

Process power, payment precision

Transforming finance operations
for greater efficiency

The Modernization
Engineering Company



Summary

Sonata transformed the client’s finance operations using a Gen AI-first approach that re-engineered processes across Accounts Payable, Billing, and Collections. By embedding Gen AI copilots, BOTs, and ML-driven automation, step-change in efficiency (75% less effort), speed (faster billing & reconciliations), and quality (zero disputes) unlocking sustained cash flow improvement and stronger customer trust. By introducing end-to-end invoice lifecycle tracking, redefining ownership in billing, and strengthening collections with a structured framework, Sonata helped improve Digital Sales Outstanding (DSO), First Pass Yield (FPY) and Pay on Time (PoT) metrics. The re-engineering also empowered deeper vendor analysis, enhanced customer management, and successfully converted poor payers into prompt payers, resulting in measurable operational and financial gains.

Results that speak volumes

Time and FTE		
~70–75% reduction in headcount in Finance Ops	~8–10 days reduction in monthly close cycle time	15 mins/manual to seconds/automate reduction in invoice processing cycle
Quality		
Zero-dispute billing	~20–25% reduction in error/dispute	100% collections consistently over 16 months due to improved compliance
Cash flow		
8–10 days improvement in DSO	From 60% to 65% improvement in cash collection even in billing dips	99% SOAs dispatched in Week 1 due to early billing

Customer overview

The customer, a large-scale telecom enterprise with a complex finance function, was managing multiple stakeholders, and intricate billing cycles across several entities. With distributed teams and legacy processes, the organization faced significant challenges in driving operational efficiency and timely cash collections.

Pressure points

Process inefficiencies Invoices were incompletely tracked from scroll date instead of invoice date, creating gaps that led to delays and mismatches.	Fragmented billing process Split responsibilities across entities created process gaps, leading to delays, backdated revenues, and weak customer follow-ups.
Collections gaps Absence of a credit policy, reliance on sales-driven follow-ups, and lack of centralized CRM led to delayed reconciliations.	Stakeholder bottlenecks Missing SOAs and incomplete PO/SRNs created backlogs in vendor invoice booking and reconciliation.
Reporting delays Manual, excel-based Bank Reconciliation Statements (BRS), causing reporting delays and limiting timely visibility for quick decision-making.	

Solution highlights

People
- AP team utilization improved from 66% to 95%. - A dedicated cash application team was set up along with AI agents - Overall, the finance team strength was reduced by 14% with balanced workload distribution. Point to note: Expect 75% reduction in resource post the transformation program.
Process re-engineering
Invoice lifecycle management: Introduced end-to-end invoice lifecycle tracking with Gen AI OCR, improving POT (Pay on Time) and FPY (First Pass Yield). Streamlined AP: Vendor categorization, proactive SOA/PO/SRN alignment, and pre-matching using Telco inventory data reduced mismatches and process delays. Billing transformation: With Gen AI Agents, introduced early billing by dispatching invoices and Statements of Account (SoAs) ahead of time, giving customers greater visibility and driving improved payment behavior. This proactive approach strengthened customer management, optimized corrections, and helped convert poor payers into prompt payers. Collections optimization: GenAI reminder agents improved compliance (17% → 39%) - ensuring faster dispute resolution and improved payment patterns.
Technology transformation
End of life ERP replaced with Dynamics - Hyper automation to drive invoice scrolling, ingestion and processing - ML based OCR for complex invoice ingestion - GenAI enabled BOT to drive reconcile POs, Goods Receipts, and Invoices - Copilot driven emails notifications and follow-ups - Data lake set up / MS Fabric set up for data management - Service Now implemented for order management along with AI based workflow optimization for order to cash - Financial reports, analytics and CFO dashboards set up to envision one source of truth and data journey

Bottom Line

By driving people efficiency, streamlining processes, leveraging technology and strengthening governance, the customer not only stabilized finance operations but also unlocked tangible business value in the form of higher cash flow, faster reporting, and improved customer trust.