



Oracle Cloud Receivables Customer Statement Integration Automation with Third-Party System

Thejas Prasad

ABSTRACT

In today's fast-paced business environment, the integration of customer statements from Oracle Cloud Receivables to third-party systems is essential for ensuring seamless financial operations and enhancing customer satisfaction. This article explores the automation of this integration process, highlighting the benefits of improved efficiency, accuracy, and timeliness in financial data management. By leveraging Oracle Cloud's advanced capabilities, businesses can automate the extraction, transformation, and loading (ETL) of customer statement data into various third-party systems. The discussion includes an overview of the integration architecture, key tools and technologies involved, and best practices for implementation. Real-world case studies illustrate the tangible benefits, such as reduced manual effort, minimized errors, and faster reconciliation processes. This article serves as a comprehensive guide for organizations looking to streamline their financial workflows and achieve greater operational excellence through automation.

Keywords: Accounts Receivables, Customer, Oracle Cloud ERP, Enterprise Resource Planning, Financials, AR, Statements, Integrations

INTRODUCTION

In the modern financial landscape, businesses face the continuous challenge of managing vast amounts of financial data efficiently and accurately. One critical aspect of this management is the integration of customer statements from Oracle Cloud Receivables into various third-party systems. Traditionally, this process has been labor-intensive and prone to errors, leading to delays and inaccuracies that can impact decision-making and customer satisfaction. The advent of automation in financial data integration promises a transformative shift in how businesses handle these processes. Automating the integration of customer statements not only streamlines operations but also ensures the data's accuracy and timeliness, enabling more responsive and informed financial management. Oracle Cloud Receivables, with its robust suite of tools, provides an ideal platform for implementing such automation. By leveraging its capabilities, businesses can automate the extraction, transformation, and loading (ETL) of customer statement data, thereby enhancing efficiency and reducing the burden of manual interventions. This article explores into the specifics of automating customer statement integration from Oracle Cloud Receivables to third-party systems. We will explore the technological underpinnings of this automation, discuss the benefits and challenges, and present practical insights and best practices for successful implementation. Through real-world examples, we will illustrate how businesses have leveraged this automation to achieve significant improvements in their financial operations, setting a new standard for efficiency and accuracy in the industry. The article will provide insights into the customer statement integration implementation process, discussing potential challenges, and strategies to maximize the benefits of automation. By the end of this discussion, readers will have a comprehensive understanding of how customer statement automation in Oracle cloud ERP can significantly improve their financial management processes and directly impacts the customer payments receipts processing which is key for an overall organizational success.

CHALLENGES FACED BY ORGANIZATIONS IF NO AUTOMATION EXISTS FOR CUSTOMER STATEMENT INTEGRATION

Without the automation of customer statement integration from Oracle Cloud Receivables to third-party systems, organizations face significant operational inefficiencies, increased costs, and potential revenue losses. Automating these processes is not just a technological upgrade but a strategic necessity to enhance financial accuracy, improve

customer satisfaction, and ensure timely revenue collection. By addressing these challenges through automation, organizations can achieve greater operational excellence and financial stability.

A. Delayed Payment Processing

Without automation, the time taken to generate, verify, and send customer statements can result in significant delays. Customers may receive their statements late, causing them to miss payment deadlines.

Delayed payments directly affect the company's cash flow, limiting the availability of working capital and impacting the ability to meet financial obligations.

B. Manual Data Entry and Errors

Manual data entry is prone to human errors, leading to inaccurate financial records. Mistakes in customer statements can cause discrepancies in billing, misallocation of payments, and incorrect account balances. Manual processes are labor-intensive and time-consuming, delaying the generation and reconciliation of customer statements. This inefficiency can slow down the entire financial cycle.

C. Customer Dissatisfaction

Inaccurate or delayed statements can lead to customer frustration and dissatisfaction. Customers rely on timely and correct statements to manage their finances, and discrepancies can erode trust in the company's reliability. Manual handling of customer queries and disputes related to statement errors can lead to longer resolution times, negatively impacting the overall customer experience.

D. Increased Operational Costs

The need for extensive manual processing increases labor costs. Finance teams must spend more time on routine tasks instead of focusing on strategic activities. Valuable resources are diverted to manage manual processes, reducing the capacity for innovation and improvement in other areas of the business.

E. Impact on Revenue

The cumulative effect of the above challenges is delayed revenue collection. Late payments and unresolved disputes can significantly impact the company's financial health and revenue streams.

Errors in statements and payments can result in uncollected revenue, directly affecting profitability

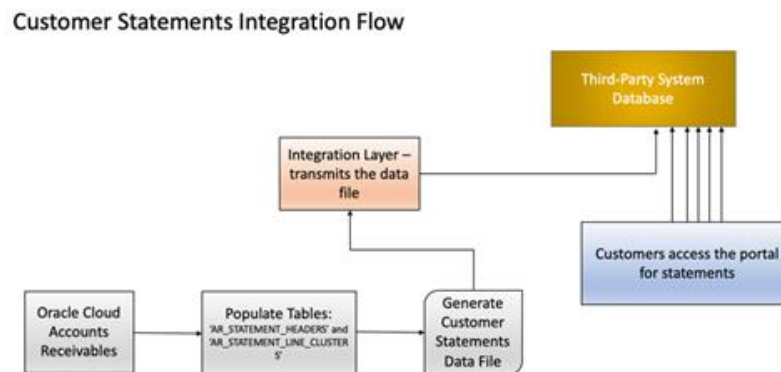


Fig. 1. This figure represents the overall Integration flow from Oracle Cloud to Third. Party Systems.

CUSTOMER STATEMENT GENERATION AND INTEGRATION DESIGN

The use case that is discussed in this article is an automation process implemented for the company XYZ Inc. (fictional name is used). The process explained in this article can be implemented for any organization that would want to streamline the Customer statement generation and automate the integration to third-party systems portal which accessed by multiple customers to review their outstanding balances and initiate the payment process. The approach to solutioning this problem is first to analyze the various options available within the infrastructure of Oracle Cloud Enterprise Resource System's platform. Build on the capabilities available in Oracle Cloud ERP system and design the integration flow. Following sections will discuss in detail on the approach followed to implement the solution.

A. Pre-requisite Configurations

There are some pre-requisite settings required for the solution design that will be discussed in the next sections of the article. Below are the configurations required.

1. Lookup: In the Manage Receivables Lookups, query for the Lookup Type: 'STATEMENT_PRINT_OPTION' and Lookup Code: 'ALL', the Description for this entry should be set as 'Stmts'.
2. Statement Cycle: Statement Cycle 'Monthly' to. Be defined for the required Business Unit 'XYZ US BU'.
3. Profile Class: Define a new Profile Class 'XX_CUST_STMT_PROFILE_CLASS'.
4. Statement Cycle Assignment: Assign the Statement Cycle defined in step 2 'Monthly' to the profile class defined in the step 3 'XX_CUST_STMT_PROFILE_CLASS'.

5. Profile class Assignment: Assign the profile class 'XX_CUST_STMT_PROFILE_CLASS' to all the customers who will access the Third Party Portal to review the outstanding balances and process the payments.

B. Customer Statement Generation

The strategy is to minimize the customization efforts and utilize the native Oracle Cloud capabilities as much as possible. The initial step is to execute the Oracle Cloud seeded process 'Generate Customer Statement'. This process will generate the statements for the outstanding customer balances based on the parameters passed. Fig. 2. shows the snapshot for submitting this process. Below are mandatory parameters to be passed for executing this process.

- Transaction Business Unit: <Select the specific Business Unit for which the statement needs to be generated>
- Generate Bill: 'Print. A draft statement for a customer'
- Bucket: 'Statement'
- Cycle: 'Monthly'
- Statement Date: <Statement extraction date to print the statements>
- As-of Date: < The date from which to include data on statements >

Fig. 2. This figure shows snapshot of 'Create Customer Statement' process submission screen.

C. Mapping to the Third-Party System's Database

Once the process 'Generate Customer Statement' is executed the outstanding balances for the customers with the profile class 'XX_CUST_STMT_PROFILE_CLASS' assigned gets generated and is populated to the tables 'AR_STATEMENT_HEADERS' and 'AR_STATEMENT_LINE_CLUSTERS'. This step fails if the pre-requisite setup 1 mentioned is not setup correctly. This is the most critical step of the design as the following steps are based out of the data generated in these tables.

After generating the data in the tables 'AR_STATEMENT_HEADERS' and 'AR_STATEMENT_LINE_CLUSTERS', a custom process is triggered to get the data from these AR base tables and create a data file in the format how it needs to be sent to the third-party systems. Data mapping is performed to map the Oracle Cloud native AR base tables columns to the third-party systems database tables 'XX_AR_STMT_HEADERS' and 'XX_AR_STMT_LINES'.

D. Integration Layer

The data generated by the custom process is sent to the third-party systems via integration tools like Informatica or Dell Boomi based on the company's preference. As the files reach the third-party system's data base, the data will be inserted to the database tables 'XX_AR_STMT_HEADERS' and 'XX_AR_STMT_LINES'. The third-party systems front end application will be used to query the latest customer statement balance information populated to its database by the integration process flow.

E. Automation of the Statement Cycles

In general for the most of the organizations, the customer statements are generated on a monthly basis. But there can also be situations where a specific customer would require the statements on ad hoc basis. Since most of the customers statements are sent monthly, the entire chain of processes in this integration flow can be automated. Schedule the job 'Generate Customer Statement' on 1st of each month and followed by the custom integration to

generate the data file and transmit to the third-party systems. By scheduling these jobs in a sequence will fully automate the process of customer statement generation and integration with the third-party systems seamlessly.

IMPACT

The implementation of customer statement integration automation from Oracle Cloud Receivables to third-party systems yields significant IT and business impacts. On the IT side, it improves system efficiency, scalability, security, and reduces maintenance overhead. From a business perspective, it enhances financial management, cash flow, customer satisfaction, cost savings, and competitive advantage. Overall, automation drives operational excellence and positions the organization for sustained growth and success.

SCOPE

The use case explored in this article is within the scope of Oracle Cloud Receivables Enterprise Resource Planning (ERP) application and the third-party system connected. This also includes a custom process implementation to automate the statement integration with third-party systems.

CONCLUSION

The implementation of customer statement integration automation from Oracle Cloud Receivables to third-party systems provides organizations with significant advantages. By enhancing accuracy, speeding up payment processing, improving reconciliation, and boosting customer satisfaction, businesses can achieve greater operational efficiency and financial stability. These improvements directly contribute to better cash flow management, reduced operational costs, and increased revenue, positioning the organization for sustained growth and success. Automation in this area is a strategic investment that yields long-term benefits, driving overall business excellence and competitive advantage. Below are the key advantages:

1. **Enhanced Accuracy and Reduces Errors:** Automation ensures that customer statement data is accurately extracted, transformed, and loaded into third-party systems, significantly reducing the risk of errors that are common with manual data entry. With accurate data transfer, financial records are consistent across all systems, ensuring that customer statements reflect true account balances and transactions.
2. **Timely Payment Processing:** Automation accelerates the generation and dissemination of customer statements, ensuring that customers receive their statements promptly. Timely statements lead to timely payments, enhancing the company's cash flow and ensuring that working capital is available for other operational needs.
3. **Increased Customer Satisfaction:** Customers appreciate receiving accurate statements on time, which helps them manage their finances better and fosters trust in the company. Automation enables faster resolution of any queries or disputes related to customer statements, improving the overall customer experience.
4. **Reduced Operational Cost:** Automation reduces the need for extensive manual processing, leading to significant labor cost savings. Finance teams can focus on more strategic activities instead of routine tasks. By freeing up resources from manual data handling, organizations can allocate them to other critical areas, driving innovation and growth.
5. **Positive Impact on Revenue:** With faster and more accurate customer statement processing, organizations can collect payments more efficiently, leading to improved revenue streams. Accurate statements and efficient reconciliation processes minimize the chances of uncollected revenue, directly boosting profitability.

In conclusion, the benefits of customer statements integration automation from Oracle Cloud Receivables to third-party systems are substantial. By enhancing efficiency, accuracy and timely customer payments receipts automation brings transformative benefits to organizations in the current highly competitive world.

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