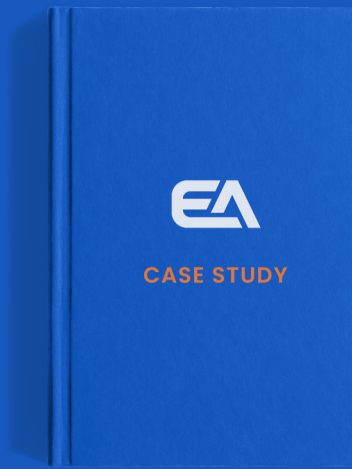


Resolving Inventory and Accounts Payables Process Disarray for a NASDAQ Listed CPG Enterprise



A NASDAQ-listed CPG company was experiencing significant disruption in its accounts payable and inventory processes, resulting in operational inefficiencies and limited financial visibility.

With an ERP implementation planned in 12 to 15 months, the company needed to stabilize existing processes. The focus was on strengthening AP controls, restoring inventory visibility, and introducing disciplined workflows until the new system rollout.

Expertise Accelerated deployed its onshore offshore team model, closed skill gaps, and implemented structured processes that delivered over \$1.4M in annual savings.

Challenges

The company faced the following accounts payable and inventory-related challenges:

- **Unstructured and untraceable AP mailbox**, making it difficult to track incoming invoices and vendor communications
- **Significant backlog in invoice processing** across multiple expense and inventory-related categories
- **Poor linkage between vendor invoices and inventory receipts**, resulting in limited visibility into actual inventory quantities
- **Inconsistencies in critical operational reports**, including the Inventory Availability Report, due to delays in recording inventory purchases and supplier invoices
- **Frequent delays in resolving AP bill queries** across departments, slowing vendor communication and internal approvals
- **Difficulty retrieving accurate inventory data** from multiple third-party logistics (3PL) portals, leading to gaps between operational and financial records
- **Challenges in identifying accurate accrual amounts at month-end**, particularly for inventory purchases and logistics costs not yet invoiced
- **Operational overload within the AP team**, preventing timely sharing of remittance details and payment updates with vendors

These issues created a ripple effect across the organization, impacting vendor relationships, inventory visibility, and the reliability of financial reporting.

Solution

Expertise Accelerated implemented a structured accounts payable and inventory framework designed to restore process control, improve visibility, and ensure timely financial reporting. Key initiatives included:

- **Structured AP Mailbox Management:** A dedicated mailbox was established to organize vendor emails and invoices, ensuring all communications and bills were traceable.
- **Streamlined Invoice Processing:** Invoice processing was delegated within the team by category, reducing backlog and improving processing speed.
- **Improved Inventory Visibility:** An inventory tracking plan was introduced to align vendor invoices with inventory receipts and improve month-end inventory visibility.
- **Unprocessed Invoice Tracker:** A tracker was implemented to monitor unprocessed vendor bills, approval emails, and follow-ups, improving query resolution. This process also supported month-end accruals.
- **3PL Data Retrieval Support:** The team assisted in retrieving inventory data from multiple 3PL portals through automated email forwarding and direct data extraction.
- **Reliable Reporting Controls:** A dedicated team member with backup support managed sensitive reports, ensuring timely and accurate delivery.
- **Vendor Remittance Communication:** Vendor contact records were maintained to ensure remittance and payment communications were handled in a timely manner.

These improvements restored discipline to AP operations, improved inventory visibility, and strengthened vendor communication and financial reporting.

Results

Delivering a Powerful, More Efficient AP Process

Our client experienced a transformation in their Accounts Payable processes, with improved efficiency, accuracy, and control:

Early Payment Discount Capture: Improved from ~15% to 40% of available 2/10 discounts, boosting cash savings.

Supplier & Freight Management: Reduced supplier holds and expedited freight caused by delayed payments.

Vendor Prioritization: A key outcome was the company's ability to identify critical vendors whose delayed payments could disrupt production, enabling them to prioritize payments and maintain uninterrupted operations. This prevented lost contribution margin on critical SKUs

Efficiency Gains: Transferred manual workload to EA's experienced offshore team, freeing 2 to 3 onsite employees to generate significant savings.

Month-End Close: Accelerated and cleaner close process.

Controls & Reporting: Strengthened documentation, reporting accuracy, and overall financial controls.

Partnering With Expertise Accelerated

By implementing a structured onshore offshore team model, closing key skill gaps, and introducing disciplined processes, the company achieved over \$1.4M in annual savings.

Verified by Clutch

Industry	Manufacturing
Company Size	\$260 million
Location	New York & Connecticut, U.S.

Performance Snapshot

ROI	Net Annual Savings
11.9x	\$1,310,000
Payroll Savings	Early Payment Discount Capture
60%	+25%

Savings Schedule

Savings Category:	Estimated Annual Impact
Early Payment Discounts Captured	\$400,000
Production Disruption Avoidance	\$500,000
Stockout Reduction	\$250,000
Employee Cost Efficiency	\$270,000
Close Efficiency	Strategic Benefit
Audit & Compliance Strengthening	Strategic Benefit
	\$1,420,000

Total Annual Financial Impact

Gross Annual Savings	\$1,420,000
Less: EA Services Cost	\$110,000
Net Annual Savings	\$1,310,000
ROI	11.9 X