

MICROSOFT

Improving Efficiency In Microsoft Payment Incentives

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Microsoft Incentive Operations (MIO) is responsible for launching, improving, and supporting multimillion dollars' worth of annual partner transactions globally. The complexity of these processes has grown exponentially as partners, payment options, products, and regulations have increased. The Tauber team successfully created an anomaly detection tool to identify inconsistencies in upstream data, used Robotic Process Automation (RPA) to automate manual tasks, and developed dashboards to provide comprehensive views of payment processes. These tools have not only promoted cost and time savings, but improved the accuracy of payments to partners.

During each payment cycle, a percentage of the transactions MIO manages are impacted by calculation and payment issues. Within the calculation process, there was previously no system built for program owners to proactively monitor data quality. Furthermore, issues found in the calculation process previously took on average 31 days to resolve. In a 45-day end-to-end payment cycle, this provided a huge risk for the On-Time and Accurate (OTA) payment metric that MIO is measured on. To solve this, the Tauber team built an anomaly detection dashboard that uses upstream pre-calculation data to model and flag abnormal data points. The model is continuously trained and has allowed MIO a 10-day head start for proactive data monitoring. This anomaly tool would have detected 32% of the total calculation errors and 92% of data ingestion errors found in FY20. Converting to financial savings, the tool has a \$2.7 million impact on the incentive program it is implemented on. If scaled to all 40 programs, direct financial impact could potentially equate to \$12.8 million in savings.

Adjustments are performed when payment amounts need to be modified. Most incentive programs process these types of adjustments each month. The tasks to complete the adjustment processes were manual, repetitive and time consuming as vendors would spend nearly 20 hours a month per program. As a result, the Tauber team used RPA to increase the quality of payments, decrease the processing time, and reduce overhead costs. The team built a tool that was the foundation of Minimal Viable Product (MVP) and would save 10 hours per month per program. When scaled to other MIO processes, RPA would save 16+ hours per month per program.

Additionally, in order to provide end-to-end views of the payment processes, the Tauber Team built dashboards based on three different payment periods: Pre-Payment, Active Payment, and Post-Payment. The dashboards have provided visibility on OTA 10 days earlier than before and assisted MIO to identify and perform proactive interventions.