



*High performance. Delivered.*

Achieving high performance  
with Accenture's revenue cycle  
optimization solutions for utilities

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## Are you underestimating the impact of revenue cycle operations?

Utility customer care operations typically focus most of their cost, quality and productivity improvement strategies on their contact center operations. Though worthwhile, this emphasis on the contact center often comes at the expense of another, equally important area: revenue cycle operations. Revenue cycle operations includes meter reading, billing, invoicing, payments and credit management processes—back-office functions that typically represent the vast majority of the total cost in a customer care operation.

Quality issues around meter reading drive up the volume of meter reading and billing exceptions. That, in turn, fuels data entry

errors, workflow delays and billing mistakes—creating the need for more manual intervention and processing. It also increases call and work volumes—reducing productivity and increasing reliance on third parties for collections, staffing and other key functions. The results: higher work volume and backlog, longer transaction processing time and delayed revenue impacts (see Figure 1).

In the journey to high performance, utilities need to take control of revenue cycle operations—halting the vicious cycle that leads to lower quality, lower productivity and higher costs.

## Why is optimizing revenue cycle operations so challenging?

Several factors compound the challenges associated with optimizing revenue cycle operations. Among them:

- Disparate systems and work types
- Functional silos with different measures of "success"
- Lack of standard tools and processes to measure and track key performance indicators, quality and productivity
- Manual processes and multiple touch points
- Lack of transparency and visibility to individual or team performance and productivity
- High, and often seasonal, work volumes
- Inflexible workforce

Figure 1. Revenue cycle optimization.

Ineffective and inefficient revenue cycle operations can take its toll

Meter reading quality issues



Increased volume of meter reading and billing exceptions



Increased incidents of data entry errors, workflow delays and billing mistakes



Increased manual intervention and processing



Increased call and work volumes and reduced productivity



Increased reliance on third parties e.g., collections, temporary staffing, etc.



**Increased cost to serve**

Accenture helps utilities optimize revenue cycle operations—improving quality, enhancing productivity and, ultimately, reducing cost to serve.

## Accenture's approach to optimizing revenue cycle operations

With specialized solutions and assets, Accenture can help your organization effectively navigate through the journey to achieve high performance in revenue cycle operations. Accenture recommends that companies focus on four key areas: quality and performance, insight and controls, elimination of work and workforce productivity (see Figure 2).

### **Quality and performance.**

Optimizing revenue cycle operations requires an automated, simplified approach to data creation, capture, calculation and reporting. With access to timely, transparent and actionable metrics, individuals and teams are empowered to drive real changes. Accenture's quality and performance solution provides an integrated approach to managing quality and productivity in operations.

### **Insight and controls.**

Operational controls must be aligned with strategic goals, regulatory standards and service levels. Information analytics need to deliver timely, actionable insight. Accenture's revenue cycle control solutions enable customer care organizations to detect and prevent billing mistakes before they occur. This capability mitigates against the cost of poor quality, auditability and rework—while preventing negative impacts on customer satisfaction.

### **Elimination of work.**

By eliminating simple, repetitive and manual transactions, organizations can free their critical resources to focus on more value-add activities. In addition, they can harness the knowledge and experience of their employees, coupled with implementing best practices, to

institutionalize the "next best actions" into their processes. Accenture's solutions for eliminating work through automation and root-cause analysis are key to delivering sustained cost reductions year-over-year.

### **Workforce productivity.**

Another important area is maximizing utilization and productivity of full-time employees. Accenture enables workforce productivity through a rigorous system of extracting insights from quality and performance management (QPM) tools and processes—and then translating that information into actionable initiatives.

Working with Accenture, companies can systematically tackle each of the elements required to optimize the diverse back-office operations that support customer care.



Figure 2. Revenue cycle optimization principles.

Leading customer care organizations focus on four key areas when optimizing revenue cycle operations.

Key areas	Principles
Quality and performance	<ul style="list-style-type: none"> <li>• “You cannot manage what you do not measure”</li> <li>• Automate and simplify data creation, capture, calculation and reporting</li> <li>• Metrics must be timely, transparent and actionable</li> <li>• Empower individuals and teams with actionable insight to drive real change</li> </ul>
Insight and controls	<ul style="list-style-type: none"> <li>• Information analytics must lead to time-based actionable insight</li> <li>• Controls must be aligned to strategic objectives, regulatory standards and service levels</li> </ul>
Elimination of work	<ul style="list-style-type: none"> <li>• Eliminate simple, repetitive and manual transactions</li> <li>• Capture best practices and convert into “next best action” decision analytics</li> </ul>
Workforce productivity	<ul style="list-style-type: none"> <li>• Maximize full-time employees (FTE) utilization</li> <li>• Increase individual/team throughput</li> </ul>

# Driving sustainable productivity in the back office

Despite numerous investments in continuous improvement programs and tools, an electricity retailer was facing challenges around the productivity and performance of back-office employees. Intermittent spikes in volume affected management's ability to manage workload and resourcing, resulting in backlog and unbudgeted overtime. Using a phased approach, Accenture helped drive sustainable productivity improvements. First, Accenture

helped implement a quality and performance management (QPM) solution to standardize the capture, tracking, monitoring and application of back-office performance and quality measures. Next, Accenture helped create a roadmap to increase workforce performance with a focus on recruiting, learning and knowledge management, and coaching. Finally, Accenture implemented the operational excellence methodology to drive continuous improvement.

## We know what it takes to optimize revenue cycle operations.

### What can you expect when you team with Accenture?

You work with professionals who understand the unique challenges of the utilities industry. We see the world as you do and can help your company differentiate itself to achieve high performance. Our understanding of key business issues and trends, and applicable technologies and business solutions enables us to deliver innovative yet practical solutions tailored to each client. We bring a breadth of skills, capabilities and assets to help utilities address our clients' business challenges, including:

### Utilities industry experience

Accenture's utilities industry group has more than 30 years experience working with electric, gas and water utilities worldwide. Our group includes 7,500 utility industry people working with approximately 275 clients in 40 countries. We serve 74 percent of the utilities on the 2009 Global *Fortune* 500 list using our deep, global industry knowledge, people and assets to help clients develop the strategies and adopt solutions to improve performance in the dynamic utility market.

### Client-ready utilities assets

Accenture has developed many utilities assets, including the High Performance Utility Model, based upon our extensive consulting,

systems integration and outsourcing experience. This model helps utilities assess their performance against industry leaders, jump-start business improvement projects and accelerate program delivery.

### Accenture Utilities BPO Services

Accenture not only has leading consulting capabilities, but we also have a deep operational understanding based on our business process outsourcing (BPO) services for utilities. Accenture Utilities BPO Services provides solutions to 14 clients and 15 million customers in North America, Europe and Asia Pacific.

## Contact us

Accenture's approach to optimizing revenue cycle operations is designed to help retail utilities navigate through today's challenging environment. We work with companies to chart a successful course to improve the way they manage quality and performance, insight and controls, work processes and workforce productivity—and to build the high-performance businesses that can compete and win in a changing environment. We would like to hear about your needs and discuss how we can work together to help your organization advance toward high performance.

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## About Accenture

Accenture is a global management consulting, technology services and outsourcing company.

Combining unparalleled experience, comprehensive capabilities across all industries and business functions, and extensive research on the world's most successful companies, Accenture collaborates with clients to help them become high-performance businesses and governments. With more than 176,000 people serving clients in more than 120 countries, the company generated net revenues of US\$21.58 billion for the fiscal year ended Aug. 31, 2009. Its home page is [www.accenture.com](http://www.accenture.com).

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