

HP Inc. success story: 10 years of accounts receivable excellence with minimal internal efforts

Credit Management Insights

Challenge

Collecting unpaid invoices from commercial customers took an unwanted toll on the resources of HP Inc.'s shared service centre (SSC). The customers remained unresponsive and the recovery rate was disappointing. That was when HP Inc. decided to assign these cases to Atradius Collections.

Solutions

1. Third-party collections to recover ageing cases

Alex Gasca, Global Default and Recovery Manager of HP Inc., and his team work from various locations worldwide. They value it much that Atradius Collections also has an international presence.

“Atradius Collections knows the laws, regulations, and culture in each region and each country. They have both the global and the local know-how,” says Gasca.

Due to this competitive advantage, Atradius Collections can execute and manage efficient third-party collections processes wherever the debts are.

“There were lots of cases and the success rate of Atradius Collections was very high,” says Gasca. “For some cases, we're simply unable to collect the debts. But right away, Atradius Collections achieved impressive results.”

2. Tailored collections approaches to recover difficult cases

The collaboration was off to a good start, and it continues to work out in the face of time and changes. “These days we've become more efficient internally. So the debt collections cases we send Atradius Collections are only the most difficult ones,” says Gasca.

This takes form as monthly challenges where HP Inc. discusses the most troublesome cases of the month with Atradius Collections. Based on the information provided – the type of customers, the type of invoices, the efforts HP Inc.'s SSC has already made to collect the debt – Atradius Collections takes over and works on the case diligently, no matter where it's located.

As a result of this close cooperation, Atradius Collections gains deep-seated knowledge of HP Inc. – its culture, organisation, financial processes, and how HP Inc. likes to work. This makes for favourable outcomes.

“Atradius Collections continues to get results – even with the toughest cases,” says Gasca.

3. Collaborative collections processes to boost the number of recovered cases with minimal internal efforts

After more than 10 years working together, HP Inc. and Atradius Collections have shifted their focus to the most time- and effort-consuming debt cases. These are often smaller in size but come in high volume. In order to optimise the resources spent on them, a hybrid approach has been developed.

HP Inc.'s SSC will first execute a lean strategy that includes four steps to collect the unpaid invoices. If everything has been done and the customers are still facing financial issues or there is no response, these cases will be handed over to Atradius Collections.

"It's very useful to have someone like Atradius Collections, who is there to take over when we've made our efforts and would write off the items," says Gasca.

"From the point where we hand over these specific cases to Atradius Collections, the work and the man-hours put into them drop close to zero, because Atradius Collections follows up for us – from providing incentive payment plans to handling the situation. That frees up plenty of collectors' time. We get to keep the internal efforts to a minimum while also getting recoveries."

Results

To HP Inc., Atradius Collections is not just an external solution, but part of its internal strategy.

"When we have a fallback solution, which is Atradius Collections, we can draw a line in our collections strategy," says Gasca. "Essentially, Atradius Collections helps in terms of addressing customers that we either couldn't address successfully or couldn't trigger payment.

This creates process congruence for us. It gives us peace of mind, knowing that for relevant items, there will be someone working on them. It also gives our senior executives comfort that we aren't just writing off. We're now moving cases to someone who can really help with recovery."

Looking back at the collaboration that has lasted for over 10 years, Gasca has only good words.

"We're aware that we're no longer as big of an account to Atradius Collections as we were. But we haven't felt like Atradius Collections has dropped the focus or the attention for HP Inc.

The level of support we get is fantastic. We meet each other every two weeks with our global team. We address structural issues and concerns.

We're pleased that from the outset, Atradius Collections is open, transparent, and constructive, even at a personal level. I believe that the relationship we have is truly excellent and HP Inc. is very happy with it. This is one of the reasons we've been renewing the partnership for more than 10 years."

And the key to this fruitful collaboration? "We share the same mission: making HP Inc. more profitable," says Gasca. "Collecting debts – the big challenge – has worked out very well, from the earliest cases to today's. I'm really impressed with Atradius Collections. Yes, I am."

Would you want to achieve AR excellence like HP Inc.?

Our Atradius Collections teams around the world have decades of experience in helping multinationals successfully manage and collect their accounts receivable.

We could support your SSC, GBS, or BPO in:

- Collecting your outstanding accounts receivable amicably (third-party collections)
- Managing part of or your entire accounts receivable portfolio (accounts receivable outsourcing)
- Covering other aspects of your collections and accounts receivable management

Please contact us to discuss ways we can help improve your accounts receivable.

[Contact us](#)

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