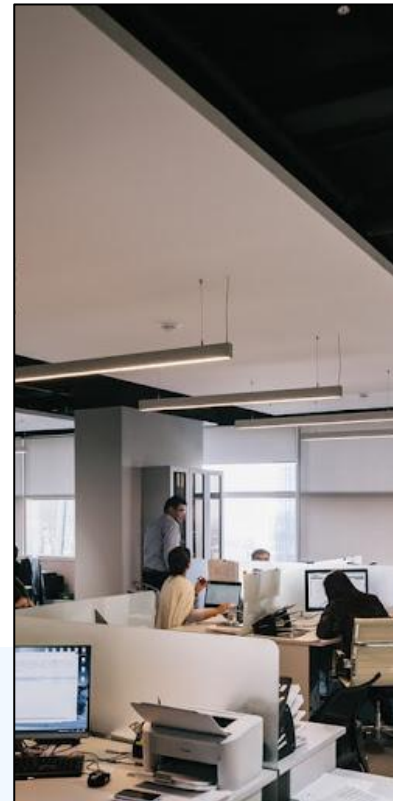
With HighRadius Cash Application Software, Zurich's cash application team could simplify the processing of high volume of checks and e-payments. Cash Application Software automatically matched incoming payments to the open invoices, resulting in 85% hit rate for cash application. By automating their Cash Application process, Zurich was able to free up 6 full-time resources out of a 18 member team and reallocated them to critical tasks.

Improved CX with Automated Dunning

Zurich was able to provide its customers which included small to mid-sized businesses, brokerage firms, multinationals and others with a richer experience and freedom to pay or send remittances in their desired format. With HighRadius, Zurich had real-time visibility into the status of their customer accounts to avoid incorrect dunning or DNOC.

100% Elimination of Lockbox Fee

With the Best of breed Optical Character Recognition powered by artificial intelligence, Zurich saved 100% on bank lockbox fees. AI-enabled OCR captured check remittance data automatically, removing any dependency on bank lockbox services or in-house resources for key-in, thereby reducing costs. Unlike bank lockbox services, there was no need to rely on limited remittance fields for posting cash in the system. The template-free technology could capture all remittance details even when the check stub comes in a non-standardized or unfamiliar format.



IMPACT ACHIEVED AT ZURICH

85%

Straight-Through Cash Posting

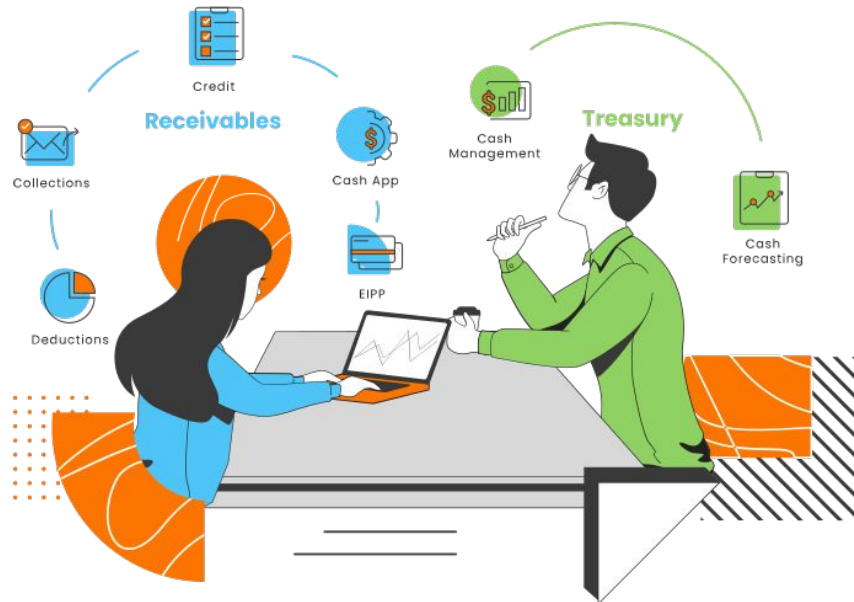
33%

FTEs Reallocated to Critical Tasks

100%

Elimination of Lockbox Fee

ABOUT HIGHRADIUS CASH APPLICATION SOFTWARE



HighRadius Cash Application Software is the most comprehensive solution available for automating cash application across all payment and remittance formats. Driven by customer-specific business rules, automated on-invoice hit rates of 85%+ are typical with the solution. A cloud-based solution available as software-as-a-service, Cash Application Software is easy and cost-effective to deploy and maintain.

Discover How Cash Application Software Can Transform Your Finance Function

The AI-Powered Receivables Automation Platform
Trusted by 700+ Industry Leading Companies

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