dun & bradstreet

Securitas Accelerates Credit Auto-Approval Rate with Automation

Effective Customer Portfolio Management Drives Profitable Growth

Challenge:

Securitas needed to automate credit reviews in its portfolio to enable both finance and sales staff to focus on other tasks and increase efficiency within the business.

Solution:

Securitas created a custom judgmental scorecard in D&B Finance Analytics Credit Intelligence that was designed to maximize automatic approvals without significantly increasing delinquent payments.

Key products used:

D&B Finance Analytics
CREDIT INTELLIGENCE

Securitas serves a wide range of customers in a variety of industries and customer segments, operating in 45 markets. For over 90 years, their products have grown in security solutions, and include protective services that are developed together with the customer, designed to incorporate a high degree of technology. While manned guarding still represents the cornerstone of Securitas, they are continuously expanding their offering.

The Journey from Reactive to Proactive

Securitas' finance team, led by Vice President of Financial Operations, Chris Longua, is dedicated to creating operational efficiency for the business, managing risk, and being a strategic partner to the sales team. As a global service provider in an industry with relatively low customer portfolio risk, Securitas was challenged by the labor-intensive resource requirements of its credit review process.

At Securitas, the credit team's bandwidth was focused extensively on manual credit reviews and the sales team's involvement in the credit process, which was detracting from valuable revenue-generating activities. There were many unmet strategic needs from field sales—such as insight on customer risk and collections—that could be addressed by creating more value-add time. By automating more of the credit review process, the team could dramatically increase efficiency and free up resources to add value in new ways.

Too much time was being dedicated to credit reviews that were keeping the team from maximizing efficiency. The Securitas credit team had difficulty covering all the credit applications coming in due to its manual review process. For example, field sales teams were submitting emails

with applications, along with Excel documents and relying on phone calls, all taking up the team's time. Securitas decided to push for more automation to free up time for the business to focus on strategic opportunities.

A Foundation of Quality Data Essential for Automatic Approvals

Securitas' finance team knew that in order to automate more credit reviews successfully, a foundation of quality data and insights was needed. Securitas also needed a solution that was easy to implement and agnostic to its technology environment.

Securitas partnered with Dun & Bradstreet to create a custom scorecard within its D&B Finance Analytics – Credit Intelligence solution, which the company was using to handle its advanced credit application automation. The scorecard was generated from key elements of Dun & Bradstreet's Data Cloud and Securitas' customer portfolio data and leveraged advanced machine learning methodologies.

Integrating the custom scorecard in Securitas' Salesforce.com environment ensured that all new business went automatically through the credit scoring process, thereby increasing governance and compliance. The finance team was then able to focus its time on higher value activities such as finding trends within the portfolio and communicating those trends on billing and slow pays to sales.

Auto-Approval Rate Soars, Frees up Time for Value-Added Work

Securitas quickly achieved a 65% auto-approval rate, which allowed the company to reallocate two thirds of its credit team resources to create a Business Services Team to serve as a client services support group focused on assisting the field with collection efforts, dispute resolution, and overall client satisfaction.

Evan Morgan, Manager of Credit Operations, also shared insight to the benefits the Securitas Finance Team has seen with a more proactive approach to credit decisioning. "The new process allows our Business Services Team to get ahead of collections issues and develop a collection strategy proactively rather than waiting for the 30 – or 60-day term to complete," Morgan said

> Longua shared that "The more automation, the better. This is a great process and from day one I've been impressed with this. We have a lean, mean team and a lot of that is because of this [process]. So much of the manual has been taken away and the people are able to focus on more value-adding tasks. **This is a cost-savings**."

Further impacting the bottom line of the company profits, Longua notes that "Not only are we getting proactively ahead of collections, we're potentially also improving profitability of new deals. We are running credit reviews before Sales gives a proposal to a customer, so we are including the risk assessment in pricing decisions. That's huge for us."

With a foundation of quality portfolio analytics, automation allowed Securitas to reduce its resource requirements in credit by two thirds, add $400k of value back to the business with its new Business Services Team, and improve its auto-approval rate from 38% to 65%.

Morgan said Securitas also benefited by connecting 99.9% of the portfolio to a Dun & Bradstreet D-U-N-S® Number, a nine-digit unique identifier for businesses, which enabled Securitas to use the D&B Finance Analytics solution to get up-to-date attributes, risk attributes and alerts, such as when there is a bankruptcy, or a company is changing hands.

Automation allowed Securitas to maximize existing resources, create growth and development opportunities, and drive value added activities for the field. In the span of less than six months, the finance team at Securitas was able to fulfill their goals and increase efficiency, partner better with sales, and add dramatic strategic value to the business—all with no disruption or staff reduction. Notably, Securitas' revenue also grew over 6% in the same year, fueled by the company's commitment to operational efficiency and dedication to meeting customer needs.

"What I particularly like is the robust nature of the Dun & Bradstreet data. Incorporating it into risk reporting gives us a lot of flexibility in analytics and reporting," Morgan said. "Securitas continues to invest in digital transformation by becoming increasingly data driven while harnessing automation processes. We are still early in this journey," said Longua, "and utilizing Dun & Bradstreet data perfectly fits with our organizational mindset."

Increased efficiency in credit team by 75%	Increased auto-approval rate from 38% to 65%	$400k cost savings added back to company	6500 hours of revenue-generating time given back to sales team

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