

Project Presentation: Lean Process Reengineering in Billing Reconciliation

Reducing Cycle Time by 30% Through Lean Principles

■ Project Overview

The billing reconciliation process was burdened with multiple handoffs, redundant checks, and manual interventions. To address these inefficiencies, a Lean reengineering initiative was launched to streamline workflows, reduce waste, and enhance accuracy. As a result, the team achieved a 30% reduction in reconciliation cycle time and improved data quality significantly.

■ Key Objectives

- Identify and eliminate non-value-added steps in the billing reconciliation process.
- Reduce cycle time to accelerate monthly and quarterly closures.
- Minimize error rates and rework by standardizing workflows.
- Improve visibility and accountability across teams.

■ Solution Approach

- Mapped current state process (as-is) and identified bottlenecks.
- Applied Lean tools such as Value Stream Mapping (VSM) to identify waste.
- Eliminated duplicate checks and reduced touchpoints through process redesign.
- Implemented automated reconciliation for standard transactions.
- Created standard work templates and dashboards to track progress.
- Trained teams on the new workflow to ensure smooth adoption.

■ Business Impact

- ✓ 30% reduction in billing reconciliation cycle time.
- ✓ Improved on-time month-end and quarter-end closure compliance.
- ✓ Reduction in manual errors and rework by over 40%.
- ✓ Increased team productivity and capacity to handle higher transaction volumes.
- ✓ Higher confidence in financial reporting accuracy.

■ Process Visualization (Illustrative)

Current State vs Future State Process Map (Illustrative)

Multiple Handoffs & Delays → Streamlined Workflow → Automated & Parallel Processing

■ Next Steps

- Extend lean improvements to adjacent finance functions.
- Introduce advanced RPA bots for end-to-end reconciliation.
- Enable predictive anomaly detection to catch errors early.
- Establish a continuous improvement loop through periodic Kaizen events.

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