EST Associates Achieves Digital Transformation and Increased Cash Flow Goals After Implementing Lockstep Collect

EST Associates, Inc.

Company Facts

Overview
- **Website**
  https://estassociates.com/
- **Location**
  Needham, MA
- **Industries**
  Environmental Services
- **ERP**
  Sage Intacct

Success Highlights

Challenges
- Manual processes created collection difficulties and lack of visibility

Benefits
- Reduced manual process by 73%
- Increased cash flow by 148%
- Achieved straight-thru process from invoice generation to collection

EST Associates is an environmental firm providing sampling and monitoring services, pipeline services and operation and maintenance services in the Massachusetts and New Jersey areas. For over 32 years, EST has provided safety, quality and reliability to environmental managers, civil engineers, consulting firms, municipalities, and government agencies. EST has created such a good reputation that 90% of their top 50 customers have stayed with them for over a decade.

With such a wide array of customers across industries and requiring a different level of service, EST was in the market for a tool that could allow them to do more with less manual work.

Moving Away from Manual

EST was managing their accounts receivable primarily through Excel spreadsheets to track aging, notes on accounts and payments.

When it came to communicating with customers, this process was also very manual. Invoices were printed out, stuffed into envelopes, postage added and, finally, were mailed out. Kathy Panaro, controller at EST, said only about 27 percent of their customers were receiving invoices electronically.

Kathy wanted to eliminate these manual processes and replace them with a straight-thru process (STP). A straight-thru process streamlines transactions by eliminating paper-based or manual activities and replacing them with an entirely automated process. Kathy was looking to create a straight-thru process for the entire accounts receivable transaction - from the moment of invoice generation to its collection.

To achieve this, Kathy added Lockstep Collect to EST's financial tech stack.

Creating the Digital Transformation

Shortly after implementing Lockstep Collect, Kathy said that EST was able to achieve their goal of creating a straight-thru process for their accounts receivable department.

"Our invoices are e-mailed from the Lockstep Collect platform, statements and reminders are automatically generated at our pre-defined terms, customers are able to pay or dispute their invoice utilizing Lockstep Collect's secure and unique link without having to create and remember a password and we are able to create an audit trail within Locktep Collect to document our collection efforts for each client. This provides an instant snapshot of a customer's credit history to be used in determining a credit risk before scheduling additional work. The customer is also able to alert us if there is a discrepancy on the invoice without the invoice aging to or past terms. Also, an important factor in our decision was Lockstep Collect's seamless integration with our general ledger system, Intacct, to fully meet our process automation goals," Kathy explained.

This gave Kathy more time to focus on becoming a digital first accounting department. Kathy explains that a straight-thru process is only really achievable if you not only have a way to contact the customer digitally, but also contact the right person. Kathy and her team focused on collecting accounts payable email addresses for every customer.

"We wanted to make sure that the invoices are getting into the hands of someone that can actually pay us," Kathy said.

EST achieved this by using a number of different tactics. First, they audited their database to find who they still needed email addresses for and notified all the accounts they did not yet have one for. Next, they made sure to be communicating regularly with other departments at EST who may have different contacts for their accounts. And finally, they paid attention to every bounce back they may get on an email and followed up with the account to get the correct email address. Through this combination of tactics, EST was able to increase the number of active customers receiving their invoices and statements through Lockstep Self-Service from 27 percent to 80 percent.

Moving to a straight-thru process using Lockstep Collect allowed EST to reduce their manual processes by 73 percent. This resulted in an increased cash flow of 148 percent since implementing Lockstep Collect.

About Lockstep Collect, award-winning AR automation software, helps you get paid faster and easier. Lockstep Collect customers see an average 50x ROI by investing in collections automation improving cash flow by 31% or more. For more information please visit: **www.lockstep.io**

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