REPLICON™

How to Compress Billing Cycles and Reduce Revenue Leakage

Nothing is more beneficial to the financial health of a company than having a positive cash flow. Yet, even faced with today's tough economic challenges, many companies rely on inefficient manual processes to track employee billable time and invoice clients.

The burdens and inconveniences of using outdated manual time tracking processes are legion. Internally, employees find the timesheets time consuming and difficult to use, leading to errors that are hard to catch or correct. For managers, the problem cascades as the lack of transparency into project costs leads to delayed billing cycles and decreased profitability.

The impacts are felt most acutely on the bottom line, as expenses rise due to project over-runs, high overhead costs, and inefficient use of resources, while revenue drops due to time leakage, lack of resource availability, and customer dissatisfaction.

More and more savvy companies of all sizes and industries are re-thinking old ways of tracking time as they seek to streamline client billing and reduce revenue loss.

What causes billing cycles to slow?

Client invoices cannot be sent out until all the project hours worked by every employee or consultant have been collected and the various rates calculated, but timesheet collection efforts are complicated by several factors.

For one thing, different individuals are billed out at different rates, or the same individual may bill out different project tasks at different rates, all of which must be accounted for. What's more, timesheet submissions can be problematic when several employees work on consulting contracts or client development projects at any given time, or when they work on the same project from different locations.
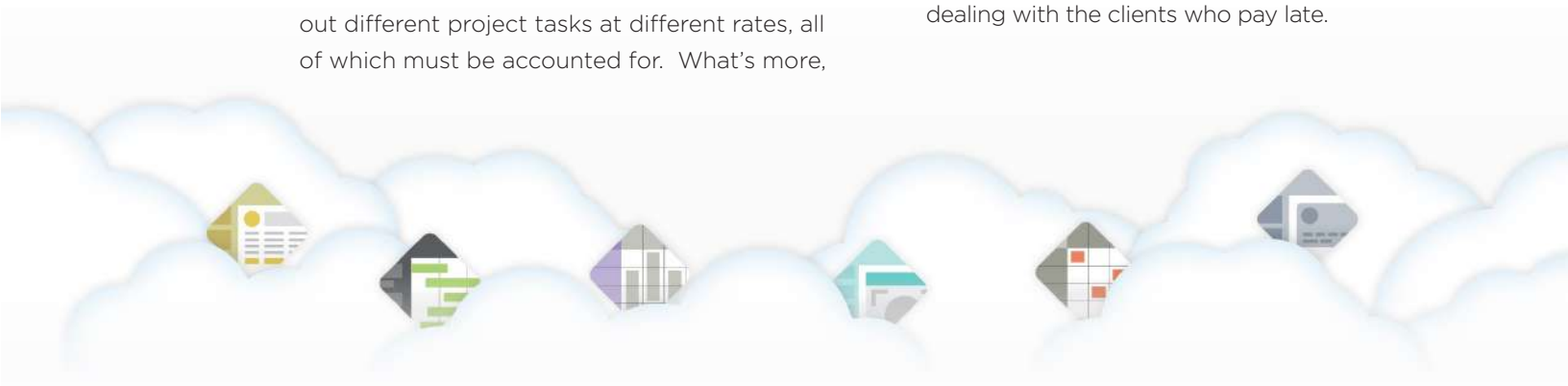
Invariably, people are late in submitting their hours or, if they are on holiday or out of town, fail to submit them altogether. And if data has to be re-entered at any stage due to errors or omissions, additional costly and time-consuming problems can result.

Clearly, trying to collect all of the information needed to prepare an invoice is often a convoluted effort — especially if done using a manual process.

The importance of improving cash flow

Most businesses have processes in place to encourage their clients to pay on time, and to follow-up with those who are overdue. In general, the "80-20" rule applies — 80% of customers will pay on time, while 20% will be late. It is critical to bill the on-time payers promptly to keep cash flow steady; the faster you send an invoice, the faster you'll be paid.

Unfortunately, manual processes can result in billing delays, which means that even those clients who normally would pay on time don't do so — simply because they haven't yet received the invoice. This inefficient process reduces the business' cash flow and hinders growth and profitability just as much as dealing with the clients who pay late.

The value of higher velocity cash flow

Companies that replace outdated systems in order to shorten billing cycles and fund ongoing operational expenses can also use the extra cash in their business to:

▸ Help fund future sales

▸ Borrow less to fund working capital

▸ Pay down debt

▸ Take advantage of supplier and trade discounts

▸ Offer better terms of sale

▸ Modernize or expand operations

▸ Make capital investments

▸ Take advantage of any unexpected investment opportunities that may arise

The benefits of modern time tracking applications

Reliable, modern time tracking software can significantly improve cash flow velocity by facilitating faster invoicing. A good application should:

▸ Be easy to use and flexible enough to accommodate multiple people at different rates for various tasks

▸ Integrate with current backend billing and invoicing systems

▸ Automatically export time and rate information to avoid re-entering the data

▸ Have automatic email notifications to remind people to submit their time

▸ Allow for proxy users to complete and approve timesheets to avoid delays due to employee absences

▸ Enable employees to complete timesheets while on the road or out of the office

▸ Require minimum administration

Replicon TimeBill

Replicon TimeBill is an easy-to-use time tracking software solution that allows companies to eliminate paper-based invoice processing, dramatically cut costs, increase productivity, and improve cash flow velocity.

Because it is cloud-based, TimeBill allows employees to complete their timesheets from anywhere, at any time, using any device, making it perfect for organizations with a mobile or distributed workforce. Its intuitive interface means that users require minimal training, and they can begin using it almost immediately.

> Because TimeBill is so simple to use, employee adoption is fast and comprehensive, ensuring that all billable time is reported and the threat of billable hour leakage is eliminated.

Replicon provides an exceptionally flexible solution that allows users to build out the project structure with tasks and subtasks, account for various employees at different pay rates, and get a centralized view of billing rates by user, role, or project. The solution also enables users to gain insights into total billings, costs, and profitability by client. It integrates with most backend billing systems, thus saving time by eliminating errors and data re-entry.

The bottom line is that Replicon can dramatically streamline time capture, compress billing cycles, and speed cash flow back into the business to ensure that resources are available for growth, future sales, or outside investment.

Customer Snapshot: Fisher Vista

Fisher Vista LLC is a leading marketing software and services firm in the human resources industry. As their customer base grew, Adriana Saldana, vice president of Fisher Vista services group, realized that the firm's traditional means of tracking staff time and managing client projects was no longer efficient.

The company needed a scalable, easy-to-use solution that could manage varying hourly staff billing rates, expenses, and profitability by project and per employee. Saldana therefore searched for a software solution that would turn wasted hours into billable, productive time, and she ultimately chose Replicon.

With Replicon's cloud-based products, Saldana now easily tracks staff time and costs, allowing her to obtain full visibility into hours spent on each project. "Using Replicon gave me an 85% increase in productivity with valuable time back — time that can be spent on billable projects. It also gave me immediate peace of mind, knowing that my billing data was accurate, our staff was being productive, and that I could now focus on our business."

Added Katrina Busselle, vice president of Client Services at Fisher Vista: "With Replicon, our team was up and running with the new system in a few days — an extremely important factor when you need your team focused on billable hours. The software interface was intuitive and easy to use, and we were surprised at how quickly staff adapted to using the new tracking solution from day one."

About Replicon

Replicon, the Time Intelligence™ company, has over 20 years of industry leadership and is pioneering a new approach to time management. Time Intelligence elevates time as a strategic asset within an organization, to improve operational productivity, performance, and profitability.

Replicon's Time Intelligence Platform offers solutions for global time and gross pay compliance, enterprise time management for ERP, professional services automation, and an SDK for continued development - expanding the company's award-winning portfolio of cloud-based products, including complete solution sets for client billing, project costing, and time and attendance.

Replicon supports thousands of customers across 70 countries, with over 400 employees around the globe including the United States, Canada, India, Australia, and the United Kingdom.

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