

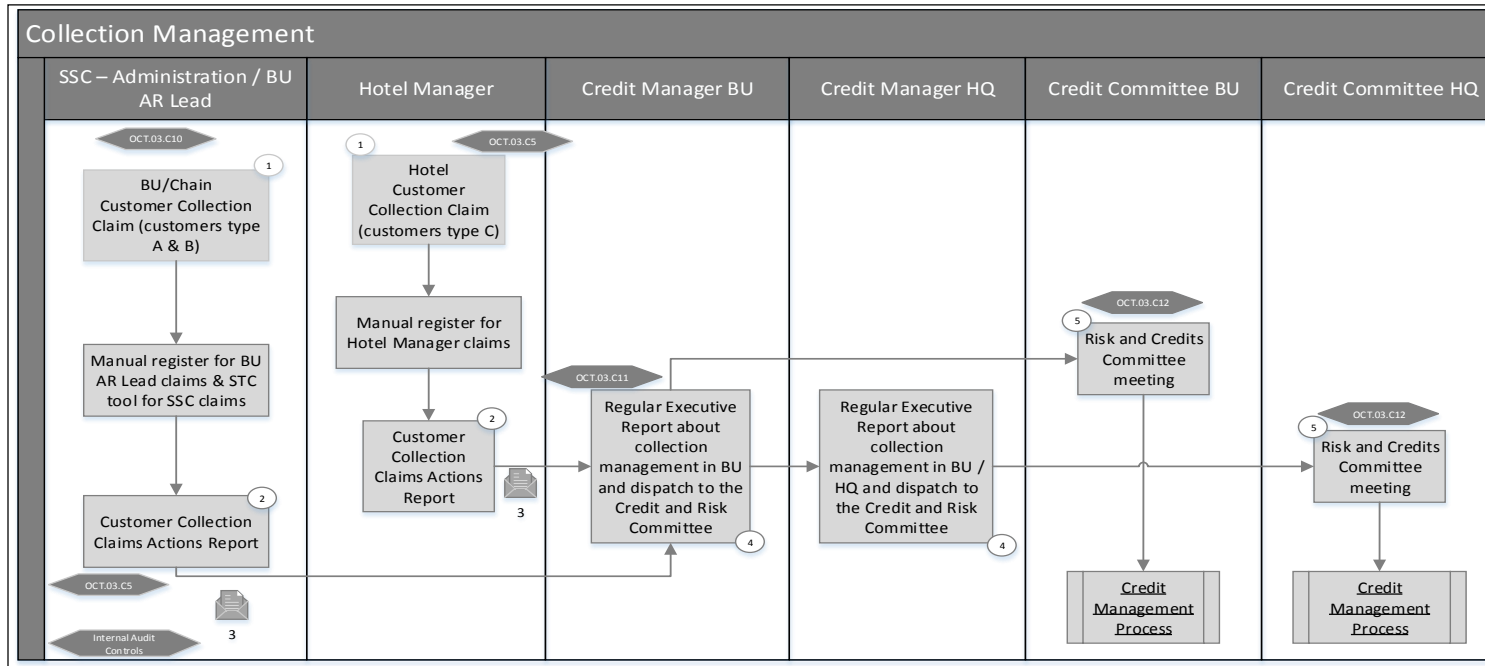
nh   HOTEL GROUP		Corporate IT & Organization Department	
Process: Receivables Accounts Management			
Subprocess: Collection Management			
Process Owner: Beatriz Puente		Proces Leader: Magdalena Goula / Francisco Morillo	
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Name	Function	Date	Comments
Beatriz Puente	Process Owner		
Francisco Morillo	Process Leader		
Modification History			
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**Subprocess:** Collection Management

**Process Owner:** Beatriz Punte

**Proces Leader:** Francisco Morillo



Shape	Name	Description
	Task	Represents a manual activity of the process.
	Automatic Task	Represents an automatic activity of the process.
	Flow direction	Input or output of the task or decision.
	Internal Audit Control	Controls defined by NH Internal Audit
	Systems	Applicatio or Tool.
	Start/End	Indicates the beginning or the end of a process.
	Manual Process	Manual Business process composed of tasks, decisions, flow directions, documents and
	Decision point	It is originated after one task and it generates two or another decision.
	Report or document	It is a physical or electronic file used as input or output of a task.
	Notifications	External/Internal Notifications.

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Order	Task	Task Description	When	Responsible	Frecuency	Tools ☰
1	<b>Claim of accounts receivable: BU / Chain customers:</b> <b>Customer type "A"</b> (list of customers defined by NH): Dunning activities managed by SSC except some customers managed by Account Receivable Lead <b>Customer type "B"</b> (all customers except those type "A" and "C") : Dunning activities managed by SSC	<b>Regular dunning activities shall be made as follows (accountabilities):</b> - BU AR Lead will manage claims of most type A customers (Global Accounts) with outstanding accounts receivable exceeding the credit limit or expired (ref. task 1 of Credit Management subprocess). - SSC will manage the rest of type A customers and all the type B customers (with billing average balance < 0.5 ME). It is expected SSC record the claims and collection efforts made through STC. <b>Notes:</b> - BU AR Lead will be responsible for assigning the type A customers SSC will manage/track. - In both cases (customers type A and B), the SSC will be responsible of the accounting records and closing activities (reconciliations) arising from the dunning activities (debt collected/recovered). - Create a manual repository or an internal claims management tool for Collection Management done by BU AR Lead <b>Exception in Germany:</b> Collection Management will be done from Administration Department located in the same country.	Daily	BU AR Lead / SSC	Daily	SAP_CRM: (Credit Amounts), SAP_FI (FBL5N, /CCSHT/AGING_CLI)
1 - AI	Internal Audit Control (OTC.03.C10)	For the monitoring of the collection of outstanding invoices the CSC use an specific programme, where the CSC informs of the actions taken (dunning letters, calls, emails, etc.)	N/A	BU AR Lead / SSC	Execution: Daily Testing: Yearly	Evidence: Actions registered in the tool
1	<b>Claim of accounts receivable_ Hotel customers:</b> <b>Customer type "C":</b> Dunning activities managed by Hotel	<b>Regular dunning activities shall be made as follows:</b> - Hotel Manager will manage the claims of all type C customers with outstanding accounts receivable exceeding the credit limit or expired (ref. task 1 of Credit Management subprocess). <b>Notes:</b> - SSC will be responsible of the accounting records and closing activities (reconciliations) arising from the dunning activities (debt collected/recovered) carried out by the Hotel Managers. - Hotel Managers shall keep track of all the performed dunning activities mentioned above ( <i>Track dunning activities NH.xls</i> template).	Daily	Hotel Manager / SSC	Daily	SAP_CRM: (Credit Amounts), SAP_FI (FBL5N, /CCSHT/AGING_CLI)  <i>Track dunning activities NH.xls</i>
2	Customer Collection claim outcome information and reporting with details of the collection efforts	BU AR Lead, the Hotel Manager (if it is requested) and the SSC will gather information during the month and prepare a Credit Management Report with details of the collection efforts. It is mandatory to include information about customers with: - higher % of overdue debt (main focus on > 60 days) and comparison with previous month; - higher % of discrepancies affecting collection of invoices; - main incidences.	5th working day of each month	BU AR Lead / Hotel Manager / SSC	Daily Monthly	SSC STC report + AR BU Lead+ Hotel Manager back up information
2 - AI	Internal Audit Control (OTC.03.C5)	There is in place a process for monitoring the collection of outstanding invoices. The actions taken are documented in a monthly report sent to the Credit Manager	N/A	BU AR Lead / Hotel Manager / SSC	Execution: Monthly Testing: Yearly	Evidences: a. Collection management report sent by the Hotel b. Collection management report sent by AR Lead c. Collection management report sent by the SSC
3	Sending report with details of the collection efforts	Sending to the BU Credit Manager a detailed report that reflects the main claims made and the most relevant incidences detected and informed.	5th working day of each month	BU AR Lead / Hotel Manager / SSC	Monthly	SSC STC report + AR BU Lead+ Hotel Manager back up information
4	Regular Executive Report about collection management in BU / HQ and dispatch to the Credit and Risk Committee	HQ / BU Credit Manager will prepare and deliver an Executive Standard Accounts Receivable and Credit Management Report for Chain/BU/Hotel customer credits which includes the most relevant incidents: - Total BU Accounts Receivable report sorted by aging buckets including information about evolution vs last months and/or vs overdue targets; - Global BU DSR report and DSR per customer for top 20 customers (this latter when available); - Executive summary showing most relevant incidences in the management of credit in the period analyzed and action plans to mitigate the risk; - Specific summary for Top BU/Chain customer credits that include total AR information (current + overdue + discrepancies).  In addition, the report will include the following information (ref. task 1 of Credit Management subprocess): - Customers with credit limit exceeded; - Customers with overdue debt; - Customers with credit limit exceeded and overdue debt.  BU Credit Manager will request to Hotel Manager the track of performed dunning activities document (Excel file) only for those customers he would have considered appropriated based on an aging analysis. In addition, he will communicate/share such document with the BU Credit & Risk Committee to define the appropriate actions that will be taken.	12nd working day of each month	BU / HQ Credit Manager	Monthly	Internal Office Report & Accenture Std Aging deck + Credit Manager input from BU managed accounts + Hotel Manager feedback for Hotel Credit accounts
4 - AI	Internal Audit Control (OTC.03.C11)	On a Monthly basis the BU Credit Manager/AR Lead/SSC prepares an Executive Standard Account receivable and credit Management Report for Chain/BU/Hotel credit customers to be sent to BU FD's + SVP Admin HQ + HQ Credit Manager	N/A	BU Credit Manager	Execution: Monthly Testing: Yearly	Evidence: Monthly Executive Collection Management Report
5	BU/HQ Credit & Risk Committee Meeting	Credit & Risk Committee (BU/HQ) analyzes the level of collection of the dunning activities carried out by the BU AR Lead, the Hotel Manager and the SSC, and based on it, will make appropriate decisions about (ref. task 6 of Credit Management subprocess): - The reduction or cancellation of credit lines. - The increase of the guarantees (% of the credit line amount requested through a bank guarantee). - The granting of special credit lines. - The formalization of claims (from the Committee) to customers with high delinquency rate and/or high risk indicator (4) <b>Notes:</b> - BU Credit & Risk Committee shall consist of: BU Finance Manager, BU Commercial Manager, BU Credit Manager and BU Operating Manager. - HQ Credit & Risk Committee shall consist of: Finance SVP, Chief Commercial Officer, HQ Credit Manager and Operations SVP.	15th working day of each month	BU/HQ Credit & Risk Committee Meeting	Monthly	Minute
5 - AI	Internal Audit Control (OTC.03.C12)	On a monthly basis the Credit Committee performs a monitoring of the collection management process carried out by each BU: DSR, significant issues, Action Plans	N/A	Credit Committee	Execution: Monthly Testing: Yearly	Evidence: Minutes of the Credit Committee