

00152

**DIPLOMA IN BUSINESS PROCESS
OUTSOURCING (F & A)**

Term-End Examination

June, 2010

BPOI-004 : ORDER TO CASH

Time : 3 hours

Maximum Marks : 100

*Note : This question paper comprises of **three** sections.
Attempt **all** the sections.*

SECTION - A

1. Fill in the blanks : 5x1=5
- (a) The maintenance of sales related documentation to enable revenue recognition is the responsibility of _____ .
 - (b) _____ are used by the client to make sure that services provided by the outsourcing partner are not compromised on quality.
 - (c) The ratio of number of payments actually received to the number of payments committed is called _____ .
 - (d) A sale is not a sale until _____ is received. Till then it is a gift to the customer.
 - (e) _____ account balance is an indicator of the cash application performance.

2. State whether the following are *True* or *False* : 5x1=5

- (a) Credit assessment for an individual is done in a similar manner as that for an organization.
- (b) Prompt collection eases the pressure on the working capital of the company.
- (c) Sarbanes Oxley Act is the US Federal law governing publically held companies outside of US.
- (d) The Quick Ratio is also called the Acid test Ratio.
- (e) Credit risk is mitigated by doing a proper credit review of the customer.

SECTION - B

Answer *any six* out of *eight* of the following questions
(each 5 marks) :

3. Expand the following : 5
(a) TAT (b) SLA
(c) FDCPA (d) CRM
(e) FASB

4. "Out sourcing of O2C processes to India has inherent challenges". Briefly comment on the statement. 5

5. Explain the verification procedure performed by the order management team whenever the purchase order is received from the customer. 5

6. What are the controls usually require to implement in customer setup process. 5

7. Discuss the following metrics for invoicing process : 2½+2½
(a) Accuracy
(b) Productivity

8. Briefly discuss the consequences of poor quality control. 5

9. (a) Who manages Refunds ? 5
(b) When does the Refunds arise ?
(c) What are the conditions that must be satisfied before processing refunds ?

10. What are the steps would you recommend to handle an effective telephone call for collection ? 5

SECTION - C

Answer *any three* out of 5 questions including question 11 which is compulsory :

11. Explain the responsibility of the following stake holders in the order to cash processes : $4 \times 5 = 20$
- (a) Sales
 - (b) Credit
 - (c) Order management
 - (d) Collections
12. Discuss the utility of the following tools in order to cash operations : $4 \times 5 = 20$
- (a) Workflow in order management
 - (b) CRM
 - (c) Telephony tools :
 - (i) Call recording
 - (ii) Call distributor
 - (iii) Telephony Integration
 - (iv) e - mail
13. Describe the following source documents in order to cash process : $4 \times 5 = 20$
- (a) Service contract
 - (b) Purchase order
 - (c) Dunning letter
 - (d) Remittance Advice

14. Discuss the following : 6+8+6+=20

- (a) Various channels involved in cash remittance
- (b) Cash application
- (c) Speed and accuracy is important in cash application

15. Explain the following : 4x5=20

- (a) Penetration rate
 - (b) Contact rate
 - (c) Promise rate
 - (d) Ability to pay Vs Willingness to pay
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