

DRAMATICALLY DECREASING DSO

Saying Goodbye to Paper Tickets

PEGA FOR FIELD SERVICE

What new can be said about reducing Days Sales Outstanding (DSO)? It should be a simple matter of invoicing quickly and accurately for work performed or materials delivered. Yet, we typically see oil field service (OFS) company DSO numbers in the 60 to 90+ day range. Why is this?

Today we use our phone to shop, buy and track orders, so why is the oil field still using paper tickets as a primary means of tracking work performed and materials delivered?

Walking into a field operations office of an upstream company, a large stack of paper on a manager's desk is not unusual – operations reports, production reports and Health Safety and Environmental (HSE) reports. But included in the pile are a large stack of water hauling (or other service or material) vendor invoices that need review which takes time from more important work. This process is slow and cumbersome, and then when you add in illegible and incomplete tickets the process grinds to a crawl. Operators will not pay until the tickets are resolved, and your DSO increases.

On the OFS company side, manual keying and re-keying of data contributes to heavy administrative costs and delays getting a correct invoice out to the customer. Field staff often fail to capture key information, including customer name, address, lease/well number, AFE/PO number, contact number and company representative's name. Missing or illegible billing information leads to a large number of disputed invoices increasing DSO and the A/R staff headcount at the OFS company.

Automating Field Ticketing

Automating the field ticketing process moves the entire process on-line and into real time. Problems are eliminated through automation, data validation and cloud technology. OFS Field Managers create job tickets which are dispatched to OFS staff in the field. Outfitted with mobile devices, field staff update (or create new) contract compliant tickets that capture required signatures electronically. Intelligent screens show only the fields needed for the ticket based upon data selection, service types and equipment being used. This approach ensures that all costs (billable hours, travel, equipment, materials and labor) are posted to the ticket. No more looking for misplaced tickets and physically moving tickets from the field to the office is replaced with electronic transmission. This capability is provided either when the mobile device is connected to the network or when the mobile device is offline.

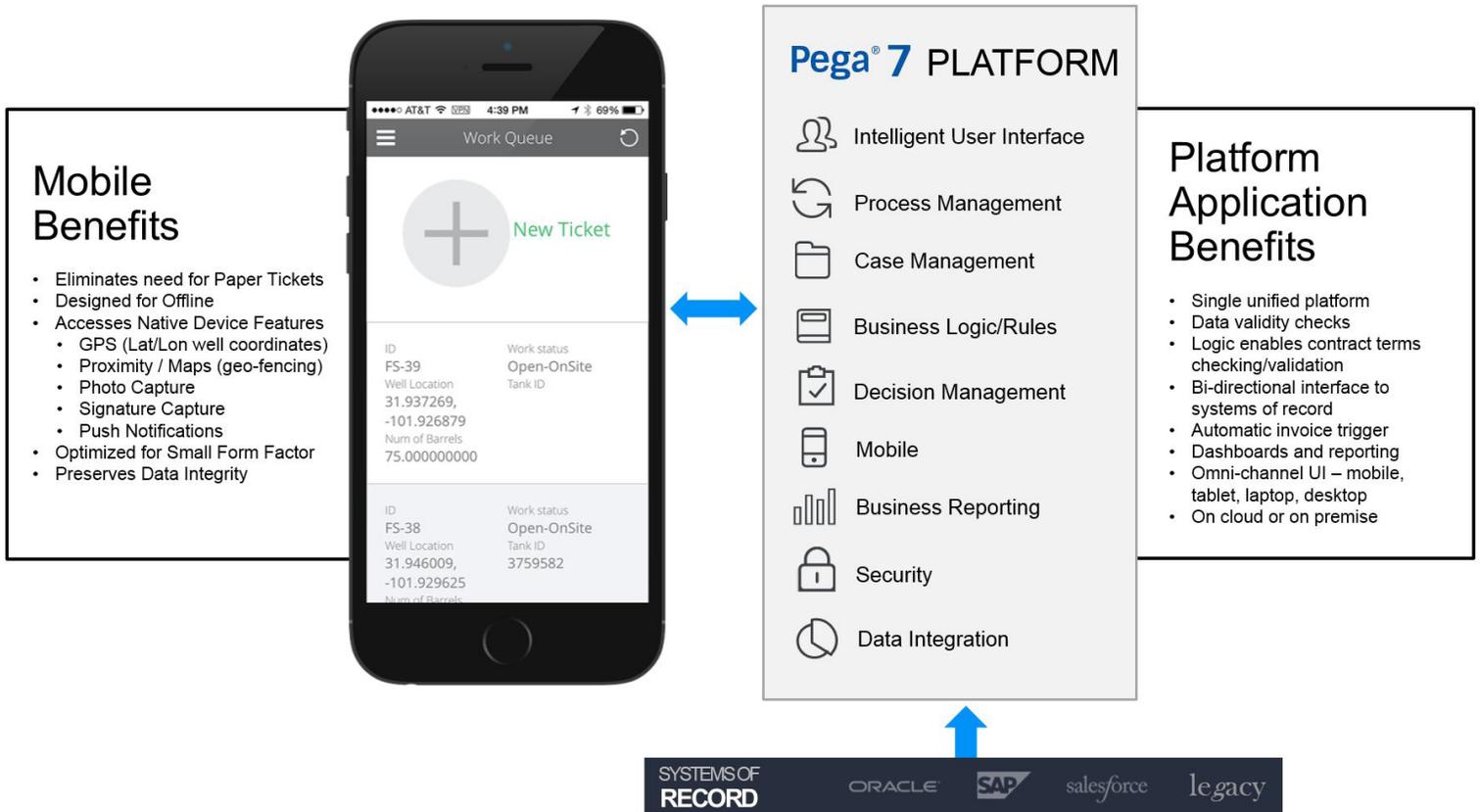
Automating the process is more than just providing a mobile device to field staff to capture data that otherwise would be on a paper ticket. To fully automate the process requires business logic and rules, integration to back end systems such as SAP, Oracle, WellView and other business applications and possibly leveraging data analytics.

Pega Field Ticketing Solution

The Pega Field Ticketing Application provides OFS companies with a robust end-to-end enterprise solution from field to back office. The mobile component automates the dispatching of field staff, capturing the work performed or the material delivered and the corresponding details. The core application then applies data validation rules and business logic using and verifying contract information from your systems of record like SAP. Pega then triggers an invoice from the ERP system to the customer.

Pega Field Ticketing

BUILT UPON PEGA'S INDUSTRY LEADING FIELD SERVICE APPLICATION



Benefits of Pega Field Ticketing

- Reduced DSO
- Less FTE time spent on data entry and correction
- Increased invoice accuracy
- Fewer disputes for A/R staff to resolve
- Real time, up to date information
- Automatic integration of contracts and prices
- Prevents discrepancies with rules based checking
- Improves working capital by direct reduction of DSO and adherence to payment terms
- Actionable dashboards and reporting
- Improved customer and employee satisfaction

Summary

Pega Field Ticketing provides end-to-end automation of the field ticket process, dramatically reducing DSO. In addition, more accurate invoices are generated allowing OFS companies to shift A/R staff to higher value work. Now field staff can utilize mobile technology tied to backend business systems to dispatch field staff, complete the ticket at the well site, obtain the customer signature and generate an invoice based on the contract terms. A process that used to take days and days now can be completed in hours.

If you feel that you are content with your current level of DSO performance, you do not want us. If you believe there is opportunity for improvement, you should be talking to us.